

**NMATA CENTRAL-SOUTHERN AREAS SUPPLEMENTAL AGREEMENT
SUMMARY OF CHANGES
AS OF JULY 22, 2016**

PART I (GENERAL)

ARTICLE 36, SECTION 3 (ADDRESS, PHONE CHANGE)

Modify Section 3 as follows:

It shall be the responsibility of each employee to notify his Employer, in writing, of all address, ~~or~~ phone number, or email changes. The Employer will post on all terminal bulletin boards a notice covering this new requirement.

ARTICLE 40, UNIFORM RULES AND REGULATIONS RULE 3 (CONDUCT)

Modify Section 3(a) as follows:

3. CONDUCT:

(a) Unquestionable evidence of possession and/or consuming some of and/or having consumed intoxicating beverages, taking narcotics, amphetamines, barbiturates, marijuana, hallucinogens or other controlled substances as defined by state or federal law on duty or on company property or equipment, and/or the failure to submit to or pass a sobriety test or a test to determine drug usage upon request if the employee appears to be under such influence.

Subject to discharge.

ARTICLE 40, UNIFORM RULES AND REGULATIONS, RULE 4(D) (DAMAGES)

Modify Rule 4(d) as follows:

4. DAMAGES:

(d) Major cargo damage resulting from proven careless handling or neglect.

NOTE: To be considered major damage, the loss must exceed ~~\$2,000~~ \$3,500 excluding the loss of sale.

1st offense - subject to discharge after full investigation.

ARTICLE 42 (LODGING)

Modify 1st paragraph of Article 42 as follows:

Comfortable, sanitary lodging shall be provided by the Employer in all cases where an employee is required to take a statutory rest period away from his home terminal provided bona fide receipt is given to Employer by employee. Employer has the right to designate or provide suitable places of lodging to be mutually agreed upon. The Employer will provide a master-a company-wide list of all its current designated lodging to all drivers. The Employer shall have a designated person(s) for receiving lodging complaints.

ARTICLE 48 (UTILIZATION OF EQUIPMENT)

Modify Article 48 as follows:

It is agreed that Article 48 shall become inoperative to an operation of the Employer on any day that there are not enough loads to dispatch the available drivers or drivers who become available during regular dispatch hours. An Employer utilizing this Article shall insure the equitable distribution of loads.

Employers may make some dispatches into and out of areas where employees are currently on layoff; provided, however, such dispatches shall not exceed twenty percent (20%) of a terminal's loads each day. It is the expressed intent of the parties that these loads be equally allocated to the greatest possible extent. For purposes of calculating twenty percent (20%) of a terminal's loads, only logically deliverable loads will be considered; competitive loads and shuttle loads will be excluded; and city trips will only be considered to the extent that four (4) city trips will constitute one (1) load.

There will be no trip leasing between two (2) different companies when drivers are on layoff at the company doing the leasing.

The limitations contained in the preceding two paragraphs shall not be applicable in instances where the Employer has established with the Local Union that a layoff is caused by a permanent loss of traffic. In such cases the 20% rule and the trip leasing restriction would become effective when layoffs occur as a result of fluctuations in the remaining traffic.

This Article does not apply to any approved competitive backhaul agreements nor does it prevent any two (2) companies or any two (2) different Local Unions from entering into such agreements.

This Article shall apply to the Central-Southern Area only, unless the Eastern or Western Supplements have provisions similar to those referenced herein.

ARTICLE 48, SECTION 1

Modify Article 48, Section 1 as follows:

The Unions recognize the need of the Employers to obtain maximum utilization of equipment. The Unions agree to cooperate with the Employers to obtain this objective in accordance with the provisions set out below:

(a) Where work is slow at a driver's home terminal, he/she can be required to deadhead to another terminal on a single trip basis. Such driver shall be dispatched with a load in the general direction of his/her home terminal. Such foreign driver shall be given a trip nearest or beyond his/her home terminal regardless of the local dispatch rules in that terminal. Such driver shall be processed through the dispatch in no more than thirty (30) minutes from registering in at such terminal. Failure on the part of any backhauling terminal to expedite will make such driver eligible to be paid all time spent at such terminal from the registering in time until he/she is dispatched. Such time is to be paid at the appropriate hourly rate in effect at the time of such delay. The foregoing will not preclude a driver from voluntarily picking trips away from his home terminal.

