

TENTATIVE AGREEMENT USF REDDAWAY

For the Period: April 1, 2019 through March 31, 2021

The parties reserve the right to correct inadvertent errors and omissions.

The USF Reddaway Northwest Agreement and the USF Reddaway Western Agreement have been consolidated into this one Tentative Agreement. The USF Reddaway Western Agreement served as the starting point for this Tentative Agreement. Additions to that contract appear as **bold and underlined**. Deletions appear as ~~struck through~~.

PREAMBLE

~~This AGREEMENT entered into January 7, 2013, between USF Reddaway Inc., hereinafter referred to as "Employer" and Teamsters National Freight Industry Negotiating Committee (hereinafter "TNFINC") and TEAMSTERS LOCAL UNION NOS. 17, 63, 70, 104, 137, 174, 439, 455, 483 and 665~~ **LOCAL UNION No. _____** affiliated with the ~~International Brotherhood of Teamsters (collectively referred to as "the Union")~~ **INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA, hereinafter referred to collectively as the "UNION," agree to be bound by the terms and provisions of this Agreement.**

This agreement shall commence on April 1, 2019. Wherever used in this agreement, words in the masculine shall also be read and construed as in the feminine and/or gender neutral in all cases where such construction would so apply.

ARTICLE 1 – PARTIES TO AGREEMENT

1.01 Employees Covered

This Agreement and its riders and supplements shall apply to and cover all Employees employed by the Employer in the over-the-road driver, city pick-up and delivery driver **(including Non-CDL driver)**, garage, **porter, fueler,** office clerical, freight handler and dock/hostler job classifications, where a Teamster Local Union has been recognized or certified as the exclusive bargaining representative of the Employer's employees as of the date of ratification of this Agreement, or as otherwise agreed by the parties.-

(a) Job classifications covered by the Agreement shall include over-the-road drivers, city drivers **(including Non-CDL Drivers)**, and ~~dockworkers, with-garage employees, porters, fuelers, and~~ office clerical employees, **freight handlers, and any other employee classifications in accordance with this Section 1.01** ~~covered by a supplement to the Agreement and freight handlers covered by a separate rider to the Agreement.~~

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1.02 Transfer of Company Title or Interest

(a) This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns. In the event an entire operation is sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such operation or use of such rights shall continue to be subject to the terms and conditions of this Agreement. Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, or assignee of the operation covered by this Agreement, or part thereof. The Union shall also be advised of the exact nature of this transaction, excluding financial details.

(b) In the event the Employer fails to require the purchaser, transferee or lessee to assume the obligations of this Agreement, the Employer (including partners thereof) shall be liable to the Union and to the Employees covered for all damages sustained as a result of such failure to require assumption of the terms of this Agreement, but shall not be liable after the purchaser, transferee or lessee has agreed to assume the obligations of this Agreement.

(c) When the Employer purchases rights from another Employer, signatory to an agreement with the Union, the purchaser must accept the affected Employees of the seller before hiring any new Employees. The applicable layoff provisions of this Agreement shall apply. When rights are sold to a nonsignatory of an Agreement, and such purchaser is the sole bidder, the provisions of this Agreement shall not apply.

1.03 Newly Organized Locations

If a majority of employees at any non-covered operation of the Employer sign

authorization cards to be represented by the IBT or any of its affiliates (as verified by an agreed upon neutral person) the Employer shall immediately recognize and bargain with TNFINC (and/or a TNFINC designated Local Union) for an agreement covering those employees if demanded by the Union. If the Union seeks an NLRB election, the Employer shall agree to an expedited election. Nothing herein prohibits the Union or employees from engaging in any lawful method or mechanism for securing representation. The Employer, however, is precluded from filing an RM petition. The parties agree that a constructive bargaining relationship is essential to efficient operations and sound employee relations. The parties recognize that the right whether to organize is the right of employees. Therefore, the Employer agrees that it will remain strictly neutral in any organizational campaigns and shall not make any statements or take any positions in opposition to employee organizing. The Employer shall not take any steps to influence the employees' decision whether to be represented.

~~In addition to the Letter of Agreement on Neutrality Card Check contained in the MOU-LOU section on page 72 of this agreement, the following shall apply.~~

(a) At any newly organized terminal, existing part-time local drivers and part-time road drivers will be offered the opportunity to be added to the seniority list. They will have 30-days from the date of ratification to accept or decline regular employment. Those that accept are subject to completing their probationary period, if employed less than 90-days. Those that decline shall be classified as probationary employees, as described in **this Agreement** the ~~Western Contract~~, on a permanent basis, and may not become seniority employees without mutual

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agreement of the Local Union and the Company.

(b) The Employer will not provide any employees, not covered by the Agreement, in job classification covered by the Agreement, with superior wages and/or vacation, holiday, sick leave, or jury duty, fringe benefits superior to those contained in the Agreement.

(c) The Employer will not reduce the wages of its employees at a facility when a Local Union affiliated with the International Brotherhood of Teamsters is certified or recognized as their exclusive bargaining agent at a facility in the Western Region of Teamsters.

1.04 Single Bargaining Unit

The Employees, Unions and Employer covered under this Agreement shall constitute one (1) bargaining unit and contract. This Agreement applies to the road and local operations of the Employer. ~~Freight Handlers, maintenance or garage employees and office clerical employees shall be in the same bargaining unit and be covered by a supplement or rider to this Agreement.~~

ARTICLE 2 – DEFINITIONS

2.01 Employees

The term “Employees” as used in this Agreement refers to bargaining unit ~~Employees~~employees represented by the Union, and includes both male and female ~~Employees~~employees covered by this Agreement.

2.02 Regular Employees

A “~~regular~~Regular” Employee as used in this Agreement refers to an ~~Employee~~employee with seniority.

2.03 Probationary Employees

The term “Probationary Employee” as used in this Agreement refers to all ~~Employees~~employees who are not regular ~~Employees~~employees and do not have seniority status.

