

TWO MAN - COMMITTEE ABF-NATIONAL MASTER FREIGHT PROPOSAL MEETING November 29, 2012

ECONOMIC PROPOSAL HIGHLIGHTS

TERM

2-year Agreement. From April 1, 2013 through March 31, 2015.

WAGES

\$1.00 per hour increase on April 1, 2013 \$1.00 per hour increase on April 1, 2014

Dock-only -70% of top rate Combo Casuals -100% of all wage increases otherwise applicable to the top rate

WAGE PROGRESSIONS

First day of employment – 90% 1 year – 95% 2 years – 100%

HOLIDAYS

Add: 1) MLK, Jr. Day and; 2) Veterans' Day as paid holidays.

PENSION

The Employer shall continue to participate in the same Pension Fund. During the life of this Agreement, the Employer shall continue to make contributions to the Pension Fund in such amount as may be determined on an annual basis by the Pension Fund to be necessary to maintain the benefits the plan(s) then in effect.

HEALTH AND WELFARE

The Employer shall continue to participate in the same Health and Welfare funds. During the life of this Agreement, the Employer shall continue to make contributions to the appropriate Health and Welfare Funds in such amount as is determined on an annual basis by the Funds to be necessary to maintain the benefits then in effect.

COLA

Change from CPI-W to CPI-U

END.

ABF-NATIONAL MASTER FREIGHT AGREEMENT 2013 NEGOTIATIONS

TNFINC INITIAL PROPOSALS

ARTICLES 1-39



FOR USE AT THE 2-MAN COMMITTEE MEETING November 29, 2012 Kansas City, Mo.

ABF-NATIONAL MASTER FREIGHT AGREEMENT For the Period of April 1, 2013 through March 31, 2015

covering:

Operations in, between and over all of the states, territories and possessions of the United States, and operations into and out of all contiguous territory.

ABF Freight, Inc. (Company or Employer) hereinafter referred to as the EMPLOYER and the TEAMSTERS NATIONAL FREIGHT INDUSTRY NEGOTIATING COMMITTEE representing Local Unions affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, and Local Union No. which Local Union is an affiliate of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, agree to be bound by the terms and conditions of this Agreement.

ARTICLE 1. PARTIES TO THE AGREEMENT

Section 1. Employers Covered

The Employer is ABF, Freight Inc. consists of Associations, members of Associations who have given authorization to the Associations to represent them in the negotiation and/or execution of this Agreement and Supplemental Agreements, and individual Employers who become signator to this Agreement and Supplemental Agreements as hereinafter set forth. The signator Associations enter into this Agreement and Supplemental Agreements as hereinafter set forth. The Employer signator Associations represents that they are it is duly authorized to enter into this Agreement and Supplemental Agreements. on behalf of their members under and as limited by their authorizations as submitted prior to negotiations.

Section 2. Unions Covered

NO CHANGE PROPOSED

Section 3. Transfer of Company Title or Interest

The Employer's obligations under this Agreement including Supplements shall be binding upon its successors, administrators, executors and assigns. The Employer agrees that the obligations of this Agreement shall be included in the agreement of sale, transfer or assignment of the business or any covered operation or portion thereof. In the event an entire active or inactive operation, or a portion thereof, or rights only, are sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such operation or use of rights shall continue to be subject to the terms and conditions of this Agreement for the life thereof. Transactions covered by this provision include stock sales or exchanges, mergers, consolidations, spin-offs or any other method by which a business is transferred.

It is understood by this Section that the signator Employer shall not sell, lease or transfer such run or runs or rights to a third party to evade this Agreement. In the event the Employer fails to require the purchaser, transferee, or lessee to assume the obligations of this Agreement, as set forth above, the Employer (including partners thereof) shall be liable to the Local Union(s) and to the employees (without setoff for interim earnings) covered for all damages sustained as a result of such failure to require the assumption of the terms of this Agreement until its expiration date, but shall not be liable after the purchaser, the transferee or lessee has agreed to assume the obligations of this Agreement. The obligations set forth above shall not apply in the event of the sale, lease or transfer of a portion of the rights comprising less than all of the signator Employer's rights to a non-signator company unless the purpose is to evade this Agreement. Corporate reorganizations by a signatory Employer, occurring during the term of this Agreement, shall not relieve the signatory Employer or the re-organized Employer of the obligations of this Agreement during its term.

When a signator to this Agreement purchases rights from another signator, the provisions of Article 5 shall apply. The applicable layoff provisions of this Agreement shall apply.

The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, assignee, or other entity involved in the sale, merger, consolidation, acquisition, transfer, spin-off, lease or other transaction by which the <u>any</u> operation covered by this Agreement or any part thereof, including rights only, may be transferred. Such notice shall be in writing, with a copy to the Local Union, at the time the seller, transferor or lessor makes the purchase and sale negotiation known to the public or executes a contract or transaction as herein described, whichever first occurs. The Local Union shall also be advised of the exact nature of the transaction, not including financial details.

The term rights shall include routes and runs.

ARTICLE 2. SCOPE OF AGREEMENT

Section 1. Master Agreement

The execution of this <u>ABF</u>-National Master Freight Agreement on the part of the Employer shall apply to all operations of the Employer which are covered by this Agreement and shall have application to the work performed within the classifications defined and set forth in the Agreements supplemental hereto.

Section 2. Supplements to Master Agreement

(a) There are several segments of the trucking industry covered by this Agreement and for this reason Supplemental Agreements are provided for each of the specific types of work performed by the various classifications of employees controlled by this Master Agreement.

All such Supplemental Agreements are subject to and controlled by the terms of this Master Agreement and are sometimes referred to herein as "Supplemental Agreements."

All such Supplemental Agreements are to be clearly limited to the specific classifications of work as enumerated or described in each individual Supplement.

In all cases involving the transfer of work and/or the merger of operations subject to the provisions of Article 8, Section 6 or Article 5, Section 2, where more than one Supplemental Agreement is involved and one or more of them contains provisions contrary to those set forth in Article 8, Section 6 or Article 5, Sections 2, the applicable terms and conditions of the <u>ABF-NMFA</u> shall supersede those of the contrary Supplemental Agreements, including the resolution of any seniority related grievances that may arise following approval of the involved transfer of work and/or merger of operations.