In the event the terminal does not have or does not keep time records for these types of dispatches, then the driver's own records; i.e., logs and/or extra pay request forms will establish the time to be paid.

The type of local dispatch; i.e., "seniority", "time" and/or "first in first out" may not interfere with expediting any otherwise eligible backhauling driver under this section.

This subsection (a) shall immediately become inoperative at any terminal on any day that drivers are deadheaded to another terminal on a single trip.

No terminal may utilize the provisions of this subsection (a) for more than seven (7) work days without discontinuing its use for an additional seven (7) successive work days. Claims of abuse of this subsection (a), after being taken up with the Employer, are proper subjects for submission directly to the appropriate Area Committee, upon mutual consent.

(b) Any driver voluntarily going into a foreign terminal to handle overflow traffic, will work out of that terminal at the bottom of the open board, as defined at that location, under the local dispatch rules governing such terminal for a period not to exceed twenty-one (21) days. Any such driver will be entitled to the daily guarantee under Article 60 and all motel expenses will be paid by the foreign terminal and will receive ~~\$30.00~~ ~~-\$27.00~~ each day for meals while working out of that terminal and will be provided with a load in the direction of the foreign terminal in order to get him/her to that location, and will be given a load in the direction of his/her home terminal at the conclusion of the assignment, in both instances irrespective of the dispatch procedures in effect.

(c) No company shall utilize any provisions of this Article in order to interfere with and/or circumvent other contractual requirements under Article 38 of this Agreement.

(d) Employers who operate a central dispatch or similar system will maintain a procedure for documenting calls made by drivers regarding backhauls, and information regarding individual cases will be made available to the local union upon request. Where the Employer tape records such calls, the information will include logs of those tapes.

(e) Foreign road drivers will not be dispatched under this Article 48 with any loads of less than thirty (30) miles to the first drop.

ARTICLE 48, SECTION 2

Modify Section 2 as follows:

The parties further mutually agree to maximize return traffic. The purpose of such agreement is to:

- (a) operate the truckaway operation as efficiently as possible;
- (b) place the Employer in a better position to develop additional traffic;
- (c) maximize the earning opportunity of truckaway personnel;
- (d) create better job security for employees in the truckaway industry; and
- (e) increase the number of jobs, resulting in the development of increased traffic moving by the truckaway method.
- (f) to create equitable treatment between each terminal-affected by this Article.

ARTICLE 48, SECTION 3

Modify Section 3 as follows:

(a) Any driver may be dispatched with a trip toward his home terminal regardless of dispatch procedure at the foreign terminal.

(b) Foreign drivers on one (1) load only, shall be given priority to be loaded out first. Equal treatment shall be afforded to all Local Unions.

(c) Once dispatched from his home terminal, a driver may be required to pull a maximum of one trip away from the direction of his home terminal, ~~if there is no trip in the direction of his home terminal available~~, provided that such an "away" trip has been made available to the domiciled drivers at the dispatching terminal. Such away trips

shall only be dispatched on Monday, Tuesday and Wednesday and will not exceed 250 miles. When not being required to take an "away" trip, the forgoing will not preclude a driver from voluntarily picking trips away from the direction of his home terminal.

(d) The Employer shall give to the Local Union each month a list of loads given by that terminal to other locations and loads received by that terminal from other locations. Any Employer who fails to provide such reports for three (3) consecutive months will not be permitted to utilize the provisions of this Article until all such reports are provided.

ARTICLE 48, SECTION 4

Modify Section 4 as follows:

Should any affected Local Union involved in this Article feel that any particular carrier is abusing the utilization which was granted it shall have the right to file a complaint under the grievance procedure of the contract. After full investigation and review of all evidence presented the grievance committee shall have the authority to deny to any carrier the right to utilize this Article of the Agreement.

ARTICLE 48, SECTION 6

Modify Section 6 as follows:

Any Company must be fully signatory to the National Agreement of NMATA and fully signatory to the Central-Southern Supplement or fully signatory to the Eastern Area Supplement or the Western Area Supplement and operating under conditions similar to those referenced herein, to utilize Article 48.