ARTICLE 3 – UNION SHOP AND CHECKOFF

3.01 Union Security

All present and future Employees of the Employer coming under the terms of this Agreement shall be or become members in good standing of the Union on or after the thirty-first (31st) calendar day of employment or on or after thirty-one (31) days following the effective date of this Agreement, whichever is later. Union membership for purposes of this Agreement is required only to the extent that Employees must pay either (i) the Union’s initiation fees and periodic dues or (ii) service fees which in the case of a regular service fee payer shall be equal to the Union’s initiation fees and periodic dues, and in the case of an objecting service fee payer shall be the proportion of the initiation fees and dues corresponding to the portion of the Union’s total expenditures that support representational activities. “Good standing” as used in this Article shall mean that the Employee has paid or offered to pay the uniform initiation fees and regular monthly dues uniformly required for membership in the Union. The dismissal of any Employee for failure to comply with the provisions of this Section shall be on written notice from the Union to the Employee, with copy to the Employer, setting forth the reason for the Employee’s delinquent status and allowing the Employee ten (10) days from receipt of the notice to bring his or her membership into good standing. Failure of the Employee to do so within the allotted time shall

USF REDD

thereafter result in dismissal. Union membership is required only to the extent that Employees must pay either 1) the Union's initiation fees and periodic dues and assessments; or 2) service fees which in the case of a regular service fee payer shall be equal to the Union's initiation fees and periodic dues and assessments, and in the case of an objecting service fee payer, shall be the portion of the initiation fees, dues and assessments, corresponding to the proportion of the Union's total expenditures to support representation.

3.02 Work Assignments

The Employer agrees to respect the jurisdictional rules of the Union and shall not direct or require its Employees or persons other than the Employees in the bargaining unit here involved to perform work that is recognized as the work of the Employees.

3.03 Notification to the Union

The following information will be given in writing by the Employer to the Union within seven (7) days from the date of hiring new Employees: (1) name, home address and social security number of each new Employee; (2) date employed.

3.04 Check Off

The Employer, upon voluntary written authorization from the Employee, shall deduct from the first (1st) paycheck received by said Employee each month, the regular monthly dues, initiation fees and assessments, Credit Union deductions and D.R.I.V.E. deductions and promptly remit the same to the appropriate officer of the Union. If dues are not deducted in one month for any reason, they shall be deducted the following month. The amount of such monthly dues, initiation fees and

assessments are those currently in effect or as may thereafter be established.

3.05 Hold Harmless

The Union shall indemnify and hold the Employer harmless against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken or not taken by the Employer in reliance upon signed authorization cards furnished to the Employer by the Union for the purpose of complying with any of the provisions of this Article.

3.06 Duration of Authorization

The dues check off authorization and assignment shall be irrevocable for the term of the applicable contract, or one (1) year, whichever is lesser, and shall automatically renew itself for successive yearly or applicable contract periods thereafter, whichever is the lesser, unless the Employee gives written notice to the Employer and the Union at least sixty (60) days before any periodic renewal date of this authorization and assignment of any desire to revoke the same.

3.07 Savings Clause

This Article shall be construed to be in compliance with applicable law. In the event this Article or any portion thereof is determined by an appropriate authority to be illegal or unenforceable, the parties shall negotiate a substitute provision that effectuates to the extent possible the original intent of this Article.

ARTICLE 4 – SENIORITY RIGHTS

4.01 Seniority

Seniority ~~Rights~~**rights** for Employees shall prevail under this Agreement.

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4.02 Qualification — Probationary Employees

~~A Probationary Employee shall work under the provisions of this Agreement, but~~**The first sixty (60) calendar days of employment** shall be employed ~~only on a ninety (90) calendar day trial basis. The parties may, by mutual agreement, extend~~ **any** probationary period. Probationary Employees shall not be eligible for paid holidays, funeral leave, pension benefits, or health and welfare, dental, and vision benefits. **This provision does not apply to RWT—Plus.** The just cause provisions of this Agreement shall not apply to Probationary Employees and they shall have no access to the grievance procedure concerning matters of discipline. However, the Employer may not discharge a Probationary Employee for the purpose of evading this Agreement. After qualifying for seniority, ~~Probationary Employees’~~ **the employee’s** seniority shall date back to ~~his or her first day as a Probationary Employee~~**the date that began their most recent qualification period. The Local Union and the Company may, by mutual agreement, extend any probationary period.**

The Parties agree that any pre-employment orientation/training that involves bargaining unit work shall be paid for at the appropriate contractual rate of pay based on classification. However, no classroom training will exceed two (2) days.

4.03 Work-Around

When an Employee has knowledge that a job assignment is out of seniority, the Employee shall immediately bring it to the attention of the supervisor. Employees who are not worked in their rightful position of seniority shall be compensated for all hours lost on that date unless that Employee failed

to promptly notify the Employer of the work-around. Any dispute whether the Employer attempted to contact an Employee in seniority order shall be determined by demonstrated verification that a legitimate attempt was made. Any Employee who did not “lose hours” because of a work around may still file a grievance based upon a demonstrated adverse effect and the Committee shall provide an appropriate remedy. If a driver is left in a motel at a lay point by the Employer, said driver shall be compensated at the applicable hourly rate for all hours lost through no fault of his or her own.

4.04 Seniority Roster

The Employer shall post a seniority roster and mail same to the Union at least once each six (6) months and maintain a seniority roster at the terminal. Unless the list is protested within thirty (30) calendar days after posting, it shall be final and binding for the remainder of the six (6) month period.

4.05 Layoff

~~If a~~**In the case of layoff, probationary Employees shall first be laid off. Should a further** layoff becomes necessary, the last Employee on the seniority list shall be the first Employee laid off and the layoffs shall continue in that order, provided that such remaining Employees are qualified to do the work of the Employee with lesser seniority. **Employees on layoff will have preference to work in any classification for which they are qualified before a probationary Employee will be worked.** Laid off regular Employees shall be subject to a four (4) hour guarantee when called to work outside their regular classification.