(b) The parties shall establish four (4) Regional Area Iron and Steel and/or Truckload Supplements to the National Master Freight Agreement.

The Employer and the Local Union, parties to this Agreement, may enter into an agreement whereby road drivers working under an Over-The-Road Supplemental Agreement have the opportunity to perform work covered by and subject to the above Regional Area Supplements, under conditions agreed upon. Such Supplement shall be submitted to the appropriate Regional Joint Area Committee.

(c) The jurisdiction covered by the <u>ABF-</u>National Master Freight Agreement and its various Supplements thereto includes, without limitation, stuffing, stripping, loading and discharging of cargo or containers. This does not include loading or discharging of cargo or containers to or from vessels except in those instances where such work is presently being performed. Existing practices, rules and understandings, between the Employer and the Union, with respect to this work shall continue except to the extent modified by mutual agreement.

Section 3. Non-covered Units

This Agreement shall not be applicable to those operations of the Employer where the employees are covered by a collective bargaining agreement with a Union not signatory to this Agreement, or to those employees who have not designated a signatory Union as their collective bargaining agent.

Card Check

(a) When a majority of the eligible employees performing work covered by an Agreement designated by the National Negotiating Committee to be Supplemental to the ABF-National Master Freight Agreement execute a card authorizing a signatory Local Union to represent them as their collective bargaining agent at the terminal location, then, such employees shall automatically be covered by this Agreement and the applicable Supplemental Agreements. If as the Employer refuses to recognize the Union as above set forth and the matter is submitted to the National Labor Relations Board or any mutually agreed upon process for determination and such determination results in certification or recognition of the Union, all benefits of this Agreement and applicable Supplements shall be retroactive to the date of demand for recognition. In such cases the parties may by mutual agreement negotiate wages and conditions, subject to Regional Joint Area Committee approval.

Notwithstanding any rights the Union may have in other provisions of this agreement, if a majority of the employees in an appropriate bargaining unit at a separate company acquired or controlled by ABF sign authorization cards to become members of the IBT or any of its affiliates, the Company shall immediately recognize and bargain with TNFINC (and/or a TNFINC designated Local Union) for an agreement covering those employees.

The parties agree that a constructive bargaining relationship is essential to efficient operations and sound employee relations. The parties recognize that organizational campaigns occur in bargaining relationships and that both parties are free to accurately state their respective positions concerning the organization of certain groups of employees. However, the parties also recognize that campaigns must be waged on the facts only. Accordingly, the parties will not engage in any personal attacks against Union or Company representatives or attacks against the Union or Company as an institution during the course of any such campaign.

Additions to Operations: Over-The-Road and Local Cartage Supplemental Agreements

(b) Notwithstanding the foregoing paragraph, the provisions of the <u>ABF</u>-National Master Freight Agreement and the applicable Over-the-Road and Local Cartage Supplemental Agreements shall be applied without evidence of union representation of the employees involved, to all subsequent additions to, and extensions of, current operations which adjoin and are controlled and utilized as a part of such current operation, and newly established terminals and consolidations of terminals which are controlled and utilized as a part of such current operation.

If an the Employer refuses to recognize the Union as above set forth and the matter is submitted to the National Labor Relations Board or any mutually agreed-upon process for determination, and such determination results in certification or recognition of the Union, all benefits of this Agreement and applicable Supplements shall be retroactive to the date of demand for recognition.

The provisions of Article 32 – Subcontracting, shall apply to this paragraph. Extensions or additions to current operations, etc., which adjoin and are controlled and utilized as part of such current operation shall be subject to the jurisdiction of the appropriate Change of Operations Committee for the purpose of determining whether the provisions of Article 8, Section 6 – Change of Operations, apply and, if so, to what extent.

Section 4. Single Bargaining Unit

The employees, Unions, and Employer s and Associations covered under this Master Agreement and the various Supplements thereto shall constitute one (1) bargaining unit and contract. It is understood that the printing of this Master Agreement and the aforesaid Supplements in separate Agreements is for convenience only and is not intended to create separate bargaining units.

This ABF-National Master Freight Agreement applies to city and road operations, and other classifications of employment authorized by the signatory Employers to be represented by Employer Associations or Employers, where applicable, participating in national collective bargaining. The common problems and interest, with respect to basic terms and conditions of employment, have resulted in the creation of the ABF-National Master Freight Agreement and the respective Supplemental Agreements. Accordingly, the Associations and Employers, parties to this Agreement, acknowledges that they constitute a single national multi-employer collective bargaining unit., composed of the Associations named hereinafter and those Employers authorizing such associations to represent them for the purpose of collective bargaining, and solely to the extent of such authorization, and such other individual employers which have, or may, become parties to this Agreement.

Section 5. Riders

NO CHANGE PROPOSED

ARTICLE 3. RECOGNITION, UNION SHOP AND CHECKOFF

Section 1. Recognition

(a) The Employer recognizes and acknowledges that the Teamsters National Freight Industry Negotiating Committee and Local Unions affiliated with the International Brotherhood of Teamsters are the exclusive representatives of all employees in the classifications of work covered by this <u>ABF-National Master Freight Agreement</u>, and those Supplements thereto approved by the Joint National Negotiating Committees for the purpose of collective bargaining as provided by the National Labor Relations Act.

Subject to Article 2, Section 3 - Non-covered Units, this provision shall apply to all present and subsequently acquired over-the-road and local cartage operations and terminals of the Employer.

This provision shall not apply to wholly-owned and wholly independently operated subsidiaries which are not under contract with local IBT unions. "Wholly independently operated" means, among other things, that there shall be no interchange of freight, equipment or personnel, or common use, in whole or in part, of equipment, terminals, property, personnel or rights.

