

CONTRACT BETWEEN
INDIANAPOLIS NEWSPAPERS INC.

and the

INDIANAPOLIS NEWSPAPER GUILD

~~Oct. 5, 2005, through Dec. 31, 2008~~
[Date of signing, 2009, through two years later]

THIS AGREEMENT is executed this [insert date of signing here] ~~5th day of October 2005~~ between Indianapolis Newspapers Inc., a corporation, hereinafter designated as the Employer, and the Indianapolis Newspaper Guild, a local chartered by The Newspaper Guild/CWA, hereinafter designated as the Guild, Local No. 70/CWA Local 34070, acting for itself and on behalf of the employees in the editorial department of *The Indianapolis Star* and in the building services department of Indianapolis Newspapers Inc., headquartered at 307 N. Pennsylvania St.

Jurisdiction of the Guild, Local No. 34070, shall include all work presently performed within the unit covered by this contract. Performance of such work, whether by presently or normally used processes or equipment or by new or modified processes or equipment, shall be assigned to employees of the Employer covered by this contract, provided that employees exempt from the bargaining unit pursuant to Article I below may perform bargaining unit work. The Employer may distribute with or as a part of *The Indianapolis Star* editorial content that is prepared by publications or sources outside *The Indianapolis Star*, material that is advertorial in nature wherever it is produced, as well as material prepared for use in *The Indianapolis Star* on-line product, wherever it is produced. Advertorial material shall be clearly labeled as such. No bargaining unit employee will lose his/her position, classification or current wage scale as a result of the use of outside materials, or as a result of employees exempt from the bargaining unit performing bargaining unit work.

ARTICLE I EXEMPTIONS

Excluded from the application of this agreement are all managerial and supervisory employees and all confidential secretaries. Current managerial and supervisory employees and confidential secretaries are as follows:

Administration

Editor and Vice President
Executive Editor New Media/Non Daily
Managing Editor / Daily
Administrative Assistant to the Editor and Vice President
~~Associate Editor/Reader Relations/Administration~~ Administrative Editor
~~Associate Editor/Partnerships~~
~~Head Librarian (Library Director)~~
~~Recruitment & Development Editor~~
~~Newsroom Systems Manager (CCI)~~

~~Editorial~~–Conversation Central

~~Editorial Page Editor~~ Editor/Opinion and Community Conversations
Associate Editor
Administrative Assistant to Editorial Page Editor–Editor/Opinion and Community Conversations

~~Local News~~–Public Service and Community Newspapers

~~Assistant Managing Editor/Local News~~ Senior Editor / Public Service
Deputy Editor/Public Service
~~Assistant Managing Editor/Projects~~ Deputy Editor/Public Service
~~Assistant Metro Editor/Education and G.A.~~ Metro Editor
~~Assistant Metro Editor/Marion County and Indianapolis~~ Metro Editor
~~Assistant Metro Editor/State Government and Issues~~ Metro Editor
~~State Editor~~ Metro Editor
~~Suburban Editor~~ Community News Editor
~~Assistant Metro Editor/North South/East/West~~ Editor
Noblesville Editor
Assistant Editor for Public Service

~~News Desk~~–Copy Central

~~Assistant Managing Editor/Nights~~ Senior Editor /Copy Desk and Planning
~~Metro~~ Copy Desk Chief Public Service
~~Local~~ Copy Desk Chief Public Service/Business
~~Suburban~~ Copy Desk Chief Community News

Features MyLife

~~Assistant Managing Editor/Features~~ Senior Editor/MyLife
~~Features~~ Custom Content/MyLife Copy Desk Chief
~~Arts/Entertainment Editor~~ Arts/Events Editor
~~Features Editor~~ Lifestyles Editor
~~Assistant Features Editors(5)~~ Magazine Editor
Go!Indy.com Editor

Business

~~Assistant Managing Editor/Business~~
~~Assistant Business Editor~~
~~Business Copy Desk Chief~~
~~Deputy Business Editor~~

Visuals

~~Assistant Managing Editor/Visuals~~ Senior Editor/Visuals
~~Newsroom Systems Manager (CCI)~~

Photo

~~Director of Photography~~
~~Deputy Director of Photography~~

Sports

~~Assistant Managing Editor/Sports~~ Senior Editor/Sports
~~Sports Editor~~
~~Assistant Sports Editors (4)~~
~~Sports Copy Desk Chief~~

Graphics/Design

~~Graphics Editor~~
~~Day~~ Design Editor
Night Design Editor
~~Assistant Managing Editor/Visuals~~
~~Design Editor~~
~~Features Art Director~~ Custom Content Design Director / Prototypist
Editorial Creative Director / Magazines

Building Services

~~Facility Manager~~
~~Assistant Building Services Managers (2)~~
~~Day/Night Building Services Supervisors (5)~~
~~Administrative Assistant to Facility Manager~~

Online-Digital Central

~~Director Online~~ Digital News Director
~~Online Content Manager~~ Digital Operations Director
Library Director / Database Manager
Calendar editor

~~Intake~~

~~Editor and General Manager~~

~~Assistant Editor/Content~~

~~Assistant Editor/Operations~~

ARTICLE II PART-TIME AND TEMPORARY CLASSIFICATIONS

Section 1. A part-time employee is an employee who regularly works less than thirty (30) hours per week in any classification. Part-time employees shall be paid on an hourly basis at not less than the minimum hourly rates established under the experience classification of this agreement. Employees who regularly work thirty (30) hours or more but less than forty (40) shall be considered full-time employees and receive all benefits due full-time employees. Those employees shall receive paid time off in proportion to their hours worked.

Section 2. Part-time employees who work thirty (30) hours or more for thirteen (13) consecutive weeks and thereafter average at least twenty-five (25) hours per week shall be entitled to the following benefits:

- Regular health insurance programs
- Prorated paid time off (vacations, personal leave days, sick time, holidays, jury duty, bereavement)
- Short term disability and long term disability
- Benefits as listed as Article XX (see pages 22 and 23)

Part-time employees not eligible for hospital and insurance program benefits shall be eligible for the following prorated paid time off:

- Vacation
- Sick time
- Jury duty
- Bereavement

Part-time employees who were hired before the signing date of this agreement who are not eligible for hospital and insurance program benefits shall retain all of their current benefits in proportion to time worked, including vacation, sick time, jury duty, bereavement, personal leave and all benefits listed in Article XX for which they meet eligibility requirements. For those who work a holiday, they will receive holiday pay.

Section 3. A temporary employee is one who is employed for a limited time only, not to exceed ninety (90) days. A second ninety (90) day period may be granted by mutual agreement of the Employer and the Guild, but upon expiration of this second

period, the temporary employee may only continue employment with the Company as a regular employee. Temporary employees are not eligible for benefits or holidays. Temporary employees shall be paid at rates not less than the minimums established under the experience classification of this agreement. Temporary employees shall not receive severance pay on termination of contemplated period of employment and shall be excluded from leaves of absence. However, in the event that a temporary employee is subsequently hired as a regular employee, the period of most recent temporary service shall be included in all calculations for benefits.