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4.06 Recall

In case of recall, Employees are to be returned to employment in the reverse order in which they were laid off. ~~A laid-off~~ **Any Employee who has been given a letter of layoff shall be given provided within ten (10) calendar days** written notice of recall by certified mail, addressed to his or her last known address on file with the Employer, with a copy to the Local Union. **Employees who fail to make themselves available for work at the end of said ten (10) calendar** ~~Such Employee must respond to a notice of recall within five (5) days after the date of receipt of the recall notice and actually report to work within five (5) additional days after~~ **recall** notification to the Employer. ~~If an Employee fails to comply with these recall provisions, he or she shall lose all seniority rights unless otherwise agreed to in writing, on a case-by-case basis by the Employer, the Local Union, and the particular Employee involved. Proof~~ **The copy of the recall notice sent to the Union need not be mailed certified, and proof** of mailing to the Employee shall be sufficient to justify the loss of seniority; ~~if the Employee fails to comply~~ **report for work within the above-mentioned time allowed they will not be in compliance** with these recall provisions. In addition, two (2) failed delivery attempts on a single mailing shall constitute receipt for the purpose of this Section.

For each occurrence of the Employer supplementing a shift on twelve (12) different days in a calendar month, the Employer will recall one (1) laid off employee. Premium day shifts in excess of daily absent Employees already replaced will be counted as supplemental shifts towards the recall of laid-off Employees. Employees on letter of layoff may be recalled on a voluntary day-to-day basis without the written notice of recall, as

described above. Present practice in regard to this issue shall remain in effect subject to approval between the parties.

4.07 Advancement

Employees with the longest period of service shall be given preference for advancement to the higher paid Employee classifications, provided that such Employees, in the judgment of the Employer, are qualified for the particular work assignment. Any difference of opinion, failing settlement, will be subject to the grievance procedure.

4.08 Overtime

Seniority preference shall apply to known overtime, provided that the Employee is available.

4.09 Purchase of Equipment Not Required

The Employer shall not require, as a condition of continued employment, that an Employee purchase truck, tractor, and/or trailer or other vehicular equipment, or that any Employee purchase or assume any proprietary interest or other obligation in the business.

4.10 Merger, Purchase, Acquisition, Sale, Etc.

In the event the Employer absorbs the business of another private, contract or common carrier which has a bargaining relationship with a Teamster Local Union (s) or is a party to a merger of lines with a carrier with such a bargaining relationship, the seniority of the employees absorbed or affected thereby shall be dovetailed based upon the location of the Employees at their respective terminals.

Additionally, in the above circumstances or in the event that: a) the operations of

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the Employer or any portion thereof are acquired by or merged into the operations of another employer or carrier or; b) the Employer acquires or seeks to merge into its operations any operations of an employer not covered by this Agreement, the parties shall immediately meet and negotiate concerning the impact of such a transaction on the affected employees and operations. If the parties fail to come to agreement on such issues or if there are other disputes under this Article the matter shall be referred to the change of operations outlined in Section 5.08 for resolution.

4.11 Loss of Seniority

Seniority shall be lost for any of the following reasons:

- (a) Voluntary quit;
- (b) Retirement (**which requires a cessation of work**);
- (c) Termination;
- (d) Continuous absence due to layoff, injury, or illness after twenty-four (24) months, unless an extension is mutually agreed to by the Union and the Employer.
- (e) Failure to report for work as scheduled without notification for three (3) consecutive days unless circumstances made notification impossible.
- (f) Failure to return from layoff as stated in Section 4.06 above.

ARTICLE 5 – MAINTENANCE OF CONDITIONS

5.01 Reduction

The Employer agrees that all conditions of employment relating to wages, hours of work, overtime differentials and general working conditions shall be maintained at not less than the highest standards in effect at the signing of this Agreement. **The terms of this Agreement shall control, however,**

unless local work rules and other local practices have been agreed-to by the parties and reduced to writing. These written local work rules and practices shall remain in full force and effect until the parties agree otherwise in writing. If conditions change affecting the Employee's wages, hours of work, overtime differential or general working conditions, the Employer may exercise provisions in Article 34.05 to permanently realign the Employee into the proper classifications or conditions of employment affecting his work pattern with prior notice to the Employee.

5.02 Errors

If a bona fide or inadvertent error is made in applying the terms and/or conditions of this contract, the error shall be corrected immediately upon notice and retribution shall only be allowed for ninety (90) days prior to the discovery of the infraction. The Joint Committee shall, however, have discretion to develop a remedy that goes beyond ninety (90) days in extraordinary circumstances.

5.03 Uniforms

(a) Employees who are furnished uniforms must wear those uniforms, except t-shirts may be worn on the dock and Reddaway logo shirts may be worn on the streets.

(b) Employees who are not furnished Company shirts, jackets, or hats may wear personal clothing items of their own choosing provided such items are in reasonable condition and are not obscene, inflammatory, or outrageous in nature.

(c) Employees may not wear open toed shoes or sandals while on duty.

(d) Employees may not wear gang-related paraphernalia or competitor logo clothing.

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(e) Where uniforms or special working clothes are required by the Employer, the Employer shall furnish same. T-shirts shall be allowed on the dock. The Employer shall also furnish goggles, masks, special gloves and aprons to handle harmful material, in order to ensure the safety of the Employee. The Employer shall replace all clothing destroyed in an on-the-job wreck or an on-the-job fire or due to an on-the-job chemical spill or other causes except negligence of the Employee.

(f) The wearing of a union lapel pin bearing the Teamster logo is permissible. **In addition, any safety vests purchased by the Employer and issued under this Section 5.03 after the ratification of this Agreement shall include the Teamsters "horse heads" logo on the front.**

5.04 Personal Grooming

The Employer has the right to establish and maintain reasonable standards for wearing apparel and personal grooming.

5.05 Reduction Due to Merger

In the event any concern is sold, leased, transferred, or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, the surviving or new concern shall maintain for any Employee, who has been compensated at a rate over the contract provisions, the same rate of pay for the class of work performed, for the life of the existing Agreement.

5.06 Reassignment of work

(a) An Employee after working at a higher classification for one (1) hour shall receive the higher scale for the full day.

(b) Employer may, when conditions dictate, permanently reassign an Employee to work commanding a lower wage scale, provided,

however, advance notice is given to Employee, with a copy to the Local Union involved. Such reassignment shall be by mutual agreement between the Employer and Local Union and, if they are unable to reach agreement, shall be subject to the grievance procedure.