Union Shop

NO CHANGE PROPOSED

Hiring

NO CHANGE PROPOSED

State Law

NO CHANGE PROPOSED

Agency Shop

NO CHANGE PROPOSED

Savings Clause

NO CHANGE PROPOSED

Employer Recommendation

NO CHANGE PROPOSED

Future Law

NO CHANGE PROPOSED

No Violation of Law

NO CHANGE PROPOSED

Section 2. Probationary and Casual Employees

(a) Probationary Employees

- (1) A probationary employee shall work under the provisions of this Agreement, but shall be employed on a trial basis as provided for in each Supplement. The probationary period shall be 30 calendar days from the employee's first day of work. After completing the probationary period, the employee shall immediately be placed on the regular seniority list.
- (2) During the probationary period, the employee may be terminated without further recourse; provided, however, that the Employer may not terminate the employee for the purpose of evading this Agreement or discriminating against Union members. A probationary employee who is terminated by the Employer during the probationary period and is then worked again at any time during the next full twelve (12) months at any of that Employer's locations within the jurisdiction of the Local Union covering the terminal where he/she first worked, except in those jurisdictions where the Local Union maintains a hiring hall or referral system, shall be added to the regular seniority list with a seniority date as of the date that person is subsequently worked. The rules contained in subsection (a) (2) are subject to provisions in the Supplements to the contrary.
- (3) Probationary employees shall be paid at the new hire rate of pay during the probationary period; however, if the employee is terminated by the Employer during such period, he/she shall be compensated at the full contract rate of pay for all hours worked retroactive to the first (1st) day worked in such period.
- CDL-qualified employees hired into driving positions who are not currently on the seniority list at an NMFA carrier and who for two (2) or more years regularly performed CDL-required driving work for a commonly owned NMFA carrier shall be compensated at 90% of the full contract rate of pay for a period of one (1) year and go to the full contractual rate thereafter, provided they have not had a break in service in excess of three (3) years.
- (4) The Union and the Employer may agree to extend the probationary period for no more than thirty (30) days, but the probationary employee must agree to such extension in writing.

(b) Casual Employees

(1) - (6) NO CHANGES PROPOSED

(7) a. Casual Employment

The Employer agrees to give first opportunity for work as a casual employee to those CDL-qualified employees on layoff at a commonly owned Teamster represented NMFA carrier. This obligation shall

apply only at terminals located within the jurisdiction of the employee's Local Union. The Local Union will furnish Employer with the names, addresses, and telephone numbers of those laid off employees interested in casual work opportunity and the job each employee is qualified to perform. Where applicable, casual employment may not be offered to laid off employees under this provision ahead of preferential casuals, nor shall this provision supersede an established order of call in a supplemental agreement.

(7) b. Regular Employment

The Employer agrees to offer regular employment to those employees on letter of layoff from a commonly-owned NMFA Teamster represented carrier at other terminals located within the jurisdiction of the employee's Local Union who have made application for regular employment at the terminal offering regular employment. Employment shall be offered in accordance with the following order, unless the Supplemental Agreement or an agreed to practice provides a different order of call, in which case such other order of call shall prevail:

- 1. Preferential casuals, where applicable.
- 2. Employees of the Employer, on a seniority basis.
- 3. Employees of a commonly-owned NMFA Teamster represented carrier based on the date such employees made application.

Employees who for two (2) or more years regularly performed CDL-required driving work for a a commonly owned NMFA carrier shall be compensated at 90% of the full contract rate of pay for a period of one (1) year and go to the full contractual rate thereafter. Other employees hired into regular employment shall be paid in accordance with the new hire rate set forth in Article 36, herein and shall establish seniority in accordance with the applicable Supplemental Agreement. Employees who accrue seniority under this provision who are on layoff from another Employer shall retain seniority rights at the terminal they are laid off from until such time as they are recalled to that terminal. Employees who accrue seniority under this provision who are on layoff from another terminal of the same Employer shall retain their seniority at the terminal they are laid off from until such time as recalled to that terminal. At that time, the employee must either accept recall and forfeit seniority at the new terminal or refuse recall and forfeit seniority at the terminal he/she is being recalled to.

In order to be eligible for either casual or regular employment opportunity under this provision, the laid off employee must meet the minimum hiring standards established by the Employer and be otherwise qualified to perform the work available and must be able to report for work in compliance with the Employer's established call-time procedures. The Employer's hiring standards and examinations shall be applied uniformly to all applicants for employment. The Employer shall provide the hiring standards and examinations upon written request of the Local Union. Employees who are offered work opportunity under this provision must be able to furnish proof of their qualification to perform the work available.

Any employment examination for applicants must test skills or physical abilities necessary for performance of the work in the job classification in which the applicant will be employed. Violation of this subsection shall be subject to the grievance procedure.

- (8) -(10) NO CHANGES PROPOSED
- (c) Employment Agency Fees

NO CHANGES PROPOSED

Section 3. Checkoff

NO CHANGE PROPOSED

Section 4. Work Assignment

NO CHANGE PROPOSED

Section 5.

NO CHANGE PROPOSED

Section 6. Electronic Funds Transfer

NO CHANGE PROPOSED

ARTICLE 4. STEWARDS

NO CHANGES PROPOSED

ARTICLE 5.

Section 1. Seniority Rights

NO CHANGES PROPOSED

Section 2. Mergers of Companies-General

NO CHANGES PROPOSED

Combining of Terminals or Operations as a Result of Merger of Companies

NO CHANGES PROPOSED

Active Seniority List

NO CHANGES PROPOSED

Layoff Seniority list

NO CHANGES PROPOSED

Temporary Authority

NO CHANGES PROPOSED

Purchase of Rights

NO CHANGES PROPOSED

Exclusive Cartage Operations

NO CHANGES PROPOSED

Committee Authority

NO CHANGES PROPOSED

Section 3. Intent of Parties

NO CHANGES PROPOSED

Section 4. Equipment Purchases

NO CHANGES PROPOSED

Highest Rates Prevail

NO CHANGES PROPOSED

Cutting Seniority Board

NO CHANGES PROPOSED

Posting Seniority List

NO CHANGES PROPOSED

Section 5. Work Opportunities

Over-the-road and CDL-qualified local cartage employees who have been on letter of layoff for more than thirty (30) days shall be given an opportunity to relocate to permanent employment (prior to the employment of new hires) occurring at other domiciles of the Employer provided they notify the Employer and Local Union in writing of their interest in a relocation opportunity. The offer of relocation will be made in the order of applicable seniority of the laid-off employees domiciled within the Regional area. The Employer shall be required to make additional offers of relocation to an employee who has previously rejected a relocation opportunity provided the employee again notifies the Employer in writing of his/her continued interest in additional relocation opportunities. However, the Employer will only be required to make one relocation offer in any six (6) calendar month period. Any employee accepting such offer shall be paid at the employee's applicable rate of pay and shall be placed at the bottom of the seniority board for bidding and layoff purposes, but shall retain company seniority for fringe benefits only. A relocating employee shall pay his/her own moving expenses and shall, upon reporting to such new domicile, be deemed to have relinquished his/her right to return with semiority to the domicile from which he/she relocated. The provisions of this Section shall not supersede an established order of call/hiring in the Supplemental Agreement. Covered employees shall be entitled to cross job classifications in order to afford themselves the rights under this Article provided they have the basic qualifications to perform the job to which they are moving.