Section 4. The Employer shall notify the Guild whenever part-time, military replacement or temporary employees are placed on the payroll, and the probable duration of employment. The Employer shall also notify the Guild whenever there is a change in the employment status of such employees.

Part-time or temporary employees are not to be used to eliminate, make unnecessary or displace permanent, full-time employees. However, this would not apply when a full-time position is involuntarily reduced to a part-time position and when the full-time employee is assigned or offers to work the part-time job and is paid his/her severance pay, in which instance the employee in question must be the one most recently hired in the classification, and that employee shall be offered the first full-time position available in that classification. When there is no involuntary reduction of a full-time position and an employee initiates and is granted a voluntary move to part-time from a full-time position, he/she shall receive severance for all full-time work previously performed for the Employer, if the individual is subsequently terminated and is eligible for severance.

ARTICLE III RATES OF PAY

Section 1. The following minimum wages shall be in effect for work during the term of this contract: [NOTE: The annual pay progressions shall remain in the contract, listed in this Section 1, but shall not be utilized during the term of this agreement. Therefore, individuals who are not at the top of their respective scales will not advance in the scales during the term of this agreement. Employees will receive reductions in pay, on the dates designated, relative to their current pay rate. Merit pay increases will not be given during the term of this agreement but the provisions of merit pay in this Section 1 shall remain in the contract. Wages will otherwise be frozen for all employees during the term of this agreement.]

Minimum Rates of Pay

	Current	July 1, 2009 (-8%)	Oct. 1, 2009 (-4%)
<u>Group 1. Copy Editors, Reporters, Artists, Designers, Photographers, Online Editors</u>			
During 1 st Year	\$537.73	\$494.71	\$473.20
During 2nd Year	\$582.47	\$535.87	\$512.57
During 3 rd Year	\$627.47	\$577.27	\$552.17

Deleted: \$474.92

Deleted: \$514.44

Deleted: 554.18

During 4 th Year	\$672.22	\$618.44	\$591.55	Deleted: 593.70
During 5 th Year	\$761.70	\$700.76	\$670.30	Deleted: 672.73
During 6 th Year	\$896.19	\$824.49	\$788.65	Deleted: 791.5
Level I	\$777.78	\$715.56	\$684.45	Deleted: 1
Level II	\$895.20	\$823.58	\$787.78	Deleted: 686.94
Level III	\$1,018.80	\$937.30	\$896.54	Deleted: 790.64
Group 1A. Editorial Writers and Photo Editors				Deleted: 899.81
Level I	\$895.20	\$823.58	\$787.78	Deleted: 790.64
Level II	\$1,018.80	\$937.30	\$896.54	Deleted: 899.81
Group 2. Paraprofessionals				
During 1 st Year	\$484.38	\$445.63	\$426.25	Deleted: 427.80
During 2 nd Year	\$537.46	\$494.46	\$472.96	Deleted: 474.68
During 3 rd Year	\$590.53	\$543.29	\$519.67	Deleted: 521.56
During 4 th Year	\$643.85	\$592.34	\$566.59	Deleted: 568.65
Group 3. Library Assistants-Researchers				
During 1 st Year	\$396.19	\$364.49	\$348.65	Deleted: 349.91
During 2 nd Year	\$447.98	\$412.14	\$394.22	Deleted: 395.65
During 3 rd Year	\$491.67	\$452.34	\$432.67	Deleted: 434.25
During 4 th Year	\$546.31	\$502.61	\$480.75	Deleted: 482.51
Level I	\$679.36	\$625.01	\$597.84	Deleted: 600.01
Level II	\$777.60	\$715.39	\$684.29	Deleted: 686.77
Level III	\$895.20	\$823.58	\$787.78	Deleted: 790.64
Group 4. Secretaries				
During 1 st Year	\$430.80	\$396.34	\$379.10	Deleted: 380.49
During 2 nd Year	\$492.46	\$453.06	\$433.36	Deleted: 434.94
During 3 rd Year	\$553.84	\$509.53	\$487.38	Deleted: 489.15
During 4 th Year	\$615.49	\$566.25	\$541.63	Deleted: 543.60
Group 5. Office Clerical				
During 1 st Year	\$359.00	\$330.28	\$315.92	Deleted: 317.07
During 2 nd Year	\$381.38	\$350.87	\$335.61	Deleted: 336.84
During 3 rd Year	\$404.00	\$371.68	\$355.52	Deleted: 356.81
During 4 th Year	\$448.75	\$412.85	\$394.90	Deleted: 396.34
Group 6. Building Services				
During 1 st Year	\$280.95 \$290.00	\$258.47 \$290.00	\$280.95 \$290.00	
During 2 nd Year	\$295.53	\$271.89 \$290.00	\$261.01 \$290.00	
During 3 rd Year	\$310.10	\$285.29 \$290.00	\$273.88 \$290.00	
During 4 th Year	\$324.66	\$298.69	\$286.74 \$290.00	
During 5 th Year	\$339.23	\$312.09	\$298.52	Deleted: 299.61
During 6 th Year	\$353.79	\$325.49	\$311.34	Deleted: 312.47
During 7 th Year	\$368.36	\$338.89	\$321.16	Deleted: 325.33
Those hired before 2/1/94	\$451.61	\$415.48	\$397.42	Deleted: 398.86
Group 7. Copy Messengers				
During 1 st Year	\$339.75	\$312.57	\$298.98	Deleted: 300.07

During 2 nd Year	\$350.16	\$322.15	\$308.14 Deleted: 309.26
-----------------------------	----------	----------	-------------------------------------

a. The minimum for group leaders shall be not less than five dollars (\$5.00) above the minima.

Employees who have not reached the top minimum scale and who are paid above the minimum level for their experience shall maintain that differential as they progress up the steps.

The Employer regards the above rates as minimum and intends to acknowledge individual job performance that is acceptable or better with merit raises above the minimum. Those employees with performance ratings of three (3) or higher, with wage rates in the third quartile of their range or lower, will receive at least a one (1) percent merit increase.

Those employees with wage rates in the fourth quartile or above may be eligible to receive either merit raises or lump sums, at the discretion of management.

The Employer shall establish and distribute in full an annual minimum merit pool from which merit increases will be allocated to bargaining unit employees, as individually determined by the Employer. The merit pool will fund merit increases to the employee's hourly base pay, lump sum payments and equity adjustments. It will not fund promotional increases. The size of the merit pay pool for each calendar year shall be calculated as described in side letter #3 (see pages 26 and 27). Decisions regarding meritorious performance and the granting of individual merit increases are to be made at the sole discretion of the Employer. The merit pay pool shall contain the following minimum percentages of annual calculation of base pay as calculated in side letter #3 for bargaining unit employees:

2005	2.0%
2006	2.0%
2007	2.0%
2008	2.0%
2009	<u>0%</u>
2010	<u>0%</u>

Employees shall be considered for merit raises on or before their employment anniversary date. In the event that a merit raise is granted after the employee's employment anniversary date, the raise shall be retroactive to the anniversary date. The employee's overall performance rating, as determined by the employee's annual performance review, will determine the employee's eligibility for a merit raise. An employee's wage rate shall not be reduced as a result of a performance evaluation rating.

