

FROM: Gordon Sweeton, International Vice President & Chairman,
Multi-Region Change of Operations Committee

DATE: March 16, 2012

RE: YRC, Inc. Decision – MR-CO-01-03/2012

THE MOTION: Mr. Chairman, I move the YRC, Inc. proposed Change of Operations is approved as clarified, stipulated to, and amended by the Company on the record with the following provisions:

1. The date of implementation shall be no sooner than April 8th, 2012.
2. The provisions of Article 3 Section 2 (7) A. and (7) B. (This provision covers the hiring at Sister Companies) shall be strictly enforced. It is also understood that the employees applying for these openings will not be turned down, under this provision, as long as they have the ability to pass the pre-employment drug screen and satisfactory driving record and do not have excessive absenteeism record.
3. This decision is rendered under the Authority of Article 3, Section 7 of the National Master Freight Agreement and is not intended to be in violation of or modify any of the terms of the National Master Freight Agreement or any of its respective Regional Supplemental Agreements. This decision is based on the specific circumstances at the time of the hearing and shall not create a precedent.
4. The Company is reminded that it provided repeated assurances on the record that it will not divert any freight to sister or subsidiary companies.
5. The request by multiple Local Unions for the UE employees to follow their work to other locations is denied.
6. There will be no adverse effect or layoffs at the Bell, California terminal as a result of this Change of Operations.
7. The request of multiple Local Unions to reverse or modify the runs are denied.
8. The request of Local 100 to allow Jeff Risner to return to work is denied.
9. The Committee will retain jurisdiction of this decision for one (1) year to resolve any issue relative to this decision
10. Nothing contained herein is intended to be in violation of the terms of the National Master Freight Agreement or its respective Supplemental Agreements.

Please be advised the YRC, Inc. Multi-Region Change of Operations MR-CO-01-03/2012, was heard at the Embassy Suites on Wednesday and Thursday March 14-15, 2012, in Kansas City, MO. The following decision was rendered.

THE MOTION: Mr. Chairman, I move the YRC, Inc. proposed Change of Operations be approved as modified, clarified and stipulated to on the record by the Company with the following provisions. It should be noted that unless specifically addressed in this Change of Operations through this Committee, present operations, work rules and agreements shall remain in effect.

Agreements reached by the Company and the Unions on the record are incorporated by reference into this decision and are final and binding. It is also understood, as stated by the Company, that employees transferring to gaining locations, as well as active employees at that location, shall have sufficient work opportunities upon implementation of the Change of Operations for a period of six (6) months.

1. The Committee recognized that the Company's proposed Change of Operations is unique in its scope and that, because of the current economic conditions facing our nation and the Company, the new operating model in the Company's proposal must be implemented expeditiously in order for the Company to remain competitive in the marketplace and have an opportunity to grow and to provide additional teamster work opportunities. In accordance with its authority under Article 8, Section 6 (G) of the NMFA, the Committee has determined that the seniority application in this decision is appropriate under the circumstances. This decision is based on the facts presented and does not create a precedent for future seniority applications.

2. The Company's proposed method of bidding which incorporates both follow the work and pool bidding is approved. The telephone bid will be conducted on April 1st, 2012, at 0900 CST. The implementation date shall be no sooner than, April 8th, 2012. The Company will post the follow the work bids on 3-16-2012.
3. For purposes of bidding and/or selecting work opportunities, the seniority roster at losing locations shall be merged with both active and inactive employees, by classifications using present bidding and layoff seniority dates. The cut off date for active and inactive for this change shall be 3-14-2012.
4. At those locations that the Company defined on the record as a location where an employee must be CDL qualified, those employees who are not CDL qualified shall be given a sixty (60) consecutive day period to become driver qualified and an additional thirty (30) consecutive day period to receive their CDL license unless delayed by TSA background checks. The Company shall provide appropriate equipment and the manpower necessary to complete the training process at the employee's present terminal unless otherwise mutually agreed. Provided however, at those break-bulk terminals and large metro terminals where road drivers are domiciled (excluding end-of-the-line terminals), where it is recognized there will be a need for pure dock bids this provision shall not act to prevent an employee from bidding such a pure dock position provided he/she has enough seniority to hold such bid and provided further, the Employer shall have the right to determine the number of such bids. In addition, employees who cannot become CDL qualified

because of a DOT disqualifying medical condition or failure to pass a TSA background check will also be allowed to bid into a terminal where pure dock bids are available if he/she has enough seniority to hold such bid. Employees who fail to become CDL qualified as provided herein shall forfeit their bid.