Section 6. Overtime

NO CHANGE PROPOSED

ARTICLE 6.

Section 1. Maintenance of Standards

NO CHANGES PROPOSED

Local Standards

NO CHANGES PROPOSED

Individual Employer Standards

(b) Individual The Employers may during the life of this Agreement file with the appropriate Regional Joint Area Committee and request review of those individual standards and conditions claimed or practiced under this Article which exceed the provisions of this Agreement and Supplemental Agreements.

The Regional Joint Area Committee shall develop a procedure to review the filing including the right to appoint a subcommittee to make recommendations. The Committee shall make every effort to adjust the matter. If the Committee reaches agreement concerning the disposition of the individual standards or conditions, the decision of the Committee shall be final and binding. In the event of deadlock, the submitted standards and/or conditions shall continue as practiced.

General

(c) It is agreed that the provisions of this Article shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying the terms and conditions of this Agreement. Such bona fide errors may be corrected at any time.

In the event a Local Union and/or employee notifies the manager at the applicable Employer facility in writing by certified mail that an employee's wages are being overpaid and the Employer does not correct the overpayment within thirty (30) calendar days following receipt of such notice, the Employer shall not be permitted to recoup such overpayment. The Employer shall, however, be permitted to correct the wage error by paying employees the appropriate contractual wage prospectively from the date of notice by the Local Union and/or employee, provided the correction is made prior to the expiration of this Agreement.

No other Employer shall be bound by the voluntary acts of another Employer when he/she may exceed the terms of this Agreement. Any disagreement between the Local Union and the Employer with respect to this matter shall be subject to the grievance procedure.

This provision does not give the Employer the right to impose or continue wages, hours and working conditions less than those contained in this Agreement.

Section 2. Extra Contract Agreements

NO CHANGES PROPOSED

Section 3. Workweek Reduction

NO CHANGES PROPOSED

Section 4. New Equipment

Where new types of equipment and/or operations for which rates of pay are not established by this Agreement are put into use after April 1, 2003, within operations covered by this Agreement, rates governing such operations shall be subject to negotiations between the parties.

In the event agreement cannot be reached within sixty (60) days after date such equipment is put into use, the matter may be submitted to the National Grievance Committee for final disposition. Rates agreed upon or awarded shall be effective as of the date equipment is put into use.

The above provisions shall also apply in the event the law (state or federal) is changed to permit longer combination vehicles or aggregate weight increases of 8,000 pounds or more in the weight limits that are currently provided in the Surface Transportation Assistance Act of 1982.

Employees expected to use computers or other electronic devices will be trained to use them and will be paid for all training time. Employees expected to use computers or other electronic devices will be given sufficient time to learn to use them.

ARTICLE 7. LOCAL AND AREA GRIEVANCE MACHINERY

Section 1.

(a) Provisions relating to local, state and area grievance machinery are set forth in the applicable Supplements to this Agreement.

Each Supplemental Agreement shall provide for a Regional Joint Area Review Committee. The Committee shall review and consider any case deadlocked by the Regional Joint Area Committee. The Regional Joint Area Review Committee shall consist of the Freight Coordinator from the applicable Region or a designee of the TNFINC Chairman and a designee of the Executive Director of TMI. The Committee shall have the authority to resolve any such deadlocked case either by review of the evidence presented to the Regional Joint Area Committee or by rehearing the case. The decisions of the Committee shall be final and binding. In the event the Committee is unable to resolve the deadlock, the case shall be referred to the National Grievance Committee.

Unless otherwise indicated in writing to TMI and TNFINC by a Supplemental Negotiating Committee prior to ratification of this Agreement, there shall be no arbitration of discharge and suspensions.

- (b) All grievances arising under the provisions of the Master Agreement (Articles 1-39) shall be filed directly with the appropriate Regional Joint Area Committee. The Regional Joint Area Committee shall have the authority to render a final and binding decision or direct the grievance to the appropriate lower level committee for hearing if the grievance is not properly claimed under the provisions of the Master Agreement. The Regional Joint Area Committee must hear and decide such cases within ninety (90) days of the filing of the grievance. Grievances arising under Article 9 Protection of Rights, Article 29, Sections 1 or 2(a) and (b) Substitute Service and Article 32, Subcontracting shall be expeditiously processed and may be heard at either regularly scheduled or specially called hearings. A grievance may be filed by any Region hose members are adversely affected by an alleged violation of Article 32, Section 4(b) occurring within its jurisdiction.
- (c) It is mutually agreed that the procedures for processing complaints concerning matters of highway and equipment safety shall be incorporated in the applicable Supplemental Agreement, in accordance with the guidelines established by the <u>ABF-National Master Freight Safety</u>, Health and Equipment Committee provided for in Article 16.

Special Joint Area Committees shall also be created in compliance with the provisions of Article 35, Sections 3 and 4.

The procedure set forth in the local, state and area grievance machinery and in the national grievance procedure may be invoked only by the authorized Union representative or the Employer representative. Authorized representatives of the Union and/or Employer may file grievances alleging violation of this Agreement, under local grievance procedure, or as provided herein, unless provided to the contrary or otherwise mutually agreed in the Supplemental Agreement and/or respective committee rules of procedure. Time limitations regarding the filing of grievances, if not set forth in the respective Supplemental Agreements, must appear in the Rules of Procedure of the various grievance committees and shall apply equally to the Employers and employees.

The Rules of Procedure of the various committees established under the Agreement shall be subject to the review and approval of the National Grievance Committee.

Section 2. Grievant's Bill of Rights

NO CHANGES PROPOSED

Section 3.

NO CHANGES PROPOSED

Section 4.

NO CHANGES PROPOSED

Section 5. Timely Payment of Grievances

NO CHANGES PROPOSED

Section 6.

NO CHANGES PROPOSED

ARTICLE 8. NATIONAL GRIEVANCE PROCEDURE

Section 1.