(c) Subject to written approval of the Employer and the officials of the Local Union, additional classifications may be mutually negotiated between the parties hereto, defining job duties and wage rates different from those specified in the Agreement for Regular Employees who have acquired health handicaps, certified by a medical doctor, which prevent normal performance of their duties.

5.07 No Private Agreements

The Employer agrees not to enter into any agreement or contract with its Employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement shall be null and void.

5.08 New Equipment and Operations

(a) Where new types of equipment and/or operations are utilized and rates of pay are not established by this Agreement, after ~~February 12, 2007~~ **April 1, 2019**, within operations covered by this Agreement, rates governing such operations shall be subject to negotiations between the parties. Rates agreed upon or awarded shall be effective as of the date the equipment is put into use.

(b) Recognizing the highly competitive environment in which regional carriers, such as the Employer, must operate, the Parties agree that there must be a procedure to permit timely and efficient Changes of Operations in order to meet marketplace demands and changing customer needs. The

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Employer agrees that present terminals, breaking points, or domiciles covered by this Agreement shall not be transferred, changed or modified without notification of and discussion with the affected Local Unions **and submission to the Reddaway Change of Operations Committee.**

Unless postponed by mutual agreement of the parties, the Reddaway Change of Operations Committee shall conduct a hearing **(either in person or by telephone)** on the proposed change within 10 working days after the Employer meets with the affected Local Union(s) to discuss the written change of operations proposal. The Reddaway Change of Operations Committee shall consist of an equal number of representatives appointed by the Co-Chairs of the Reddaway Grievance Committee. The Change of Operations Committee shall have the authority to determine the seniority application of the Employees affected by the change and such determination shall be final and binding. The Change of Operations Committee shall issue its **written** decision within 10 working days from the date of the hearing. No proposed change of operations shall be approved which violates the collective bargaining agreement. Any dispute regarding a change of operations must be referred to ~~the two-man Reddaway~~ **Joint** Review Committee **referred to in Article 7 of this Agreement,** which shall issue its decision within 5 calendar days. In the event that the **Joint** Review Committee is unable to resolve the matter, the case shall be referred to expedited ~~arbitration~~ **Joint Deadlock Committee** pursuant to Article 7 of this Agreement **and processed in accordance with the remainder of the grievance procedure.**

5.09 Redomiciling

In the event the Employer redomiciles a board, in whole or in part in another city, any Employee not desiring to relocate will be placed on furlough status and will have his seniority protected at that location for a period of two (2) years.

Where an Employee is required to transfer to another domicile in order to follow employment as a result of change of operations, the Employer shall move the Employee at the Employer's expense and assume responsibility for proven loss or damage to household goods due to such move, including insurance against loss or damage. Should any Employee possess household items of unusual or extraordinary value which will be included in the move, such items shall be declared and an appraised value determined prior to the move. The Employer shall provide the packaging materials for the Employee's household goods when requested or at the Employee's request pay all costs and expenses of moving such household goods, including packing. These expenses will be limited to actual expenses documented by the Employee and will be reimbursed not to exceed ~~\$3,000~~ **\$5,000** for any individual Employee move. The Employer shall not be responsible for any other costs associated with an employee move.

The Employer shall not be responsible for moving expenses if the Employee changes his/her residence as a result of voluntary transfer.

None of the Employer obligations set forth in this Subsection (b) shall apply to transfers of domiciles within a forty-five (45) mile radius.

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5.10 Sanitary Conditions

The Company will provide clean sanitary restrooms and provide adequate lunch facilities which will be maintained in a clean and sanitary condition.

5.11 In-Cab Technology

The Employer shall not install any inward facing video cameras/recorders in any vehicles.

5.12 Transfer Opportunities

Employees shall be given the opportunity, by mutual agreement, to transfer to open positions occurring at other domiciles of the Employer located within the jurisdictions of the Local Union's party to this Agreement, provided they notify the Employer in writing of their interest in a transfer opportunity. The offer of transfer will be made on the basis of continuous Employer seniority and qualifications for the open position. Any Employee accepting such offer shall be employed as a new hire and shall be placed at the bottom of the seniority board for bidding and layoff purposes, but shall retain Employer seniority for fringe benefits and wages. No Employee shall suffer a reduction in pay due to a transfer of domicile. Any Employee who exercises their transfer of domicile rights will be restricted from making any additional moves for a period of six (6) calendar months. Employees who have transferred may return to their last domicile within the first thirty (30) calendar days of the transfer and will be placed in their former seniority position. The Employer shall not unreasonable withhold agreement. Any employee may protest the Employer's decision to deny a transfer request under the provisions of Article 7, Dispute Procedure.

ARTICLE 6 – JOINT LABOR-MANAGEMENT COMMITTEE

6.01 Makeup & Number of Joint Labor-Management Committees

The Grievance Panel Committee shall consist of designated full-time Local Union Employees and full-time management representatives.

The Employer's members shall be the Vice President of Operations or the Vice President of Labor Relations and the Division Vice Presidents whose terminals are not a party to the dispute at hand, or their designee(s) who shall have labor relations experience. The Union Committee shall consist of the Union's bargaining committee chairman, or his designee, who shall act as the Co-Chair of the ~~HM~~**Joint Labor-Management Committee** (“**Joint Committee**”), and full-time representatives of the Union who are not from the Local Union directly involved in the case being presented.

In no event shall a representative of either party who is directly involved in a case as a member of the Local Union or Employer be named as a member of the Joint Committee. There shall be a designated Chairman for each scheduled grievance meeting of the Joint Committee. The Union shall serve as chair for the initial Joint Committee Meeting and shall be on a rotating basis thereafter. The respective Co-Chairs shall officiate/conduct the hearings and executive sessions, and may serve as voting members of the Committee. However, voting members shall not exceed two (2) from each side.

The two (2) Joint Committees in place as of the ratification of this Agreement shall

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remain in effect, unless mutually agreed by the parties to this Agreement.

6.02 Function

It shall be the function of the Joint Committee to settle disputes in accordance with the procedure set out in Article 7.

6.03 Attendance at Meetings

The regularly scheduled meetings of the Joint Committee shall normally be held on a quarterly basis, with meetings in February, May, August and November. Meeting **dates and** locations shall be determined by the co-chairman. An agenda shall be established and furnished to the parties.