ARTICLE 48, NEW SECTION 7

Insert the following language as Article 48, New Section 7:

New Section 7. Voluntary Open Board

- A. The parties acknowledge that the truckaway sector has become a more on-demand environment where product holds and sudden releases of new vehicles occur with greater frequency. In order for NMATA carriers to continue to serve OEMs on a national basis, an employer must on occasion deploy drivers and equipment on an as needed or "on-call" basis if they are to maintain market share and remain competitive. This may include hauling traffic from plants, railheads and VDCs that are not currently serviced by a union carrier. Towards that end, this section shall allow an Employer to establish a voluntary open board (VOB) at any location for drivers who will operate throughout the system on temporary work assignments consisting of tours of duty of up to one week at a time, during which tour of duty they will be routed and dispatched through the

Company's central dispatch department.

- B. Bidding for such boards will be voluntary and handled locally. Open board drivers will not be given any loads that have not already gone through the regular dispatch system with the exception of his return trip(s) in the direction of his home domicile. If a location has a first in/first out dispatch system, all loads must have been posted and offered for a minimum of two (2) hours before becoming available to a VOB driver.
- C. Such VOB boards will be limited in size at each location to a maximum of 10% of the location's active seniority list during any given week. Open board drivers will work in the Company's system for up to one week per tour of duty, and thereafter will be entitled to time off at their home terminal location for two (2) consecutive days per week for each week (or prorata share at the driver's discretion.) This does not prohibit a driver from voluntarily agreeing to stay out up to an additional week and receiving the equivalent time off upon return.
- D. Regardless of the type of traffic being hauled, a VOB driver's tour of duty will be paid as follows: the first two trips will be paid on the basis of the longest trip at the full rate and the shorter at the frozen rate. Successive trips during the tour will be paid under the same methodology. If a driver's tour ends with a single trip not paired as above, the driver will be paid the full rate for that trip. Uncontested pay shortages will be handled in accordance with Article 55, Section 2.
- E. During each tour of duty voluntary open board drivers will be dispatched in a manner to maximize their loaded miles, but will be limited to no more than two successive trips out of the same terminal location. Regardless of the type of dispatch system, any trips given to VOB drivers must have been made available to the domiciled drivers at the dispatching terminal per this section. Operational violations of the Voluntary Open Board will be subject to the penalty of suspension of utilization contained in Section 4.
- F. An employer utilizing this section shall prepare monthly statements regarding VOB driver activity. Such reports shall identify the driver by his initials or employee number, the driver's Local Union number and terminal location, and percent of drivers that were utilized during the month at each affected terminal or location. Such information will be available to the Local Unions from TNATINC as requested. In addition, the employer shall report information on all VOB trips including the load number, origin and destination, and the date and time of dispatch departs the terminal or facility on a quarterly basis to TNATINC in Washington, DC. Additional information may be requested by TNATINC to fully evaluate the use of this section. Such information shall be supplied within 30 days of the end of the reporting period unless requested earlier by TNATINC.

PART II (TRUCKAWAY)

ARTICLE 61, SECTION 22

Modify Section 22 as follows:

Any further increases with respect to Sections 2, 3, 4, 8, 10, 11, 13, 16 (b), and 16 (c) are subject to any amounts due under Article 23.

PART III (LOCAL)

ARTICLE 65, SECTION 1(A) (DAILY, OVERTIME AND MINIMUM, GUARANTEE)

Modify Section 1 as follows:

(a) Eight (8) consecutive hours (exclusive of one-half (½) hour lunch period) shall constitute a standard workday. The lunch hour shall be taken in the middle of the shift, between the third (3rd) ~~fourth (4th)~~ and sixth (6th) ~~fifth (5th)~~ hour on duty.

Forty (40) hours shall be the standard workweek to be worked in five (5) eight (8) hour days. Monday through Friday where presently in effect; Tuesday through Saturday where presently in effect; unless changed by mutual agreement of the Local Union and the Employer.