All grievances or questions of interpretations arising under this <u>ABF-National Master Freight Agreement or Supplemental Agreements thereto shall be processed as set forth below.</u>

(a) All factual grievances or questions of interpretation arising under the provisions of the Supplemental Agreement (or factual grievances arising under the <u>ABF-National Master Freight Agreement</u>), shall be processed in accordance with the grievance procedure of the applicable Supplemental Agreement.

If upon the completion of the grievance procedure of the Supplemental Agreement the matter is deadlocked, the case shall be immediately forwarded to both the Employer and Union secretaries of the National Grievance Committee, together with all pertinent files, evidence, records and committee transcripts.

Any request for interpretation of the <u>ABF-National Master Freight Agreement shall</u> be submitted directly to the Regional Joint Area Committee for the making of a record on the matter, after which it shall be immediately referred to the National Grievance Committee. Such request shall be filed with both the Union and Employer secretaries of the National Grievance Committee with a complete statement of the matter.

(b) Any matter which has been referred pursuant to Section 1(a) above, or any question concerning the interpretation of the provisions contained in the <u>ABF-National Master Freight Agreement</u>, shall be submitted to a permanent National Grievance Committee which shall be composed of an equal number of employer and union representatives. The National Grievance Committee shall meet on a regular basis, for the disposition of grievances referred to it, or may meet at more frequent intervals, upon call of the chairman of either the Employer or Union representatives on the National Grievance Committee. The National Grievance Committee shall adopt rules of procedure which may include the reference of disputed matters to subcommittees for investigation and report, with the final decision or approval, however, to be made by the National Grievance Committee. If the National Grievance Committee resolves the dispute by a majority vote of those present and voting, such decisions shall be final and binding upon all parties.

Cases deadlocked by the National Grievance Committee shall be referred as provided in Section 2(b) below. Procedures relating to such referrals shall be included in the Rules of Procedure of the National Grievance Committee.

The Employer may request the co-chairmen of the National Grievance Committee to appoint and convene a joint Employer and Union Committee which shall have the authority to approve uniform dispatch procedures and rules which shall apply to the individual company's over-the-road operations.

No Employer signatory to this Agreement shall be permitted to have its own grievance procedure.

Section 2.

NO MATERIAL CHANGE- CHANGE REFERENCE TO ABF-NMFA

Section 3. Work Stoppages

NO MATERIAL CHANGE- CHANGE REFERENCE TO ABF-NMFA

Section 4.

NO MATERIAL CHANGES PROPOSED - Delete subsection (c).

Section 5.

NO CHANGES PROPOSED

Section 6. Change of Operations

Change of Operations Committee

NO MATERIAL CHANGES PROPOSED

Change of Operations Committee Procedure

NO CHANGES PROPOSED

Moving Expenses

NO CHANGES PROPOSED

Change of Operations Seniority

NO CHANGES PROPOSED

Closing, Partial Closing of Terminals-Transfer of Work

NO CHANGES PROPOSED

Closing of Terminals-Elimination of Work

NO CHANGES PROPOSED

Layoff

NO CHANGES PROPOSED

Opening of Terminals

NO MATERIAL CHANGES [MODIFY TO SINGLE EMPLOYER-ABF]

Definition of Terms

NO CHANGES PROPOSED

Qualifications and Training

NO CHANGES PROPOSED

Intent of Parties

(g) The parties acknowledge that the above rules are intended solely as general standards and further that many factual situations will be presented which necessitate different application, modification or amendment. Accordingly, the parties acknowledge that questions of the application of seniority rights may arise which require different treatment and it is anticipated and understood that the Employers and Unions jointly involved and/or the respective grievance committees may mutually agree to such disposition of questions of seniority which in their judgment is appropriate under the circumstances.

The Change of Operations Committees, as provided herein or in the Supplemental Agreements, shall have the authority to determine the application of seniority in those situations presented to them. In all cases, the seniority decisions of the Joint Committees, including the Change of Operations Committees and subcommittees established by the <u>ABF-National Master Freight Agreement</u> and the respective Supplemental Agreements, shall be final and binding.

Section 7.

NO CHANGES PROPOSED

Section 8. Sleeper Cab Operations

NO CHANGES PROPOSED

ARTICLE 9. PROTECTION OF RIGHTS

NO MATERIAL CHANGES PROPOSED

ARTICLE 10. LOSS OR DAMAGE

NO MATERIAL CHANGES PROPOSED

ARTICLE 11. BONDS AND INSURANCE

NO MATERIAL CHANGES PROPOSED

ARTICLE 12. UNIFORMS

NO CHANGE PROPOSED

ARTICLE 13. PASSENGERS

NO CHANGES PROPOSED

ARTICLE 14. COMPENSATION CLAIMS

DELETE: MODIFIED WORK ADD: THERE SHALL BE NO MODIFIED WORK

ARTICLE 15. MILITARY CLAUSE

NO CHANGE PROPOSED

ARTICLE 16. EQUIPMENT, SAFETY AND HEALTH

Preamble

It is agreed that all parties covered by this Agreement shall comply with all applicable federal, state and local regulations pertaining to worker safety and health and subjects covered by Article 16. Failure to do so shall be subject to the grievance procedure, in accordance with Articles 7 and 8 of the <u>ABF-NMFA</u>, and any other remedies prescribed by law after the procedures contained in this Agreement are exhausted. Class A casual mechanics will not be allowed to sign off safety related write ups.

Section 1. Safe Equipment

NO CHANGES PROPOSED

Section 2. Dangerous Conditions

Under no circumstances will an employee be required or assigned o engage in any activity involving dangerous conditions of work, or danger to person or property or in violation of any applicable statute or court order, or in violation of a government regulation relating to safety of person or equipment.

The term "dangerous conditions of work" does not relate to the type of cargo which is hauled or handled.

The Company shall not discipline or put any driver at risk for hauling any known illegal or inappropriate freight.

The Company shall make sure that adequate safety precautions are taken (including extra personnel) regarding "turn key"/internal deliveries of odd sized and weight pieces (e.g. pianos, furniture, treadmills, etc.).