Nothing in the application of merit pay shall be construed as requiring a reduction in the hourly rate applicable to employees on the date of execution of this Agreement. Merit increases, once given, shall not be taken away, it being understood this would not apply in the case of a demotion.

Individual performance reviews and/or merit increases are subject to the grievance process, but there shall not be an arbitration option. The Guild may grieve and arbitrate contractual issues related to this section. The Employer shall inform the Guild of each individual's merit increase within thirty (30) days after the increase takes effect.

Performance evaluation criteria will be reviewed and updated annually by the Company for all bargaining unit departments. Upon request, managers will provide pay range information to employees during their annual performance review. The Company will advise the Guild if any pay ranges are revised for Guild-covered positions. Pay range information is to be handled in a confidential manner.

Section 2. Experience in respect to pay classifications in the editorial department shall include all permanent, full-time employment in an editorial capacity on any daily newspaper or wire service. The Employer shall consider relevant experience on college newspapers, fellowships and internships as well as work for news or feature syndicates, press associations or recognized news magazines. However, experience credit for work other than permanent, full-time employment on a daily newspaper or wire service shall be granted at the discretion of the Employer.

Experience with respect to pay classifications for secretaries, clerks and copy messengers shall include all full-time or part-time employment in similar or related positions either at a newspaper, public or private enterprise, or business.

Experience in respect to pay classifications for librarians shall include all permanent, full-time employment in similar or related positions either at newspaper libraries or at other public or private libraries. The Employer shall consider relevant experience in part-time work in any library position or library internships. However, experience credit for any part-time work or internships shall be granted at the discretion of the Employer.

Experience with respect to pay classifications for building services shall include all permanent, full-time employment in similar or related positions. The Employer shall consider all relevant part-time experience, but any credit granted in such cases shall be at the discretion of the Employer.

For those jobs with Levels I, II or III, management will determine whether an employee will be designated as Level I, II, or III, based on demonstrated ability, reliability, responsibility, and experience. Management will begin to designate employees in 2006. There will be a six (6) month review period for the initial designations. Management's decision may be grieved but may not be a subject for arbitration.

Section 3. Management may require personnel to use whatever news-gathering tools are necessary to carry out an assignment. For example, reporters may be required to take photographs and/or video incidental to their work. Photographers may be required to

contribute news matter, including but not limited to identification for photographs submitted, and recording audio on a tape recorder. The Employer will provide necessary equipment and training. An employee's performance evaluation will not be negatively affected by the quality of work outside his/her primary job responsibilities. The assignment of non-primary duties shall not change the primary job responsibilities for a job classification without negotiation between the Employer and the Guild.

Section 4. There shall be no reduction in salaries providing, however, that any supervisory employee covered by this contract being removed from his/her position may accept a reduction in salary (to a wage rate not less than the minimum for their new assignment commensurate with their experience) and remain on the staff with the approval of the Employer if the employee so elects. Should such an instance arise, the Guild, Local No. 34070 shall be notified of the job change. There shall be no dismissals solely as a result of putting this contract into effect.

Section 5. Employees who volunteer to be placed in lower classified positions or move from full time to part time may have their pay and/or hours adjusted accordingly. The Company will address performance deficiencies rather than involuntarily demote employees.

ARTICLE IV HOURS

Section 1. The regular work week shall be forty (40) hours in length.

Section 2. The Employer shall have the right to schedule regular straight-time shifts in lengths of either 8 hours per day within 9 consecutive hours, or 10 hours per day within 11 consecutive hours. The Employer has the right to determine which option will be used for particular jobs, shifts and/or departments.

The Employer shall give 30 days' notice in advance of changing a position from eight (8) to ten (10) hours per day or vice versa. At the time notice is given, the Employer will solicit volunteers for new assigned hours from within the affected department. In the event there are not enough volunteers from within the affected department to fill the new assigned hours, the Employer will seek qualified volunteers from outside the department. Any employee in the affected department who does not wish to work the new assigned hours may transfer to a new assignment when both the employee and the Employer agree. Failing to obtain an approved transfer, the affected employee will work the new assigned hours.

Section 3. The Employer shall compensate for unplanned or emergency overtime at the rate of one and one-half (1½) times the regular scale for any time over nine (9) hours in one (1) day for employees working a five-day, eight-hour schedule. Overtime at the same rate shall be paid for any time over eleven (11) hours for employees working a four-day, 10-hour schedule. The Employer shall compensate for planned overtime, scheduled in advance, at the rate of one and one-half (1½) times the regular scale for any

time over eight (8) hours in one day for employees on a five-day, eight-hour schedule or for any time over ten (10) hours in one day for employees working a four-day, 10-hour schedule.

Section 4. Overtime premium pay of time-and-a-half will be paid an employee for all hours worked beyond forty (40) in a financial week. For purposes of computing overtime premium pay, excused absence with pay shall count as hours worked. Unexcused absence, or absence not paid for, shall not count as hours worked.

Section 5. An employee called back to work after completing his/her full regular straight time shift and leaving the premises will receive a minimum of three (3) hours of pay at the overtime rate of one and one-half (1½) times his/her appropriate rate of pay.

Section 6. Employees called to work on their day off will receive a minimum of four and one-half (4½) hours' work at their appropriate rate of pay.

Section 7. Employees may change designated days off within any given week with the consent of the Employer.

The Employer will permit flexible hours, job-sharing and work out of homes when both the employee and the department head agree to the arrangement. Written records will be kept of such agreements.

Section 8. Where practical, without prejudicing news coverage, all overtime ~~will~~ must be approved in advance by the Employer. Employees shall report all overtime within seventy-two (72) hours after completion of the overtime services. The Employer shall keep a record of all overtime and shall make that record available to the Guild on request in case of dispute.

Section 9. The hours and overtime provision herein specified shall not apply to employees whose primary function is ~~is limited to~~ the writing of a signed column ~~only~~, Sports Beat Writers, and Cartoonists.

Section 10. The editorial writers and reporters regularly assigned to beat coverage shall work a forty (40) hour week so divided as to meet the requirements of their duties. A split shift may be scheduled if necessary to accommodate news coverage relevant to a beat or assignment. When a split shift is not necessary, the language of this section is still subject to the provisions of Section 2 of this Article.

Section 11. Days off shall be regular and consecutive, subject to change on two (2) weeks' notice or by mutual consent. Hours of work shall be regular and shifts will not be changed except on one (1) week's notice, by mutual consent, or in instances of emergency. When an employee is called to work before his/her regular starting time, excepting under the above conditions, he/she shall be paid time-and-one-half for the time worked before his/her regular starting time, straight time for the remainder of his/her regular shift, and time-and-one-half (1½) for any additional time worked. Employees scheduled for four 10-hour shifts shall have at least two (2) consecutive days off.