All grievances processed by the Local Unions and received by the Employer by the first Thursday prior to the scheduled hearings shall be heard. Grievances received after the cut-off date shall heard at the next scheduled hearing unless otherwise mutually agreed to.

Grievances shall be docketed in order of the date filed.

Grievances shall be reduced to writing by the filing party and contain a statement of the facts, date(s) in question, applicable contract provision(s) and remedy sought. See Article 7.01, step 3.

Local grievance hearings (Step 3 under Section 7.01) will be held at least monthly if there are active cases, unless otherwise mutually agreed. The date and time for local grievance hearings shall be as scheduled by the parties.

6.04 Procedure

When a dispute arises involving the mathematical computation of compensation of any Employee under this Agreement,

such dispute shall be reduced to writing, giving the pay period of the alleged error and any other pertinent information needed, and presented to the Employer under the provisions of Article 7.03. Thereupon, the authorized business representative of the Local Union, and the Joint Committee, shall have the right at the respective steps of the disputes procedures set forth in Article 7 to examine time sheets and any records of the affected Employee.

6.05 Hearing Procedures

All evidence and documents that are to be presented in a hearing should be reviewed between the parties in a timely manner prior to presentation. An objection may be raised by either party if there is a claim of an alleged failure to comply with this requirement. Arguments from both parties concerning such objections shall be heard by the committee and in executive session the committee will render a decision as to the merit of the objection.

Cross-examination shall only come through the committee members or Chairman.

The Chair shall conduct the meetings and see that each side has an opportunity to represent all the facts. While such meetings are on an informal basis, they shall nevertheless be conducted in a business-like manner. Discussion on the case can be cut off by the Chair.

In the presentation of cases, the moving party shall proceed first. It is mutually agreed the Employer is the moving party in all cases involving discipline, suspension and discharge.

1. The moving party shall present evidence and arguments in support of its position.

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2. The responding party shall then present evidence and arguments in support of its position.
3. The presenting party shall then have an opportunity to rebut the responding party's evidence and argument followed by a summation of its case.
4. The responding party shall have an opportunity to rebut the presenting party's evidence and arguments followed by a summation of its case.
5. The Committee shall then have an opportunity to direct questions to both parties.
6. The Committee Chair shall determine when the committee questioning is complete and will call for Executive Session. If a grievant is present for a suspension or discharge case, the Chair will give the grievant an opportunity to make a final statement prior to calling for Executive Session.

Discussion and voting of cases shall be done in Executive Session. Voting shall be voice vote on formally stated motions. The Chair will recall the parties to the grievance case for announcement of the decision. In discharge cases, decisions will be mailed within twenty-four (24) hours to the parties.

The decision rendered by the Committee shall be final and binding on both parties and all Employees involved.

All non-discharge cases will be heard by the Committee in the order in which they are docketed, except upon reasonable request, the Chair may agree to hear a particular case out of its regular order on the docket.

The Committee may from time to time consider supplemental rules or amendments to these rules.

All warning letters shall be considered grieved and will not be heard by the Committee except that if an Employee later grieves his suspension and/or discharge based upon such letter, the Committee will then hear the merits of the warning letter prior to hearing the case involving the suspension and/or discharge.

ARTICLE 7 – DISPUTES PROCEDURE

7.01 Disputes

All questions, disputes and controversies arising under this Agreement shall be adjusted and settled in the manner provided in this Article, unless otherwise expressly provided in this Agreement. A copy of all decisions shall be issued to each Local Union who is party to the dispute. Except as otherwise specifically provided herein all grievances and disputes shall be submitted to the Employer within ten (10) days from the date of the known violation (exclusive of Saturday, Sunday or holidays) upon which the grievance or dispute is based. Any grievance or dispute not submitted within such time frame shall be waived. All grievances and disputes shall be adjusted and settled in the manner provided in this Article unless otherwise expressly provided in this Agreement. The procedure for such adjustment and settlement shall be as follows:

Step 1. Any grievance of an Employee shall first be taken up between such Employee and his immediate supervisor. Failing notification by an Employee, the representatives of the Union may file grievances alleging violation of the Agreement.

Step 2. Failing settlement under Step 1, such grievance shall be taken up between a shop steward, grievant (if requested) and the terminal manager or his/her designee.

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Step 3. Failing settlement under Step 2, such grievance, and any question, dispute or controversy that is not of the kind that is subject to Steps 1 and 2 shall be reduced to writing and be referred to and taken up between the authorized representatives of the Local Union and the authorized representative of the Employer.

Step 4. Failing settlement under Step 3, the dispute shall be referred for settlement or decision to the appropriate Joint Committee within twenty (20) days. No case may be heard by ~~the~~ Joint Committee if the Step 3 local grievance hearing has not been held, unless otherwise mutually agreed or provided for in this Agreement.

Step 5. If the applicable Joint Committee is unable to settle or decide the dispute, it shall, at the written request of the Union or the Employer, be referred to the Joint Review Committee. The Joint Review Committee shall be comprised of the Union Co-Chairmen of each Joint Committee and the Employer Co-Chairmen of the Joint Committees and the Vice President of Operations, or their respective designees. ~~appealed to an Arbitrator. The decision of the Arbitrator shall be final and binding on both parties. Notice of intent to appeal to Arbitrator~~ the Joint Review Committee shall be given within fifteen (15) days following deadlock of the applicable Joint Committee. The Joint Review Committee shall convene at least quarterly to review deadlocked cases, unless otherwise mutually agreed by the members of the Joint Review Committee, at a time and place mutually agreed. Decisions rendered by the Joint Review Committee shall be final and binding on both parties and all Employees involved.

Step 6. If the Joint Review Committee is unable to settle or decide a dispute, it

shall, at the written request of the Union of the Employer, be referred to the Joint Deadlock Committee. The Joint Deadlock Committee shall be comprised of the Teamsters National Freight Director, or his designee, and the President of the Employer, or his designee. Notice of intent to appeal to the Joint Deadlock Committee shall be given within fifteen (15) days following deadlock of the Joint Review Committee. Decisions rendered by the Joint Deadlock Committee shall be final and binding on both parties and all Employees involved.