5. The Company's request to make Valdosta and Columbus pure CDL qualified locations is denied. The Company shall provide equipment, training, and manpower necessary to help the employees obtain their CDL. Based on the testimony of the Company, there will be pure dock bid positions available to the employees. The Company shall not act to prevent an employee from bidding such pure dock positions provided he/she has enough seniority to hold such bid as provided above.
6. Since the losing and gaining numbers in this change of operations are not equal. The provisions of Article 3 section 2 (7) a. and (7) b. (this provision covers the hiring at sister companies) shall be strictly enforced. It is also understood that the employees applying for these openings will not be turned down, under this provision, as long as they have the ability to pass the pre-employment drug screen, possess a satisfactory driving record and do not have an excessive absenteeism record.
7. Those individuals who currently enjoy article 29, Section 3 protection shall retain that protection under this change.
8. Southern Modified Seniority shall be exercised in accordance with the Southern Region Over-the-Road Negotiating Committee's agreement of July 27, 1999 and shall become effective after the general bid that is provided for in this decision.

9. In the event there are employees involved, under this decision, who have a common seniority date and there are not actual time/date punch records available to determine who punched in first, the parties are instructed to agree on a method to draw lots to resolve such issues.

10. In the event there are employees who transfer into a facility where employees are on layoff, such laid off senior employees may not exercise their seniority unless and until the senior employee is recalled by Letter of Recall, or the equivalent method of recall under the terms of the applicable Supplemental Agreement for regular employment, at which time he shall be dovetailed on the active seniority list.

11. Employees bidding into an Eastern Region location that has a single line seniority list (Common Road and Local Cartage List) must remain in their current bidding classification for a period of one (1) year unless the next annual bid occurs at least nine (9) months following the date of implementation of this decision.

12. Qualified bidders who are on long-term disability (LTD) at the time of the bid shall be allowed to bid. In the event they are not able to claim their bid on the date of implementation, the position they bid into shall be offered, on a hold-down basis, to those classification employees at the affected location who did not successfully bid at the time of the original bid. The successful hold-down bidder shall be dovetailed on the applicable seniority list at the location he bid into until such time as the LTD employee is able to return to work and claim his bid. At that time, the hold-down employee will be afforded the opportunity to either return to his original location with full seniority or remain at the hold-down

location and be given a new bidding and seniority date as of the date the hold-down bid commenced, but shall retain his original bidding and seniority date for vacation purposes. Employees bidding a hold-down position shall not be entitled to any moving or lodging expenses as set forth in Article 8, Section 6 of the NMFA or as otherwise approved by this decision unless and until such time as it is determined that the LTD employee will never be released to return to work, at which time the holddown employee shall be considered as a successful bidder at the time of the original bid and shall be entitled to all of the provisions set forth in this decision.

13. Employees who have been discharged and whose discharge is pending resolution under the applicable terms of the NMFA and the applicable Supplemental Agreement shall be afforded the opportunity to bid.

14. In order to bid a position that requires the driver to be triples certified the drivers must either be certified or triples certifiable and become certified as soon as possible.

15. Employees transferring from the jurisdiction of one Supplemental Agreement to that of another Supplemental Agreement shall not lose their entitlement to earned vacation, in accordance with the Southern Region Over-the-Road Letter of Understanding, which has been incorporated in previous change of operations.

16. Health and welfare and pension contributions paid on behalf of employees who relocate under this decision shall continue to be paid into the respective trusts such contributions were being paid into immediately prior to the time the employee relocated.

17. Full-time Teamster officers, business agents and organizers who have seniority rights to return to employment with the Company, shall be allowed to bid and if successful must claim their bid at the time they cease to be a full-time officer, business agent or organizer or forfeit their bid.

18. Moving and lodging expenses shall be paid in accordance with the provisions of Article 8, Section 6(c) of the NMFA; provided however, the Company's proposal, on a voluntary individual basis, to provide \$3,150 in lieu of temporary hotel expenses and in lieu of relocation expenses a flat amount based on miles between present location and the new location: 51-500 miles, \$2,500, 501-1000 miles, \$3,500, and over 1000 miles, \$4,000, is approved.