ARTICLE V SEVERANCE ALLOWANCE AND DEATH BENEFITS

Section 1. Severance allowance will be paid to full-time employees in the event of dismissal equal to one (1) week's pay for each 12 months of service, up to 26 weeks maximum. Employees who have accrued severance in excess of 26 weeks as of the ratification date of this Agreement shall retain that amount of severance but shall not accrue any additional severance. Employees who have accrued less than 26 weeks will keep the severance accrued under the previous formula and will continue to accrue severance under the new formula, to a maximum of 26 weeks.

Severance pay upon dismissal shall not be paid in the event of:

- (1) willful misappropriation of Employer funds (involving intentional rather than solely a technical misappropriation);
- (2) outside work of an employee interfering with the performance of his/her regular duties, the Employer having the burden of proof;
- (3) deliberate action by the employee, proved by the Employer to be taken with the primary purpose and intention of provoking dismissal, the Employer having the burden of proof;
- (4) drunkenness or drinking on Company property during an employee's work shift;
- (5) material, deliberate and willful falsification of records or reports;
- (6) gross insubordination or gross misconduct; or
- (7) violation of current Company policy on sexual or racial harassment.

The parties agree that terminations for attendance violations, following progressive discipline, constitute insubordination or gross misconduct and are within number six (6) above.

Section 2. The Employer agrees to keep in effect during the life of this contract insurance whereby, upon the death of any employee, the beneficiary of such employee will receive \$20,000.00. Further, employees may participate in the Supplemental Life Insurance, Family Life Insurance and Accident Insurance Plans on exactly the same basis and to the same extent (including premium costs) as offered to employees not covered by a collective bargaining agreement. New plans may be added, existing plans may be eliminated or modified, and premium payments increased or decreased, it being understood that any such additions, eliminations or modifications shall be on the same basis and to the same extent as applicable to employees not covered by a collective bargaining agreement. Either party may propose changes to this benefit in negotiations for a successor collective bargaining agreement, but it is understood that this "same basis" practice will continue during negotiations as the status quo until such time as a change has been made through negotiations.

ARTICLE VI SENIORITY

Section 1 (A) Layoffs to reduce the force may be made as the exigencies of the business require. The Publisher shall decide when and how many employees shall be laid off, and shall provide that information to the Guild before announcing the layoffs to the employees. The decision on when and how many employees shall be laid off shall not be subject to the grievance and arbitration procedures. Employees who are laid off shall receive severance in accordance with the provisions of Article V, but at minimum will receive two weeks of severance.

(B) The Publisher may identify positions deemed expendable within each of the following classifications: 1 – photo; 2 – reporter; 3 - page designer; 4 - copy editor; 5 – researcher; 6 - building services; 7 - graphic artist; 8 – paraprofessional; 9 - online editor; 10 - copy messenger; 11 – clerk; 12 - editorial writer, columnist, cartoonist; and 13 – secretary, and lay off employee(s) in said classifications. The Publisher shall consider the following factors in determining which employees are to be laid off from those classifications, in the following order of priority: (a) seniority, (b) individual skills and abilities, and (c) individual performance history and disciplinary history. If, after evaluating the employees using the above criteria, the Publisher determines there are two or more individuals of equal qualifications, they will be ranked by seniority. The Publisher’s judgment and assessment of these factors shall not be subject to the grievance and arbitration procedures; however, the Guild may grieve and arbitrate a failure to follow the provisions of this Article VI.

(C) Nothing in this Article shall preclude the Company from offering early retirement incentives or employee buyouts to members of the bargaining unit. The Publisher shall have sole discretion over whether any such incentives will be offered and what terms will be offered.

(D) An employee dismissed pursuant to this Article shall have first preference for re-employment for two (2) years, provided that such employee keeps the Employer notified of each change of address.

Section 2. The Employer agrees to provide to the Guild a statement showing the name, home address, classification, date of hiring, experience bracket and experience anniversary of each employee, in writing, within a week of the date of employment.

ARTICLE VII VACATIONS

Section 1. Employees shall take an annual vacation. In the first year, employees may take a week of vacation after three (3) months. In years two (2) to four (4), employees will earn vacation at the rate of two (2) weeks a year. In years five (5) to

eleven (11), employees will earn vacation at the rate of three (3) weeks a year. In year 12 and each year after, employees will earn vacation at the rate of four (4) weeks a year. In the fifth and twelfth years of service, employees may take their additional week of vacation anytime after Jan. 1 if approved by management.

For those employees entitled to a fourth week of vacation, the Employer will endeavor to allow four (4) consecutive weeks. However, when this is impractical, a split vacation may be necessary.

Vacation shall not be carried over from one year to the next. The employee has the obligation to schedule his/her vacation days in a timely manner. Those employees with unscheduled vacation as of Oct. 1 may have their remaining vacation scheduled by management. Once management has assigned vacation time to affected employees, the Employer shall make a reasonable effort to accommodate any employee who requests a change in the assigned date(s) due to a family emergency situation. At the end of the calendar year, if an employee has vacation time that has not been granted or assigned by the Employer, that employee shall have such unused vacation compensated in cash. Such compensation shall be paid by the end of the following January.

Section 2. Vacations, whenever possible, shall be assigned according to seniority up to April 1, with approval or rejection of requests by April 15. After April 1, vacation shall be on a first-come basis. Vacation time requests made between April 2 and Sept. 15 must be approved or rejected within two (2) weeks of the request. Vacation time requests made between Sept. 16 and Sept. 30 must be approved or rejected within one week of the request.

Section 3. When an employee is dismissed, retires, resigns or enters into the armed forces, he/she shall receive in cash, in lieu of vacation, one (1) day's pay for each day of earned, yet unused, vacation time due him/her. Such vacation time will be computed from the anniversary date of employment.

Section 4. An employee whose vacation includes a holiday shall receive an additional day of vacation.

ARTICLE VIII PERSONAL LEAVE DAYS

Section 1. An employee who regularly works thirty (30) or more hours per week shall receive up to a maximum of seven (7) personal leave days with pay in a calendar year, on the following basis:

- a. An employee with twelve (12) months of continuous employment in the preceding calendar year shall receive seven (7) personal leave days.
- b. An employee with at least nine (9) but less than twelve (12) months of continuous employment in the preceding calendar year shall receive four (4) personal leave days.

c. An employee, with at least six (6) but less than nine (9) months of continuous employment in the preceding calendar year, shall receive three (3) personal leave days.

d. An employee with at least three (3) but less than six (6) months of continuous employment in the preceding calendar year shall receive two (2) personal leave days.

Section 2. Personal leave days are earned in one (1) calendar year and are to be taken in the following calendar year.

Section 3. Personal leave days are to be taken at a time mutually agreeable to the Employer and employee.

Section 4. If the Employer is unable to grant personal leave days or parts of personal leave days to be taken during the calendar year, the employee will have such unused personal leave days paid for in cash. Personal leave days shall not be cumulative. The employee has the obligation to schedule his/her personal leave days in a timely manner.