Step 7. If the Joint Deadlock Committee is unable to settle or decide a dispute, it shall, at the written request of the Union or the Employer, be appealed to expedited arbitration before a neutral Arbitrator. The decision of the Arbitrator shall be final and binding on the parties. Notice of intent to appeal to arbitration shall be given within fifteen (15) days following deadlock of the Joint Deadlock Committee.

(a) In the event the parties are unable to agree on the selection of an Arbitrator, they shall promptly request that the Federal Mediation and Conciliation Service supply a list of seven (7) arbitrators from an area covered by this Agreement, from which list the parties shall select one (1) arbitrator to hear the dispute. The parties also may utilize a mutually agreed upon permanent arbitrator. The parties also may utilize a mutually agreed upon permanent arbitrator.

(b) The Arbitrator shall not have the power or authority to add to, subtract from, or modify the terms of this Agreement.

(c) Expenses and compensation of the Arbitrator shall be divided equally between the Employer and the Union.

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~~Upon the written request of the Union all deadlocked termination cases shall be referred immediately to expedited arbitration. All other deadlocks may be referred to expedited arbitration upon mutual agreement by the parties.~~

7.02 Time Limitations

Except as otherwise specifically provided in this Agreement, all grievances and disputes shall be submitted to the applicable Joint Committee within thirty (30) calendar days of the date of the occurrence of the matter upon which the grievance or dispute is based. Any such grievance or dispute not submitted within such time shall be waived, unless the Joint Committee by majority vote for good cause accepts such submission or unless the Employer has intentionally concealed the facts upon which the grievance or dispute is based. The above time limits may be extended in writing by mutual agreement.

7.03 Money Disputes

Any claim of payroll error must be presented to the Employer within thirty (30) days from a payday for which the error is claimed. The Employer also has thirty (30) days from a payday in which the Employer claims an over payment has been made to present the Employee and the Union a claim for such overpayment. Failure to meet the time limits mentioned above will result in the Employer, the Union, and the Employee agreeing that the payroll is correct. If the Employee is required to make a reimbursement, the reimbursement schedule shall be reasonable and fair, based upon the circumstances of each case. Any time limits on a money claim due to an alleged contract violation shall be in accordance with the applicable grievance procedure provisions. This Section 7.03 shall not apply in the event an Employee's base rate of pay is

incorrectly calculated. In such event, Section 5.02 shall apply.

7.04 Interpretation of Agreement

All matters pertaining to the interpretation of any provision of this Agreement may, at the request of the Union(s), be referred for decision to the Joint Review Committee, such request to be in writing. Nothing contained in this Section shall affect the rights of the Union set forth in this Article. The Joint Review Committee shall send a copy of any decision rendered by it involving an interpretation of any provision of this Agreement, to all parties to this Agreement.

7.05 Failure to Appear or Proceed

If the complaining party in any dispute refuses or fails, without reasonable excuse, to appear or proceed at any stage of the disputes procedure, the complaint shall be deemed to be withdrawn and abandoned, provided that any matter that has reached the Joint Committee may not be withdrawn except with the consent of such Committee.

7.06 Continuation of Work

During the consideration and settlement of questions, disputes and controversies as provided in this Article, there shall be no strike, slow down, cessation of work, or lockout.

7.07 Health & Welfare and Pension Delinquencies

Notwithstanding anything herein contained, in the event Employer is delinquent at the end of a period in the payment of its contribution to the Health and Welfare or Pension Fund or Funds required to be made under this Agreement, in accordance with the rules and regulations of the Trustees of such Funds, after the proper official of the

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Local Union has given seven (7) days' written notice to the Employer of such delinquency in Health and Welfare or Pension payments, the Employees or the Union shall have the right to take any legal or economic action they see fit against such Employer to collect such delinquent amounts. Whether or not any such legal or economic action is taken, the Employer shall be liable to the Employee for any and all benefits under any Health and Welfare plan that the Employee would have received if the Employer had not been delinquent in the payment of said contributions. The Employee shall have the right to bring legal action to obtain payment of such benefits. In any such action the Employer shall pay court costs and reasonable attorneys' fee.

7.08 Failure to Comply

In the event any party fails to comply with any final decision rendered pursuant to the provisions of this Article, the party in whose favor said decision has been rendered shall have the right to take any economic or legal action it may see fit against such party so failing to comply.

7.09 Relations Pending Decisions

The maintenance of harmonious relations between the Employer and the Union is one of the objectives of this Agreement.

ARTICLE 8 – PROTECTION OF RIGHTS

8.01 Picket Line

It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action, or permanent replacement of any Employee in the event an Employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any

primary picket line, including the primary picket line of Unions party to this Agreement, and including primary picket lines at the Employer's places of business. Prior to establishing a primary picket line at the Employer's places of business, notification shall be given to the Employer by the Union.

8.02 Struck Goods

It shall not be a violation of this Agreement, and it shall not be a cause for discharge or disciplinary action if any Employee refuses to perform any service which his Employer undertakes to perform as an ally of an Employer or person whose Employees are on strike, and which service, but for such strike, would be performed by the Employees of the Employer or person on strike.

~~8.03 Continuance of Service~~

~~The Employer agrees that it will not cease or refrain from handling, using, transporting, or otherwise dealing in any of the products of any other Employer or cease doing business with any other person, or fail in any obligation imposed by the Motor Carriers' Act or other applicable law, as a result of individual Employees exercising their rights under this Agreement or under law, but the Employer shall, notwithstanding any other provision in this Agreement, when necessary, continue doing such business by other Employees.~~

8.043 No Strike /No Lockout

For the duration of this Agreement there shall be no strikes, work stoppages, slowdowns, or other forms of economic pressure engaged in by the Union or the Employees except where specifically authorized by this Agreement. The

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Employer shall not lockout the Employees during the term of this Agreement.

8.054 Limitation of Liability

The Employer agrees that there shall be no liability by suit for damages on the part of the Union or any officers thereof for breach of contract by reason of any strike or work stoppage on the part of the members of the Union contrary to the terms of this Agreement if (1) such strike or work stoppage has not been authorized by the Union, and (2) the Union shall have promptly notified its members involved that such strike or work stoppage was not authorized by the Union, and (3) the Union shall have diligently and in good faith endeavored to terminate such strike or work stoppage as quickly as possible.