It shall not be a violation of this Agreement for the Employer, after discussion with the Local Union, to establish a non-traditional workweek(s) for yard, rail and/or releasing employees. (Example: Tuesday through Saturday, four consecutive ten-hour shifts). However, no scheduled workweek will include both Saturday and Sunday unless mutually agreed.

ARTICLE 65, SECTION 3(A) (DAILY, OVERTIME AND MINIMUM, GUARANTEE)

Modify Section 3 (a) as follows:

(a) All employees working seven (7) consecutive days shall be paid double time for work performed on the seventh (7th) consecutive day. The rate of double the regular rate of pay shall be paid for work performed on Sundays and the following holidays:

Fourth of July, Labor Day, Thanksgiving Day, day following Thanksgiving Day, December 24th, Christmas Day, New Year's Day, Memorial Day, Good Friday and a personal holiday.

Premium pay for holiday work is in addition to the eight (8) hours' holiday pay provided for in Article 52. Premium pay for Sunday is contingent upon the employee having no uncompensated days off during his ~~regularly~~-scheduled workweek. If, however, the employee loses work during the workweek through no fault of his own, he will not be deprived of double time pay for work performed on Sunday.

PART IV (GARAGE)

ARTICLE 72, SECTION 1 (WORKWEEK)

Modify Section 1 as follows:

Eight (8) consecutive hours (exclusive of one-half (1/2) hour lunch period) shall constitute a standard workday. Forty (40) hours shall be the standard workweek to be worked in five (5) eight (8) hour days. Monday through Friday where presently in effect; Tuesday through Saturday where presently in effect; unless changed by mutual agreement of the Local Union and the Company.

The Employer may establish a Tuesday through Saturday and/or a Thursday through Sunday or Friday through Monday (4 - 10 hour days) work week at a new facility established after June 1, 1999.

Recognizing the need to establish additional job opportunities under this Section, consistent with a seven (7) day operation in terminal shops, the parties hereby agree to establish a flexible work week schedule for new, additional garage employees subject to the following conditions:

Four (4) consecutive days consisting of ten (10) hour shifts, (Thursday through Sunday, or Friday through Monday) shall constitute the flex work week. Health, Welfare and Pension contributions shall be paid by the Employer on the basis of five (5) days per week for each employee under the flex week schedule.

Time and one-half (1 1/2) shall be paid after ten (10) hours in any one (1) day during the scheduled week; after forty (40) hours; and for any hours worked on the fifth (5th) day. Double (2) time will be paid for any hours worked on the sixth (6th) day and/or seventh (7th) day.

Holidays that occur on such flex week schedules will be paid at ten (10) hours holiday pay. Holidays that occur outside of the flex work week shall be paid at eight (8) hours holiday pay.

All other compensable days off under this Agreement that occur within the flex work week will be paid at ten (10) hours pay, and such compensable days that occur outside the flex work week will be paid at eight (8) hours per day.

~~The existing number of positions as of June 1, 1999, or June 1, 2008, whichever is lower, shall be red-circled and maintained as Monday through Friday, Tuesday through Saturday, or other current flex week arrangements where in effect, provided that Other than at existing locations where the Employer utilizes, or has the right to utilize, a flex workweek, no employees hired before September 1, 2015 June 1, 1999 shall be forced to such flex week schedules. At any time that the above red-circled positions are~~

~~reduced through layoff, such flex week schedules will be suspended during such period and shall not be resumed until the staffing levels are returned to the red-circled levels as established; however, agreements may be negotiated by the Employer and Local Union at a location which modify the provisions of this Section.~~

Disputes arising under this Section shall be subject to the grievance procedure, however, all other terms of Article 72 shall apply except Section 6. Flexible work week schedules other than as stated above are proper subjects of Local negotiations, however, such agreed to flex week schedules must be submitted for approval to the appropriate Area Committee, but may be implemented upon agreement of the parties.

ARTICLE 73, SECTION 5 (COVERALLS)

Modify Section 5 as follows:

The Employer shall arrange for and assume the cost of one (1) uniform change for each scheduled work day.

Where required, the Employer shall supply safety eye wear to employees.

Where climatic conditions warrant, the issue of winter weight coveralls will be considered a proper subject for local rider negotiations.