ARTICLE IX HOLIDAYS

Section 1. The following days -- New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas Day -- will be regarded as holidays. Holiday provisions will apply to the day and night of the holiday itself or to the day and night generally observed as the holiday. Note: When New Year's Day, Independence Day or Christmas Day falls on a Saturday or Sunday, holiday provisions will apply to that day, regardless of whether it is generally observed on Friday or Monday.

Section 2. The Employer will endeavor to work a reduced staff on these days. No employee will generally be required to work more than three holidays per calendar year. Before department heads assign employees to work on a holiday, they shall seek volunteers among qualified workers.

Section 3. An employee required to work on a holiday that is his/her regular work day shall be paid at one-and-one-half (1½) times his/her regular rate for the first three (3) hours and double time thereafter.

Section 4. Any employee not required to work on a holiday that occurs on his/her regular day off shall, at the option of the Employer, either receive pay for that holiday (producing a sixth day that week but not counting toward overtime) or shall be given a day off with full pay on a regular work day in that work week or ~~the following week~~ within the 21 days following the holiday.

An employee may express a preference on which days to take off to his or her supervisor but the supervisor will ultimately determine which day off will be assigned.

Section 5. An employee who works on a holiday that is his/her regular day off shall be paid at one-and-one-half (1½) times his/her regular rate for the first three (3) hours and double time thereafter, for the hours actually worked, with a minimum of four-and-one-half (4½) hours. This is in addition to the provisions of Section 4.

ARTICLE X SICK LEAVE

Section 1. Employees shall have individual sick days, short-term disability leave and long-term disability leave on the same basis and to the same extent as provided to employees not covered by a collective bargaining agreement. New plans may be added, existing plans may be eliminated or modified, and premium payments instituted, increased or decreased, it being understood that any such additions, eliminations or modifications shall be on the same basis and to the same extent as applicable to employees not covered by a collective bargaining agreement.

Section 2. Except in cases of emergency, employees will notify the Employer in advance when unable to report for duty on account of sickness or accident.

In the event of an emergency, the employee will contact the Employer as soon as time permits. Documentation may be requested by the Employer.

Section 3. An illness on a day that an employee is scheduled to work shall be regarded as a sick day. An illness that occurs while an employee is on vacation or on a personal leave day shall not be considered a sick day.

Section 4. The Employer shall offer all eligible employees the Employer health insurance plans on exactly the same basis and to the same extent (including employee's premium payments) as offered to employees not covered by a bargaining agreement. New plans of coverage may be added, existing plans may be eliminated or modified, and premium payments increased or decreased, it being understood that any such additions, eliminations or modifications shall be on the same basis and to the same extent as applicable to employees not covered by a bargaining unit. Either party may propose changes to this benefit in negotiations for a successor collective bargaining agreement, but it is understood that this "same basis" practice will continue during negotiations as the status quo until such time as a change has been made through negotiations.

If during the life of the contract, the Employer agrees to different health care language with another bargaining unit, the Guild will have the right to elect the different language, if it so chooses. It is understood that this plan will include dental, vision, voluntary participation in the Employer's flexible spending account (for both medical and dependent care) and a major medical maximum of \$1 million per person.

Section 5. Employees who still have sick bank time available shall receive from the Employer an account statement each year, by the end of January, detailing how much time they have left in their sick bank.

ARTICLE XI SECURITY

Section 1. There shall be no discharge except for just cause. Reduction in the staff because of lack of need for services is just and sufficient cause for the discharge and shall not be subject to arbitration.

Section 2. Insufficient ability, after written warning, shall be a just and sufficient cause for dismissal. The Employer shall be the sole judge of the ability required. However, the Guild reserves the right to present as a grievance and arbitrate a charge that alleged insufficient ability or lack of ability is not the actual grounds for discharge.

Section 3. New hires in the bargaining unit will be considered probationary employees during the first six months (6) of their employment. In cases where performance problems are discovered, this probationary period may be extended for three (3) months with the consent of the employee, the Guild and the Employer. The discharge of a probationary employee shall not be subject to the grievance provisions of the contract, and the severance provisions of the contract shall not apply to employees until they have successfully completed the probationary period.

Section 4. The Guild, Local No. 34070, shall be notified in writing of any discharge, with the reason for such discharge stated in such notice.

Deleted: 70

Section 5. There shall be no discharge of any employee because of his/her membership or activity in the Guild. There shall be no discrimination against any employee because of his/her membership or lack of membership in the Guild. There shall be no interference or attempt to interfere with the legal operation of the Guild.

Section 6. No employee covered by this contract will lose employment with the Employer solely as a result of the introduction of new equipment.

Section 7. The Employer will furnish each employee with any written warnings or written performance appraisals, copies of which will be included in his/her personnel file. An employee shall have the right to review his/her personnel file periodically. The employee shall be allowed to place a response in such file to any item contained therein.

ARTICLE XII GRIEVANCES AND ARBITRATION

Section 1. Should differences arise between the Employer and the Guild or any employee covered hereunder, as to the meaning or application of the provisions of this agreement, such differences shall be settled promptly and peacefully. To be considered timely, a grievance must be filed in writing with the aggrieved employee's department head or the personnel director within twenty-one (21) calendar days after the occurrence

of the event giving rise to the disagreement. The parties will then meet within ten (10) days to discuss the grievance.

Section 2. Meetings to adjust the dispute (excluding arbitrations) shall be on the Employer's time.

Section 3. The Employer shall respond to the grievance within thirty (30) days of the first meeting of the parties (as described in Section 1). This written response shall be made only after discussions have ceased without achieving a mutually satisfactory resolution within that 30-day period. Either party may, by written notice to the other, submit the dispute to an impartial arbitrator whose award will be final and binding. The time limit for serving written notice of intent to arbitrate shall be twenty (20) days from the Guild's receipt of the Employer's written response to the grievance.

The impartial arbitrator shall be selected as follows; The parties will jointly request the Federal Mediation and Conciliation Service to submit a panel of seven (7) arbitrators, all of whom shall be members of the National Academy of Arbitrators. The parties will strike names alternately until there remains one, who shall serve as impartial arbitrator.

The impartial arbitrator shall hear evidence, consider the arguments of the parties and render a written decision setting forth the grounds upon which it is based. The impartial arbitrator shall not have the power to add to, amend or revoke any other terms of this agreement.

Section 4. Any expense incurred through arbitration shall be shared equally by the Employer and the Guild, excepting that neither party shall be obligated to pay any part of the cost of a stenographic transcript without express consent.

Section 5. The time limits set forth in this Article shall be strictly enforced and may be extended or waived only in written agreement of the Employer and Guild. Any grievance not moved to the next step by the grieving party in a timely manner will be considered withdrawn with prejudice.