Section 3. Accident Reports

NO CHANGES PROPOSED

Section 4. Equipment Reports

NO CHANGES PROPOSED

Section 5. Qualifications on Equipment

If the Employer or government agency requests a regular employee to qualify on equipment requiring a classified or special license, or in the event an employee is required to qualify (recognizing seniority) on such equipment in order to obtain a better job opportunity with his/her Employer, the Employer shall allow such regular employee the use of the equipment so required in order to take the examination on the employee's own time.

Any background check required by either the employer or the government will be paid for by the employer.

Costs of such license required by a government agency will be paid for by the employee.

An employee unable to successfully pass the DOT Commercial Driver's License (CDL) examination will be allowed to take a leave of absence for a period not to exceed one (1) year provided the employee makes a bona fide effort to pass the test each time the opportunity presents itself.

Once obtained an employee must maintain his/her commercial driver's license with required endorsements unless disqualified by regulatory mandate or documented medical disability.

Section 6. Equipment Requirements

NO CHANGES PROPOSED (a) - (v)(5)

(6) All sleeper tractors will be set so that the unit will continue to idle, except if (a) federal, state, or local laws or regulations require the Employer to limit or eliminate tractor idle time or (b) the unit is equipped with an auxiliary power pack that provides heat and air conditioning to the sleeper berth area. Effective April 1, 2013 all sleeper tractors shall have an auxiliary power supply to be used when equipment is not in use and the employee is in the sleeper. The auxiliary power supply must be sufficient to power both the heater and air conditioning.

NO CHANGES PROPOSED (w)-(22)

(bb) All trailer jockeys shall have electric power mirrors on the right hand side.

(cc) Effective April 1, 2013 all trucks shall be able to run at 70 mph.

(dd) Effective April 1, 2013 each location covered by this agreement shall have a power liftgate available.

(ee) Effective April 1, 2013, the Company shall eliminate the use of hyster forklifts when delivering or picking up relocubes and replace the hyster lifts with moffet 3 wheeler lifts

(ff) The Employer shall repair inoperable air conditioners year round.

(gg) Forklifts must have tires that are in good working order with no sizeable chunks of missing tire.

(hh) Forklift seats shall have sufficient seat cushion as well as a spring suspension system under the seat. Forklift seats shall also have a minimum of 5 different incline/decline positions. Forklift seats should also be adjustable and able to slide back and forth.

Section 7. National Safety, Health & Equipment Committee

NO CHANGES PROPOSED

Section 8. Hazardous Materials Program

NO CHANGES PROPOSED

Section 9. Union Liability

NO CHANGES PROPOSED

Section 10. Government Required Safety & Health Reports

NO CHANGES PROPOSED

Section 11. Facilities

Dock floors shall be maintained in good repair and reasonably free from potholes.

Yards shall be maintained reasonably free from potholes and reasonably effective dust control measures shall be implemented as necessary.

Breakrooms and storage areas for linens, mattresses and individual towels shall be maintained in a sanitary condition.

Restrooms and showers shall be maintained in a sanitary condition. Showers, where provided, shall have body soap or other appropriate cleansing agents and clean individual towels. The requirement to provide a shower which is maintained in a sanitary condition is not satisfied by the availability of a Hazmat shower.

The Employer agrees to maintain clean restrooms and breakrooms on a regular basis throughout the day. All restrooms and breakroom facilities shall be maintained and kept in proper working order.

Suitable windshield/window cleaning materials shall be available to include a long handled brush/squeegee.

- (ii) Terminals located in dangerous locations shall have and maintain sufficient security systems and/or personnel to protect drivers when terminals are dark.
- (ii) All parking facilities for employees shall be secure and well lit. Dark terminals shall be well lit after hours and on weekends.

ARTICLE 17. PAY PERIOD

NO CHANGES PROPOSED

ARTICLE 18. OTHER SERVICES

In the event an the Employer, party to this Agreement, may require the services of employees coming under the jurisdiction of this Agreement in a manner and under conditions not provided for in this Agreement, then and in such instances the Local Union and the Employer concerned may negotiate such matters for such specific purposes, subject to the approval of the Multi-Region Change of Operations Committee.

ARTICLE 19. POSTING

NO CHANGES PROPOSED

ARTICLE 20. UNION AND EMPLOYER COOPERATION

NO MATERIAL CHANGE - CONVERT TO SINGLE ABF AGREEMENT

ARTICLE 21. UNION ACTIVITIES

NO CHANGES PROPOSED

ARTICLE 22. OWNER-OPERATORS

NO CHANGES PROPOSED

ARTICLE 23. SEPARATION OF EMPLOYMENT

NO CHANGES PROPOSED

ARTICLE 24. INSPECTION PRIVILEGES AND EMPLOYER AND EMPLOYEE IDENTIFICATION

Add: The Company shall also pay for all TSA or other governmental background checks.

ARTICLE 25. SEPARABILITY AND SAVINGS CLAUSE

NO CHANGES PROPOSED

ARTICLE 26. TIME SHEETS, TIME CLOCKS, VIDEO CAMERAS, AND COMPUTER TRACKING DEVICES

Section 1. Time Sheets and Time Clocks

In over-the-road or line operations, the Employer shall provide and require the employee to keep a time sheet or trip card showing the arrival and departure at terminal and intermediate stops and cause and duration of all delays, time spent loading and unloading, and same shall be turned in at the end of each trip. In local cartage operations, a daily time record shall be maintained by the Employer at its place of business. All Employers who employ five (5) or more people at any terminal shall have time clocks at such terminals.

Employees shall punch their own time cards.

The Employer shall maintain sign-in and sign-out records at terminals. All road drivers must record their name, home domicile, origin, destination and arrival and/or departure times. The Employer shall make available upon the written request of a Local Union information regarding the destination of loads and/or where loads were loaded within the time limits set forth in the grievance procedure.

The Employer may substitute updated time recording equipment for time cards and time sheets. However, a paper trail shall be maintained.

The Employer may computerize the sign-in and sign-out records. However, at all times, the Union shall have reasonable access to a paper record of the sign-in and sign-out records.

The Employer shall maintain complete and accurate sign-in/sign-out sheets with complete dispatch records, including vias.

Section 2. Use of Video Cameras for Discipline and Discharge

The Employer may not use video cameras or photos derived therefrom to discipline or discharge an employee, for reasons other than theft of property or dishonesty. If the information on the video tape is to be used to discipline or discharge an employee, the Employer must provide the Local Union, prior to the hearing, an opportunity to review the video tape used by the Employer to support the discipline or discharge. Where a Supplement imposes more restrictive conditions upon use of video cameras for discipline or discharge, such restrictions shall prevail.