Any Employer presently furnishing uniforms (shirts and pants) or coveralls in excess of that outlined above, shall maintain such practice.

If mechanics are required to go outside, the Employer will furnish rain gear and boots or rubbers.

When an employee is required to wear a specific type of shoe/boot, the Employer will reimburse the employee for the entire cost.

ARTICLE 73, SECTION 8

Modify Section 8 as follows:

The Employer will provide insurance with respect to the mechanics tools and tool box covering those situations of forced entry to the shop or fire; however, the maximum liability shall not exceed ~~fifteen~~ nine thousand dollars ~~(\$15,000.00) (\$9,000.00)~~. The mechanic must submit a signed, written and dated inventory to management in order to qualify for this insurance coverage, subject to Employer verification.

PART V (DRIVEAWAY)

ARTICLE 81, NEW SECTION 5 (SENIORITY - DRIVER DEEMED INADMISSIBLE UNDER CANADA'S IMMIGRATION LAW)

Add new Section 5 titled "Driver deemed inadmissible under Canada's immigration law" to read as follows:

(a) Within ninety (90) calendar days from the date of ratification of this Agreement, current employees working in driver rehabilitations who are inadmissible to operate equipment across the border with Canada shall make application with the Government of Canada for a determination of individual rehabilitation, and complete any legal requirements in the United States, so as to be qualified to make delivery into and return equipment across the border with Canada. The cost of such legal process shall be the responsibility of the employee.

(b) On and after the ninety-first (91st) calendar day after ratification, any employee working in driver classifications who has failed to make application with the Government of Canada for rehabilitation shall not be dispatched on all days thereafter with no wage or benefit obligation by the Employer. Employees in driver classifications who have a valid application for rehabilitation pending with the Government of Canada and are not qualified to make delivery into and return equipment across the border with Canada, shall dispatch at the bottom on the board on all days until qualified for border crossing by the Government of Canada.

(c) Effective on the date of ratification, all new employees hired to perform work in driver classification, upon completion of a probation period, shall be qualified by the Government of Canada to make delivery into and return equipment across the border with Canada. The first training load for new employees will be assigned with a destination or origin in Canada. All subsequent training trips will be given off of a voluntary board if such board exists at the home terminal. For purposes of this Article, a new employee shall make delivery of equipment into and across the border with Canada within sixty (60) days of employment.

ARTICLE 88, NEW SECTION 2(d) (LAYOVERS, BREAKDOWNS OR IMPASSABLE HIGHWAYS)

Insert the following as a new Section 2(d):

(d) Drivers will be paid fifteen (15) minutes for crossing into Canada and fifteen (15) minutes for crossing into the United States.

ARTICLE 88, SECTION 5 (FUELING)

Modify Section 5 as follows:

Effective upon ratification of this Agreement, driveaway drivers will be paid fifteen (15)

minutes for each required fueling. All compensated fuel stops must be properly logged and documented on driver check-in sheet with all fuel receipts attached.

If D.E.F. additive is not located at the fueling station, then u—Upon submission of a valid receipt, drivers will be paid an additional \$3.00 for each time required to add D.E.F. to the fuel of the drive truck.

ARTICLE 98, SECTION 5 (BACKHAUL RATES OF PAY)

Modify Section 5(a) as follows:

- a. The present backhaul ~~froze~~n-rates of pay shall apply.
- b. The driver will receive no less than his/her terminal backhaul ~~froze~~n-rate of pay.

CENTRAL-SOUTHERN DRIVEAWAY SUPPLEMENTAL AGREEMENT MEMORANDUM OF UNDERSTANDING SUBMITTED ON BEHALF OF ACTIVE USA AND ACCEPTED BY TNATINC DRIVEAWAY REPRESENTATIVE ON AUGUST 31, 2015:

Kris Taylor
TNATINC Central-Southern Driveaway Co-Chairman
25 Louisiana Avenue, N.W.
Washington, D.C. 20001

Dear Mr. Taylor:

Active agrees that a list will be provided to the Local Unions that will include the times loads are available in Heber (Calexico), CA and Boisbriand (Montreal), Quebec. List will be provided monthly. The Union recognizes programming is necessary but will proceed immediately.