ARTICLE XIII EXPENSES AND EQUIPMENT

Section 1. The Employer shall pay all legitimate expenses incurred by the employees in the service of the Employer. Employees shall be compensated for the use of an automobile in the service of the Employer on the same basis and to the same extent as employees not covered by a collective bargaining agreement. This compensation may be added to or modified, it being understood that any such additions or modifications shall be on the same basis and to the same extent as applicable to employees not covered by a collective bargaining agreement. On round trips of 100 miles or more, if the employee requests to use his or her own car rather than a company vehicle, the Employer will reimburse the employee for actual fuel expenses incurred in lieu of the fixed mileage rate.

ARTICLE XIV OUTSIDE ACTIVITY

Section 1. The Guild and the Employer recognize the importance of assuring impartial news reporting and protecting the credibility of the newspaper and its news staff. Newsroom employees may engage in volunteer or remunerative activities outside working hours, provided they are not in conflict with the interests and welfare of the newspaper and do not reflect upon the character and reputation of the newspaper or employees of the newspaper, or interfere with the employee's physical or mental capacity to do the work for which he/she is employed. No employee shall utilize his/her connection with the Employer in the course of outside activities without prior written consent of the Employer.

Outside activity that involves news writing, photography, graphics, editing or news broadcasting for a commercial news publication, broadcast news media or online news service must first have written approval of the Executive Editor or his/her designate.

Approval of an outside activity may be withdrawn at a later date if the activity falls within the restrictions listed above.

Any news story, photo or graphic that would reasonably be expected to appear in The Star, its related products or its online products shall be offered to The Star first. If The Star declines to use the material, the employee may use it in a manner consistent with this Article.

ARTICLE XV LEAVES OF ABSENCE

Section 1. By arrangement with the Employer, employees may be granted leaves of absence without pay. Leaves on account of poor health shall not be considered breaks in continuity of service in the computation of severance pay.

Section 2. An employee covered by this agreement who is elected or appointed to a full-time position with the Newspaper Guild or local, or the AFL-CIO (such employees not to exceed one (1) in number at any time), will be granted a leave of absence without pay for a stated period of not less than one (1) year, with privilege of extension for one (1) additional year. The Employer will consider requests for additional extensions, but the granting of extensions are at the discretion of the Employer. Requests for such leave of absence or extension must be made in writing to the Employer (with copies to the Guild) at least thirty (30) days in advance. There will be no loss of seniority while the employee is on leave under this section.

Section 3. Leaves of absence granted under Section 2 of this Article shall be limited to a period of two (2) years for any one individual but may be extended by a mutually signed agreement between the Employer and the Guild. Negotiations for such an extension shall commence sixty (60) days before the termination date of the leave of

absence. Should the Employer and the Guild fail to reach agreement on such extension by the end of the two (2) year period, an additional grace period of thirty (30) days shall be in force during which time the Employer shall notify the employee in writing (copies to the Guild) that his/her leave of absence has been terminated and the reasons for the termination.

Section 4. Within ten (10) working days after dismissal or resignation from such positions with the Newspaper Guild, or local, or the AFL-CIO, such employees shall notify the Employer and shall report for work within such ten (10) working day period; failure to do so shall result in termination of employment.

Section 5. Any employee covered by this agreement who is selected as a delegate to any convention of the Newspaper Guild or the AFL-CIO, shall be given leave of absence without pay upon written application therefor not exceeding three (3) weeks during any contract year, but not more than one (1) such employee shall be absent at any one time for such purpose.

ARTICLE XVI MILITARY SERVICE

Section 1. Any employee who is required to enter the armed forces of the United States or who leaves during a war emergency to enter the armed forces of the United States, the Red Cross or the Merchant Marine shall be considered an employee on leave of absence, and on release from such service shall resume his/her position or a comparable one with a salary no less than what he/she would have received if his/her service with the Employer had been continuous.

Time spent in such service shall be considered service time with the Employer in computing severance pay, experience rating, length of vacations and all other benefits under this contract that depend in whole or in part upon length of continuous service with the Employer.

Section 2. Any employee who is drafted into any other kind of service, upon release from such service, resumes his/her position or a comparable one.

Time spent in such service shall not be considered service time with the Employer in computing severance pay, experience rating, length of vacations, and all other benefits which depend in whole or part upon the length of continuous service with the Employer; however, severance pay and all other length of service benefits earned prior to entering such service will be credited to the employee when he/she returns.

Section 3. If an employee, upon return from such service, is found to be physically incapacitated to the extent that he/she is unable to resume former employment, the Employer shall make all efforts to place him/her in other acceptable employment. If such employment is not found, the employee shall receive severance pay.

Section 4. Application for resumption of employment must be made within ninety (90) days after termination of such service as described in Section 1, plus travel time from separation center to place of employment. Application for resumption of employment must be made within thirty (30) days after termination of such service as described in Section 2.

Section 5. If an employee dies while serving in the armed forces of the United States on a leave of absence, the life insurance provided at the expense of the Employer shall be paid to the beneficiary or estate.

Section 6. An employee hired as replacement of an employee entering such service shall be given a written notice to that effect at the time of such employment, and a copy of such notice shall be sent to the Guild.

Section 7. The provisions of this military clause do not apply to replacement employees hired by reason of leaves of absence granted to regular employees for such military or war service as herein before mentioned, but those replacement employees shall otherwise be covered by all provisions of this contract. Discharge of replacement employees upon return of employees they replaced shall be a just and sufficient cause for discharge.

Section 8. Employees required to attend annual training or required duty with the National Guard, Army, Navy, Air Force, Marines or Coast Guard Reserve will be paid according to the employee handbook and on the same basis as employees not covered by a collective bargaining agreement.

ARTICLE XVII MISCELLANEOUS

Section 1. Bulletin Boards. The Employer agrees to provide space on bulletin boards suitably placed in The Star editorial department and the building services department (including the PPC) for the use of the Guild.

Section 2. Freedom of Employment. The Employer agrees not to have or enter into any agreement with any other publisher binding such other publisher not to offer or give employment to employees of the Employer.

Section 3. Bylines: An employee's byline shall not be used over his/her protest. Such protest will be in writing to his/her manager and shall be for individual professional reasons only. Once removed, the byline may only be reinstated with the permission of management. Management's discretion to reinstate or deny reinstatement of the byline shall apply only to the story or stories for which the employee specifically seeks removal of his/her byline.

Section 4. Jury Duty. An employee who is required to serve on a jury, or who is legally subpoenaed as a witness in a court of law, on a day when he/she normally would

be scheduled to report for work on any shift, shall receive his/her regular straight time day's pay. The employee shall furnish the Employer with a statement of such jury service from the clerk of the court and shall work any time he/she is able and scheduled to work during the period of jury service. Employees on night side shift who perform jury duty or who are subpoenaed as a witness shall have their work shift reduced by the time spent in that service.

Section 5. Postings. The Employer agrees to post, both in writing and electronically, jobs it plans to fill for newly created or existing positions that are vacant in the bargaining unit. This does not apply to reassignments of employees ~~into filled positions~~, nor shall it apply to interim assignments or temporary assignments of specific duration not to exceed ninety (90) days. At its discretion, the Company will continue its practice of posting with a preferred candidate. Postings shall remain in place until the position is filled or the opening is rescinded.