19. The provisions of article 8 section 6 (4) through (7) (hold provision) shall apply. Since the gaining and losing numbers in this change are not equal, there shall also be a one hundred twenty (120) calendar day hold provision from the date of implementation of the change.

20. Successful bidders shall be dovetailed onto the appropriate seniority list at the location they bid into using their bidding seniority date except where white paper contracts are involved that are not party to the National Master Freight Agreement.

21. Rebidding at each of the effected locations will be conducted within sixty (60) days following the date of implementation: provided however, where the sixty (60) day period is not necessary the bids will be posted as soon as possible or as otherwise mutually agreed to.

22. In the event that the number of gaining positions do not fill during the

bid, the company is advised to fill those positions as stated by the Company on the record.

23. Local 326's request to apply the Philadelphia seniority practice in this change is denied. Their request to reduce the two work opportunities to one is denied.

24. Local 391's request to move additional mechanics to Charlotte is denied.

25. Request of Local 677 to add Buffalo as a primary is denied.

26. The request by several local unions, including 776, to allow employees to participate in the pool bid, if they follow the work from their locations do not fill, is approved; however, if the employee passes the follow the work, they cannot then bid that location in the pool bid. It is also understood that transfers will not exceed the number of losses at any location.

27. Local 81's request to allow two road drivers to follow the work is denied based on the fact that they are a gaining location.

28. 492's request that all transferees be CDL qualified is approved.

29. Local 533's request to follow the work to San Bernardino is denied since San Bernardino is a losing location.

30. Local 217's request to allow additional employees to follow the work to Memphis is denied. The Company will move mobile homes in accordance with the contract.

31. Local 480's request that transferring employees be CDL qualified before arriving is approved.

32. Local 528 (Valdosta, Georgia's) request to allow non-CDL employees to

bid available dock work is approved in accordance with Item 4 of this decision.

33. Local 657's request to follow the work from McAllen to Dallas, Texas is approved for up to two people and this shall reduce the pool bid by an equal number.

34. Local 769's request to allow two employees retreat rights back to Buffalo or Littlerock is denied. Also, the request to allow seven (7) West Palm employees to follow their work to Miami is denied.

35. Local 41. Based on the Company's statement on the record, the company will run up to two teams per day to San Bernardino, Tracy and Portland from Kansas City. If the Company exceeds these numbers, Salt Lake and Albuquerque Boards will be protected in accordance with the Western Supplement.

36. Local 100's request for Glen Gross to retreat to Albany is denied. The request for mechanics moving into Cincinnati to endtail is approved based on their White Paper Contract.

37. Local 120's request for one St. Cloud employee to bid to St. Paul is denied since St. Paul is a losing domicile.

38. Mechanics coming into local 135 will be endtailed in accordance with the Indiana mechanics agreement.

39. Local 245's request for shop employees that follow their work to Oklahoma City and be dovetailed is approved.

40. Local 299's request to change employee's current bidding seniority is denied.

41. Local 377's request to allow employees, including Don Houpt, to have

retreat rights is denied.

42. Any transfers involving White Paper contracts not party to the National Master Freight Agreement will be entailed.

43. Local 413's request to provide pure dock work bids is approved in accordance with Item 4. 413's Columbus seniority practice will apply in this bid. Anyone bidding under the Columbus practice of a year and a day will transfer with their present seniority date.

The Request for Greg Gamons and Ron Caswell to retreat to the road is denied.

The request for the shop employees to dovetail at their new location is denied based on their White Paper Contract.

In addition, the request of the Columbus Shops transferring employees to go ahead of recently hired employees at their new location is denied. The request to increase the pool bid is denied.

44. Local 710. Based on the Company's statement on the record, the company will run up to two teams per day to San Bernardino, Tracy Portland and Seattle from Chicago. If the Company exceeds these numbers, Salt Lake and Albuquerque Boards will be protected in accordance with the Western Supplement.

45. After the hearing of the Change the committee was advised that the Mansfield 217 (Teamster's Local 40) has been removed from the Change.

46. The committee will retain jurisdiction of this decision for one (1) year to resolve any issue relative to this decision.

47. The company is reminded that it provided repeated assurances on the

record that it will not divert any freight to sister or subsidiary companies.

48. Nothing contained herein is intended to be in violation of the terms of the National Master Freight Agreement or its respective Supplemental Agreements.