The Employer shall not install or use video cameras in areas of the Employer's premises that violate the employee's right to privacy such as in bathrooms or places where employees change clothing or provide drug or alcohol testing specimens.

Section 3. Computer Tracking Devices

Computer tracking devices, commonly known as "Black Boxes", GPS or other electronic devices mandated by regulations shall not be used for disciplinary purposes, except in those incidents of violations of Federal Mandated Regulations or when an employee has intentionally committed malicious damage to the Employer's equipment or when an employee has unsafely operated the Employer's commercial motor vehicles.

ARTICLE 27. EMERGENCY REOPENING

NO CHANGES PROPOSED

ARTICLE 28. SYMPATHETIC ACTION

NO CHANGES PROPOSED

ARTICLE 29. SUBSTITUTE SERVICE

NO CHANGE PROPOSED-DATES IN SECTION 6 MUST BE MODIFIED TO REFLECT CONTINUANCE OF STATUS QUO

ARTICLE 30. JURISDICTIONAL DISPUTES

NO CHANGES PROPOSED

ARTICLE 31. MULTI-EMPLOYER, MULTI-UNION UNIT

The parties agree to become a part of the multi-employer, multi-union bargaining unit established by this ABF-National Master Freight Agreement, and to be bound by the interpretations and enforcement of this ABF-National Master Freight Agreement and Supplements thereto.

ARTICLE 32. SUBCONTRACTING

Add to Section 3:

In addition to any other restrictions, no contractors or other operator shall be permitted to work, stage, or move other companies' freight on an ABF dock, unless that contractor or other operator has a regular lease for clearly demarcated and separate space at that terminal. Nor should contractors be permitted in ABF unworked trailers to remove freight.

No overflow will be delivered by non-bargaining unit personnel except in cases of clear emergency.

ARTICLE 33. WAGES, CASUAL RATES, PREMIUMS AND COST-OF-LIVING (COLA)

Effective April 1, 2013 all wage rates shall be increased by \$1.00 per hour and the mileage equivalent thereof.

Effective April 1, 2014 all wage rates shall be increased by \$1.00 per hour and the mileage equivalent thereof.

1. General Wage Increases: All Regular Employees

All-regular employees subject to this Agreement will receive the following general wage increases:

Effective Dates	Hourly	<u>Mileage</u>
April 1, 2008	\$0.50 per hour	1.250 cents per mile
April 1, 2009	\$0.40 per hour	
April 1, 2010	\$0.45 per hour	1.125 cents per mile
April 1, 2011	\$0.40 per hour	1.000 cents per mile
April 1, 2012	\$0.45 per hour	1.125 cents per mile
Total	\$2.20 per hour	5.500 cents per mile

All regular employees still in the New Hire Progression on the effective dates of this Agreement shall receive the appropriate percentage increase of the general wage increase.

2. Casual Rates

(a) City and Combination Casuals

Hourly-rates for city and combination casuals (CDL required) shall increase by 80% of the general wage increase for regular employees on the dates shown in Section 1 of this Article as follows:

Effective Dates -	Hourly
April 1, 2008	\$0.40 per hour
April-1, 2009 —	\$0.32 per hour
April 1, 2010	\$0.36 per hour
April 1, 2011	\$0.32 per hour
April 1, 2012	\$0.36 per hour

(b)Deck-Only-Casuals

Effective April 1, 2006, the hourly rates for dock only casuals will increase to \$16.00. The hourly rate for dock only casuals hired after April 1, 2008 shall be \$14.00 for the duration of the Agreement.

Effective April 1, 2013, the dock only casual rate shall be at 70% of the top rate and combination casuals shall receive 100% of all wage increases otherwise applicable to the top rate.

3. Utility Employee and Sleeper Team Premiums

- (a) Effective April 1, 2008 and in the event an Employer subject to this Agreement utilizes the Utility Employee classification, each Utility Employee shall receive an hourly premium of \$1.00 per hour over the highest rate the Employer pays to local cartage drivers under the Supplemental Agreement covering the Utility Employee's home domicile. A Utility Employee in progression shall receive the hourly premium in addition to the Utility Employee's progression rate.
- (b) Effective April 1, 2003, the Sleeper Team Premium will be a minimum of 2 cents per mile over and above the applicable single man rates in each Supplemental Agreement.

4. Cost of Living Adjustment Clause

All regular employees shall be covered by the provisions of a cost-of-living allowance as set forth in this Article.

The amount of the cost-of-living allowance shall be determined as provided below on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers", CPI-W (Revised Series Using 1982-84 Expenditure Patterns). All Items published by the Bureau of Labor Statistics, U.S. Department of Labor and referred to herein as the "Index".

Effective April 1, 2009 14, and every April 1 thereafter during the life of the Agreement, a cost-of-living allowance will be calculated on the basis of the difference between the Index for January, 2008 13, (published February, 2008 13) and the index for January, 200914 (published February, 2009) with a similar calculation for every year thereafter, as follows:

For every 0.2 point increase in the Index over and above the base (prior year's) Index plus 3.0%, there will be a 1 cent increase in the hourly wage rates payable on April 1, 2009 14, and every April 1 thereafter. These increases shall only be payable if they equal a minimum of five cents (\$.05) in a year.

All cost-of-living allowances paid under this Agreement will become and remain a fixed part of the base wage rate for all job classifications. A decline in the Index shall not result in the reduction of classification base wage rates.

Mileage paid employees will receive cost-of-living allowances on the basis of .25 mills per mile for each 1 cent increase in hourly wages.

In the event the appropriate Index figure is not issued before the effective date of the cost-of-living adjustment, the cost-of-living adjustment that is required will be made at the beginning of the first (1st) pay period after the receipt of the Index.

In the event that the Index shall be revised or discontinued and in the event the Bureau of labor Statistics, U.S. Department of Labor, does not issue information which would enable the Employer and the Union to know what the Index would have been had it not been revised or discontinued, then the Employer and the Union will meet, negotiate, and agree upon an appropriate substitute for the Index. Upon the failure of the parties to agree within sixty (60) days, thereafter, the issue of an appropriate substitute shall be submitted to an arbitrator for determination. The arbitrator's decision shall be final and binding.