8.065 Grievances

Within five (5) working days of filing a grievance claiming violation of this Article, the parties to this Agreement shall proceed to Step 4 of the grievance procedure, without taking any intermediate steps, any other provision of this Agreement to the contrary notwithstanding.

ARTICLE 9 – DISCHARGE OR SUSPENSION

9.01 Warning Notice Requirements

The Employer may discharge or suspend an Employee for just cause, but no Employee shall be discharged or suspended unless a written notice shall previously have been given to such Employee of a complaint against him concerning his work or conduct, except that no such prior warning notice shall be necessary if the cause for discharge or suspension is: Dishonesty; possession, sale or unauthorized use of controlled substances, and/or illegal substances or

narcotics, or drinking related to employment; physical altercations with Employees or customers; recklessness; carrying unauthorized passengers while operating Employer vehicles; engaging in business (directly or indirectly) in competition with the Employer; failure to report an accident which caused either damage to equipment or property; causing a serious accident as defined in Section 15.03; any infraction of the Employer's obligation under Federal or State Law to provide a safe, non-hostile work place; or any other misconduct that rises to the same level of a serious nature of the cardinal sins listed above.

9.02 Limitations

The complaint specified in such prior warning notice must concern the same type of misconduct as the cause for discharge or suspension. No such warning notice shall remain in effect for a period of more than nine (9) months. A copy of such warning notice shall be given to the Local Union involved.

Warning letters to be considered as valid must be issued within ten (10) calendar days exclusive of Saturdays, Sundays or holidays after the occurrence of the known violation claimed by the Employer in such warning notice. Discharge or suspension must be by proper written notice to the Employee and the Union affected within ten (10) calendar days exclusive of Saturdays, Sundays and holidays after the occurrence of the known violation claimed by the Employer as the basis for discharge or suspension. The day after the occurrence is counted as day one (1). Except as defined in Section 9.01 above, an Employee who is suspended or discharged for a non-cardinal offense, shall be allowed to remain on the job, without loss of pay or loss of benefits unless and until the discharge or suspension is sustained

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under the grievance procedure. The Union agrees it will not delay the processing of such grievances. Any case where the Union fails to appeal through ~~binding arbitration~~ **the Joint Deadlock Committee** shall result in the Employer position being sustained. Letters of Information will not be considered as part of a disciplinary progression. Letters of Reprimand and Suspension will be considered on their merits.

Based on prior Arbitration decisions, the disposition of the Intent to Suspend or Intent to Discharge that have not been grieved by the Local Union will be handled as follows: Commencing the expiration of the ten (10) business day period in which the Local Union has to file a grievance on a disciplinary action, the Company will have fifteen (15) calendar days to put such action into effect. If the Company fails to take action during the fifteen (15) day period, the pending disciplinary action will be considered null and void.

9.03 Right to Protest

An Employee may request an investigation of his discharge or suspension or any warning notice and the Union shall have the right to protest any such discharge, suspension or warning notice. Any such protest shall be presented to the Employer in writing within ten (10) days, exclusive of Saturdays, Sundays and holidays, after the discharge, suspension or warning notice, and, if not presented within such period, the right of protest shall be waived. Upon the filing of any such protest to a discharge or suspension, it shall be referred immediately to the Joint Committee for determination in accordance with the disputes procedure, beginning with Step 4, as provided in Article 7 of this Agreement. The Union and Employer agree that warning notices shall be discussed with employees prior to being

issued. Protests of warning notices shall be processed through the Grievance Procedure, but only through Step 3. If not resolved, warning notices shall be automatically protested but shall not be heard until such time as they are used as a basis for suspension or discharge within the effective time period. This practice shall be subject to review and may be grieved thereafter if abused by the Employer.

9.04 Written Notice of Discipline

The Employer will give a written notice of discipline to an Employee, with a copy to the Local Union involved, in person or by registered or certified mail with a return receipt.

9.05 Discharge Away from Home Terminal

Employees discharged away from their home terminal shall be provided the fastest reasonable means available transportation to their home terminal at the Employer's expense, but without compensation. This transportation shall not be by the Employer's vehicles.

9.06 Direct Work Order

The Refusal of a Direct Work Order will be handled in accordance with the procedures followed under the Western States Area Supplemental Agreement to the **YRCW Companies** NMFA. Specifically, when it is clear that an employee is refusing a work assignment, he/she will be advised that continued refusal will be considered a voluntary quit and his/her employment will be terminated. The employee will be given a 15- minute cooling off period after which a warning letter will be issued for the initial refusal, and the work order repeated. If the employee continues to refuse the work

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order, he/she will be considered as having voluntarily quit his job.

9.07 Vacation Pay When Discharged

Vacation pay for which a discharged employee is qualified shall be paid no later than the first day following final determination of the discharge.

ARTICLE 10 – TIME SHEETS, PAY PERIODS AND PAY DAYS

10.01 Pay Periods

Employees shall be paid every two (2) weeks. No more than seven (7) days pay shall be held on an Employee, provided, however, that present arrangements shall not be disturbed by this provision, except by mutual agreement. The Union and the Employer may, by mutual agreement, provide for semi-monthly pay periods. Employer shall not be held responsible for delay in payment when due to severe weather and other acts of god, as long as every effort is made to deliver the checks in a timely manner.

10.02 Pay Upon Termination

Upon discharge the Employer shall pay all money due the Employee not later than the end of the next regular working day. Upon quitting, the Employer shall pay all money due the Employee on the payday in the week following such quitting, unless governed by more restrictive requirements of State law.

10.03 Time Sheets

Employees in line operations shall be required to complete Employer's time sheet showing the arrival and departure at terminal and intermediate stops and the cause and duration of all delays, time spent loading and unloading, and same shall be turned in at their original domicile before leaving the

facility. Employees in local operations will record their time as required by the Employer.