Section 6. Funeral Leave. Employees will receive time off with pay as follows for the death of:

Current spouse.....	five (5) days
Legal child or stepchild.....	four (4) days
Parent, step-parent, or parent-in-law.....	three (3) days
Sibling.....	three (3) days
Grandparent or grandchild.....	two (2) days
Brother-in-law or sister-in-law.....	two (2) days
Stepsibling.....	one (1) day

Employees desiring funeral leave for deaths not covered by this section may use up to two (2) days of accrued and unused personal leave, vacation days and/or unpaid leave. If additional days are needed, those days may be taken as personal leave days, vacation days or unpaid time off subject to approval of management, which approval shall not be unreasonably withheld.

Section 7. No Strike/No Lockout. The parties recognize that the uninterrupted publication of *The Indianapolis Star* is of public importance. Accordingly, the Guild agrees that, during the term of this Agreement, employees will not engage in any strike, work stoppage, slowdown, sympathy strike, picketing, boycott (including but not limited to interference with advertising and circulation sales) or any other form of interference with continuous and peaceful operations. The Employer agrees that, during the term of this Agreement, it will not lock out any employee covered by this Agreement.

This section does not prevent the Guild from informational picketing or any other activity that is not intended to disrupt or interrupt production, distribution, revenue or circulation of the newspaper.

Section 8. EEOC Language. The Employer and the Guild recognize that there are laws prohibiting discrimination by the Employer against an employee or applicant. Nothing in this agreement shall be interpreted to be inconsistent with these laws. All provisions of this agreement shall be applicable and consistent with the Americans with Disabilities Act of 1990 and the Family and Medical Leave Act of 1992.

~~**Section 9.** Signing Bonus. The Employer will provide a one-time signing bonus of \$150.00 for each unit covered employee on payroll as of the signing date of this new agreement.~~

Section 9 10. Dues Checkoff. The Employer agrees to deduct each pay period, from the paychecks of employees who are members of the Guild, all dues, provided, however, that an employee shall have signed and submitted a written authorization for such action on the part of the Employer. Such written authorization shall conform to and be in accordance with all applicable federal and state laws. An employee may also submit written authorization to stop such dues payments, or at the employee's discretion, provide copies of said written authorization simultaneously to the Guild and the Employer.

Section 10 11. Paraprofessionals. Paraprofessionals covers ~~edit interns, office manager, photo lab technician, graphics technician, entertainment~~ calendar clerk, production liaisons and similar positions. Paraprofessionals may write stories of an uncomplicated nature.

Section 11 12. Designation of Payday. The Employer may change its designated payday, provided it notifies the Guild in writing at least sixty (60) days before the effective date of such change.

Payment shall be made by United States currency, check or direct deposit.

ARTICLE XVIII APPLICATION

Section 1. This agreement is effective ~~Oct. 5, 2005, through Dec. 31, 2008.~~
[NOTE: Effective on signing date through two years afterward.]

Section 2. At any time within sixty (60) days before the termination of this agreement, the Employer or the Guild may initiate negotiations for a new agreement to take effect at the expiration of the present agreement. The terms and conditions of this agreement shall remain in effect during such negotiations.

ARTICLE XIX MANAGEMENT RIGHTS

Section 1. Except as specifically relinquished, abridged or limited by specific provisions of this Agreement, it is agreed that the Employer has retained the usual management rights in that the right to manage the Company and direct the working force is vested exclusively in the Company, which rights shall include but shall not be limited to the exclusive right to plan, direct and control the operations, and to change methods, processes, equipment or facilities; the right to hire, promote, demote, transfer, suspend, discharge or otherwise discipline; the right to prescribe reasonable work rules to maintain efficiency and discipline; the right to transfer or lay off because of lack of work; and the right to determine how, when, where and by whom work is to be performed. This includes, but is not limited to, assigning employees on a non-exclusive basis to news and information projects of any type or nature, including, but not limited to, those involving television, radio, CD-ROM and online media, custom publications, etc. The Employer reserves the right to conduct motor vehicle record checks for employees who will be required to use either their personal vehicles or those of the Employer in performing job duties.

Section 2. The Guild recognizes the right of the Employer to promulgate and enforce a policy concerning journalistic ethics and conflicts of interest, which policy shall be reasonably related to the goal of protecting and enhancing the credibility of *The Indianapolis Star*. Such policy shall not conflict with the parties' collective bargaining agreement.

Section 3. The parties recognize that a change in the newspaper publishing paradigm is part of the industry's future. Full flexibility so as to permit use and reuse of the work performed by bargaining unit employees and employees not in the bargaining unit on a multitude of platforms is critical to meeting the Publisher's needs. It is understood that the Publisher shall enjoy flexibility in assigning employees to traditional and non-traditional tasks. Non-traditional tasks will be reflective of the journalism and information-gathering fields and, in the Publisher's judgment, appropriate with an employee's skill sets, education and potential. The Publisher will be cognizant of and sensitive to its policy relating to ethics and conflicts of interest.

ARTICLE XX BENEFITS

In addition to those benefits specifically provided for elsewhere in this Agreement, employees shall be eligible to participate in the following benefits on exactly the same basis and to the same extent as employees not covered by a collective bargaining agreement:

Pension
401(K)

Retiree Medical
Flexible Spending Account
Employee Stock Purchase
Adoption Assistance
Employee Mortgage Program
Tuition Reimbursement
NIFS Health Club
Gannett Scholarships

These benefits may be supplemented, enhanced, reduced or eliminated, the specific benefits, terms and conditions of these plans may be modified, and the costs, if any associated with participation in these benefits, may be increased or decreased, it being understood that any such changes shall be on the same basis and to the same extent as applicable to employees not covered by a collective bargaining agreement. Either party may propose changes to this benefit in negotiations for a successor collective bargaining agreement, but it is understood that this “same basis” practice will continue during negotiations as the status quo until such time as a change has been made through negotiations. If the Employer announces the elimination of the pension or 401(K) plan, the Employer will bargain with the Guild over the effects of the elimination.

FOR
INDIANAPOLIS NEWSPAPERS INC.

FOR
INDIANAPOLIS
NEWSPAPER GUILD

Michael J. Kane
President and Publisher

Tom Spalding
President

Deleted: Barbara A. Henry .