5. Education and Training

NO CHANGES PROPOSED

ARTICLE 34. GARNISHMENTS

In the event of notice to an Employer of a garnishment or impending garnishment, the Employer may take disciplinary action if the employee fails to satisfy such garnishment within a seventy two (72)—hour period (limited to working days) after notice to the employee. However, the Employer may not discharge any employee by reason of the fact that his earnings have been subject to garnishment for any one (1) indebtedness. If the Employer is notified of three (3) garnishments irrespective of whether satisfied by the employee within the seventy two (72)—hour period, the employee may be subject to discipline, including discharge in extreme cases. However, if the Employer has an established practice of discipline or discharge with a fewer number of garnishments or impending garnishments, if the employee fails to adjust the matter within the seventy two (72)—hour period, such past practice shall be applicable in those cases.

The Employer shall not take any disciplinary action against an employee because that employee is subject to garnishment or impending garnishment.

ARTICLE 35.

NO MATERIAL CHANGES PROPOSED

ARTICLE 36. NEW ENTRY (NEW HIRE) RATES

Full-Time New Hire Wage Progression and Casual Rates

- A. <u>CDL Qualified Driver or Mechanics</u> Effective April 1, <u>2013</u> 2008-, all regular employees hired on or after that date and employees who are in progression shall receive the following hourly and/or mileage rates of pay:
- (a) Effective first (1st) day of employment eighty five ninety percent (9085%) of the current rate.
- (b) Effective first (1st) day of employment plus one (1) year ninety five percent (95 0%) of the current rate.
- (c) Effective first (1st) day of employment plus two (2) years ninety five percent (95%) one hundred percent (100%) of the current rate
- (d) Effective first (1st) day of employment plus three (3) years—one hundred percent (100%) of the current rate
- CDL-qualified employees hired into driving positions who are not currently on the seniority list at an NMFA carrier and who for two (2) or more years regularly performed CDL-required driving work for a commonly owned NMFA carrier shall be compensated at 90% of the full contract rate of pay for a period of one (1) year and go to the full contractual rate thereafter, provided they have not had a break in service in excess of three (3) years.
- B. Non-CDL Qualified Employees Effective April 1, 2008, all non-CDL qualified employees (excluding mechanics) hired will be subject to the following new hire progression:
- (a) Effective first (1st) day of employment seventy percent (70%) of the current rate.
- (b) Effective first (1st) day of employment plus one (1) year—seventy five percent (75%) of the current rate.
- (c) Effective first (1st) day of employment plus two (2) years—eighty percent (80%) of the current rate.
- -(d) Effective first (1st) day of employment plus three (3) years—one hundred percent (100%) of the current rate.
- (a) Effective first (1st) day of employment ninety percent (90%) of the current rate.
- (b) Effective first (1st) day of employment plus one (1) year ninety five percent (95 %) of the current rate.
- (c) Effective first (1st) day of employment plus two (2) years one hundred percent (100%) of the current rate

The above rates shall not apply to casual employees. The term "current rate" is the applicable hourly and/or mileage rate of pay for the job classification payable under this Agreement.

ARTICLE 37. NON-DISCRIMINATION

NO CHANGES PROPOSED

ARTICLE 38.

Section 1. Sick Leave

Add: Each year the Employees shall be allowed the option of cashing out unused sick pay at years' end or carrying over days earned up to a maximum of two years worth of sick days. Any excess beyond the two years amount will be cashed out.

Section 2. Jury Duty

NO CHANGES PROPOSED

Section 3. Family and Medical Leave Act

All employees who worked for the Employer for a minimum of twelve (12) months and worked at least 1250 hours during the past twelve (12) months are eligible for unpaid leave as set forth in the Family and Medical Leave Act of 1993.

Eligible employees are entitled to up to a total of 12 weeks of unpaid leave during any twelve (12) month period for the following reasons:

- 1. Birth or adoption of a child or the placement of a child for foster care;
- 2. To care for a spouse, child or parent of the employee due to a serious health condition;
- 3. A serious health condition of the employee.

The employee's seniority rights shall continue as if the employee had not taken leave under this Section, and the Employer will maintain health insurance coverage during the period of the leave.

The Employer may shall not require the employee to substitute accrued paid vacation or other paid leave for part of the twelve (12) week leave period.

The employee is required to provide the Employer with at least thirty (30) days advance notice before FMLA leave begins if the need for leave is foreseeable. If the leave is not foreseeable, the employee is required to give notice as soon as practicable. The Employer has the right to require medical certification of a need for leave under this Act. In addition, the Employer has the right to require a second (2nd) opinion at the Employer's expense. If the second opinion conflicts with the initial certification, a third opinion from a health care provider selected by the first and second opinion health care providers, at the Employer's expense may be sought, which shall be final and binding. Failure to provide certification shall cause any leave taken to be treated as an unexcused absence.

As a condition of returning to work, an employee who has taken leave due to his/her own serious health condition must be medically qualified to perform the functions of his/her job. In cases where employees fail to return to work, the provisions of the applicable Supplemental Agreement will apply.

It is specifically understood that an employee will not be required to repay any of the contributions for his/her health insurance during FMLA leave. No employee will be disciplined for requesting or taking FMLA leave under the contract absent fraud, misrepresentation, or dishonesty.

Disputes arising under this provision shall be subject to the grievance procedure.

The provisions of this Section are in response to the federal FMLA and shall not supersede any state or local law which provides for greater employee rights.

The Employer may not force an employee to use pre-scheduled vacation time as FMLA leave, provided the vacation involved was prescheduled in accordance with the applicable supplemental agreement.

The Employer may not force an employee who has taken separate hours of unpaid leave for medical reasons to substitute those hours as accrued leave under the FMLA.

The Employer may not force an employee to substitute accrued leave for FMLA leave if the employee is receiving supplemental loss-of-time disability benefits from a benefit plan under the Agreement.

Section 4. Funeral Leave Enhancement

Any employee who travels for funeral leave under the provisions of this agreement or supplement thereto a distance of more than 50 miles shall be granted a minimum of three days paid funeral regardless of the day of death.

ARTICLE 39. DURATION

NO MATERIAL CHANGE-CHANGE TO 2-YEAR AGREEMENT