Deleted: Dan McFeely

Geoff Ooley
Vice President

Deleted: Abe Aamidor

▼
Vice President


Deleted: Tom Spalding

Sylvia Halladay
Secretary

▼
Treasurer


Deleted: Judy Wolf

|

▼  Negotiating Team Member

Deleted: Leon Ward Jr.

|

▼  Negotiating Team Member

Deleted: Jerry Williams

Side Letter of Agreement #1
Oct. 5, 2005

~~All position changes from non-exempt to exempt (as detailed in Article I) shall be implemented six (6) months after the signing date of this agreement, during which time each of the employees involved shall be given priority consideration for transfer to any available Guild covered position for which they may apply. The exempt employee moving into Guild jurisdiction shall not suffer any loss of pay as a result of the change.~~

FOR _____
INDIANAPOLIS NEWSPAPERS INC. _____

FOR _____
INDIANAPOLIS
NEWSPAPER GUILD _____

Barbara A. Henry
President and Publisher

Dan McFeely
President

Abe Aamidor
Vice President

Tom Spalding
Vice President

Sylvia Halladay
Secretary

Judy Wolf
Treasurer

Leon Ward Jr.
Negotiating Team Member

Jerry Williams

Side Letter of Agreement #2
Oct. 5, 2005

The parties agree the previous “sick bank” will be transitioned as follows:

- Those with a sick bank left will retain the days they have accumulated.
- It will be calculated and frozen as of 12-31-01. After that, no new days will be added to the sick bank.
- Employees will receive 10 sick days each Jan. 1 for their use throughout the calendar year. Unused sick days at the end of each year are lost.
- If an employee has a sick bank, then the employee’s sick bank is depleted on a day-for-day basis for short-term disability and long-term disability situations.
- Employees also will deplete the sick bank on the fourth and fifth days of illness over three (3) days.

FOR
INDIANAPOLIS NEWSPAPERS INC.

Barbara A. Henry
President and Publisher

FOR
INDIANAPOLIS
NEWSPAPER GUILD

Dan McFeely
President

Abe Aamidor
Vice President

Tom Spalding
Vice President

Sylvia Halladay
Secretary

Judy Wolf
Treasurer

Leon Ward Jr.
Negotiating Team Member

Jerry Williams
Negotiating Team Member

[NOTE: This side letter shall remain in the contract, but like the merit pay provisions of Article III, Section 1, will not be applied during the term of this agreement.]

Side Letter of Agreement #3
Oct. 5, 2005

Merit Pool Calculation

On or about the last pay period of each year of this contract, the Company will do the following calculations to determine what the annual merit pool will be for 2005 through 2008. Subtracted from the merit pool calculation will be the headcount and wages of two groups: a) employees in the “steps” and b) a twelve (12) percent factor for annual turnover.

The following information will be needed to perform the calculation:

- Determine how many employees are in the bargaining unit as of the last payroll period of the year.
- Determine the entire payroll of the bargaining unit as of the last payroll period of the year.
- Determine how many employees in the bargaining unit are in the “steps” as of the last payroll period of the year.
- Determine the entire payroll of the employees in the “steps” as of the last payroll period of the year
- HR will provide the average annual wage for the unit as of the last payroll period of the year.

Calculation:

1. Subtract the number of employees in the “steps” from the total bargaining unit headcount.
2. Subtract the wages of all employees in the “steps” from the total payroll of the bargaining unit.
3. Multiply the result in #1 by 12%. (A fixed percentage for the life of the contract).
4. Multiply the result in #3 by the average wage (provided annually by HR).
5. Subtract the result in #4 from the result in #2. This result provides the net bargaining unit payroll, less employees in the steps and the 12% factor for turnover.
6. Multiply the result in #5 by 2%. This represents the merit pool.

Example Only: (not actual numbers)

- Number of employees in the bargaining unit = 275
- Total payroll of bargaining unit = \$12,000,000.00
- Number of employees in “steps” = 25

- Total payroll of employees in “steps” = \$910,000
- Average annual pay for the bargaining unit = \$45,000

1. 275 (total employees) – 25 (“step” employees) = 250
2. \$12,000,000.00 - \$910,000.00 = 11,090,000.00
3. 250 X 12% = 30
4. 30 X \$45,000 = \$1,350,000.00
5. 11,090,000.00 – 1,350,000.00 = \$9,740,000.00
6. \$9,740,000.00 X 2% = \$194,800

The Company will review, annually, to ensure the full distribution of the merit pool. If it is determined that an underpayment in the merit pool occurred in any of the contract years, such underpayment will be distributed equally, by Jan. 31, to all actively employed bargaining unit employees with performance ratings of three (3) or higher.

The Company will provide the Guild with a copy of the calculations used in determining the merit pool as well as all necessary raw data. The merit pool for 2005 will use the calculation method described in this side letter.

**FOR
INDIANAPOLIS NEWSPAPERS INC.**

Barbara A. Henry
President and Publisher

**FOR
INDIANAPOLIS
NEWSPAPER GUILD**

Dan McFeely
President

Abe Aamidor
Vice President

Tom Spalding
Vice President

Sylvia Halladay
Secretary

Judy Wolf
Treasurer

Leon Ward Jr.
Negotiating Team Member

Jerry Williams
Negotiating Team Member

Side Letter of Agreement #4

Oct. 5, 2005

- The parties agree that \$37,666.00 represents the total underpayment of merit pools for contract years 2003 and 2004. (2002 was not at issue).
- An equal share (of \$37,666.00) will be paid to any bargaining unit employee who received a merit increase in either 2003 or 2004 and who is employed on the date the contract is signed.

FOR _____	FOR _____
INDIANAPOLIS NEWSPAPERS INC. _____	INDIANAPOLIS NEWSPAPER GUILD _____

_____ Barbara A. Henry President and Publisher _____	_____ Dan McFeely President _____
---	--

_____ _____ _____	_____ Abe Aamidor Vice President _____
-------------------------	---

_____ _____ _____	_____ Tom Spalding Vice President _____
-------------------------	--

_____ _____ _____	_____ Sylvia Halladay Secretary _____
-------------------------	--

_____ _____ _____	_____ Judy Wolf Treasurer _____
-------------------------	--

_____ _____ _____	_____ Leon Ward Jr. Negotiating Team Member _____
-------------------------	--

_____ _____ _____	_____ Jerry Williams Negotiating Team Member _____
-------------------------	---

Side Letter of Agreement #5

Oct. 5, 2005

[NOTE: Effective on signing date through two years afterward.]

All grievances filed prior to the signing of this agreement will be withdrawn by the Union, ~~with the exception of Gotshall.~~

Formatted: Strikethrough

FOR
INDIANAPOLIS NEWSPAPERS INC.

FOR
INDIANAPOLIS
NEWSPAPER GUILD

Michael J. Kane
President and Publisher

Tom Spalding
President

Deleted: Barbara A. Henry .

Deleted: Dan McFeely

Geoff Ooley
Vice President

Deleted: Abe Aamidor

Vice President

Deleted: Tom Spalding

Sylvia Halladay
Secretary

Treasurer

Deleted: Judy Wolf

Negotiating Team Member

Deleted: Leon Ward Jr.¶

Negotiating Team Member

Deleted: Jerry Williams

Side Letter of Agreement #

In connection with Article XIX, Section 3 regarding employee flexibility, it is not the intent of either the Employer or the Union to force, allow or permit any employee to violate or engage in a conflict with his or her obligations to the Company as it pertains to ethical standards of conduct. Furthermore, the parties are in agreement that the Company's current ethics policy does not allow editorial employees to produce advertorial copy.