10.04 Rejected Claims

Pay sheets shall not be modified without a discussion with the Employee prior to payroll being issued. The Employer shall continue to provide each Employee weekly with a summary of pay prior to the check being issued. Disputes are subject to the grievance process.

10.05 Tax Withholding

Federal and State income tax shall be withheld per State and Federal law. Vacation pay shall be by separate check.

10.06 Time Cards

Employees shall punch their own time cards when time clocks are utilized.

10.07 Work Week Definition

For the purpose of compliance with the Fair Labor Standards Act, the work week shall be defined as the seven (7) day period starting at 00:00 on Sunday and continuing through 24:00 the following Saturday.

10.08 Payroll Errors

Bona fide payroll errors greater than fifty (50) dollars, shall be paid by separate check, within four (4) working days (Monday through Friday) of the shortage being brought to management's attention. Errors less than fifty (50) dollars shall be corrected no later than the next payday.

ARTICLE 11 – BONDS

Should the Employer require any Employee to give bond, cash bond shall not be compulsory, and any premium involved

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shall be paid by the Employer. The primary obligation to procure the bond shall be on the Employer. If the Employer cannot arrange for a bond within ninety (90) calendar days, he must so notify the Employee in writing. Failure to so notify shall relieve the Employee of the bonding requirement. If proper notice is given, the Employee shall be allowed thirty (30) calendar days from the date of such notice to make his own bonding requirements, standard premiums only on said bond to be paid by the Employer. A standard premium shall be that premium paid by Employer for bonds applicable to all other of its Employees in similar classifications. Any excess premium is to be paid by the Employee. Cancellation of a bond after once issued shall not be cause for discharge, unless the bond is canceled for cause which occurs during working hours or due to the Employee having given a fraudulent statement in obtaining said bond.

ARTICLE 12 – PASSENGERS

No driver shall allow anyone, other than Employees of the Employer who are on duty, to ride on his truck except by written authorization of the Employer except in cases of emergency arising out of disabled commercial equipment or an Act of God. This shall not prohibit drivers from picking up other drivers, helpers, or others in wrecked or broken down motor equipment and transporting them to the first available point of communication, repair, lodging or available medical attention, nor shall this prohibit the transportation of other drivers from the driver's own company at a remote delivery point or terminal when restaurant or lodging facilities are not readily available nearby.

ARTICLE 13 – COMPENSATION CLAIMS

13.01 Coverage

The Employer agrees to cooperate toward the prompt settlement of Employee on-the-job injury claims when such claims are due and owing, as required by law. The Employer shall provide Workers' Compensation protection for all Employees as required by state law.

13.02 Pay for Balance of Day

An Employee who is injured on the job, and is sent home, or to a hospital, or who must obtain medical attention, shall still receive pay at the applicable hourly rate for the balance of his regular shift on that day or until released for duty if the Employee elects not to return; and shall be compensated for any time lost after his return to duty if required to visit his doctor for further consultation and/or treatment during working hours.

13.03 Transportation to Home Terminal

In the event that an Employee sustains an occupational illness or injury while on a run away from his home terminal, the Employer shall provide transportation by bus, train, plane or automobile to his home terminal if and when directed by a doctor. Transportation shall not be by the Employer's vehicles, except by mutual agreement. The Employer agrees to provide any Employee injured locally, transportation at the time of injury from the job to the medical facility and return to the job, or to his home if required. In the event of a fatality, arising in the course of employment, while away from the home terminal, the Employer shall return the deceased to his home at the point of domicile.

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13.04 Light Duty Assignments

No bid Employee shall be asked to work light duty assignment that does not generally conform to bid start times (i.e. Day, Swing, and/or Graveyard) except by mutual agreement.

13.05 Medications

Employees who have been prescribed medications by a doctor where such medications prevent them from driving to and from work or where the treating physician certifies that the injury itself prevents the employee from driving to and from work, shall not be scheduled for modified duty.

ARTICLE 14 – MILITARY CLAUSE

Employees enlisting or entering the military service of the United States of America, pursuant to the provisions of the USERRA of 1994, as amended, shall be granted all rights and privileges provided by the Act. In addition to any contribution required under USERRA, the Employer shall continue to pay health & welfare contributions for regular active employees involuntarily called to active duty status from the military reserves or the National Guard for military-related service, excluding civil domestic disturbances or emergencies. Such contributions shall only be paid for a maximum period of eighteen (18) months. Furthermore, the employee shall continue to accrue vacation time (at the normal rate he would otherwise have accrued it had he been actively working) and be able to cash out vacation in full week increments while deployed. Amounts shall be paid in accordance with the contract but in no event shall it be less than forty-five (45) hours per week at the proper rate. Vacation cash-out requests must be

submitted in writing or by e-mail and shall be processed within fourteen (14) days. Accrued vacation that has not been used or paid out by the conclusion of the employee's vacation year shall be paid out within thirty (30) days.

ARTICLE 15 – EQUIPMENT, ACCIDENTS, REPORTS

15.01

The Employer shall not require Employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with the safety appliances prescribed by law. It shall not be a violation of this Agreement where Employees refuse to operate such equipment unless such refusal is unjustified. All equipment which is refused because not mechanically sound or properly equipped shall be appropriately tagged so that it cannot be used by other drivers until the maintenance department has adjusted the complaint.

15.02

Under no circumstances will an Employee be required or assigned to 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.

15.03

Any Employee involved in any accident shall immediately report said accident and any physical injury sustained to his immediate supervisor. The Employee shall make an accident report in writing on forms furnished by the Employer including state and federal reports when required and shall

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turn in all available names and addresses of witnesses to the accident. Failure to comply with this provision shall subject each Employee to disciplinary action by the Employer up to and including discharge, per Article 9.01.

A serious accident is defined as one in which:

1. There is a fatality, or;
2. There is bodily injury to a person who, as a result of the injury, receives immediate treatment away from the scene of the accident, or;
3. One or more pieces of equipment incur disabling damage as a result of the accident requiring the equipment to be transported away from the scene.

Any Employee engaging in the following shall be subject to suspension without pay of up to two (2) workdays:

- (a) Speeding 15 miles per hour or more over the posted speed limit;
- (b) Failure to maintain control of the vehicle;
- (c) Vehicle rollaway.

15.04

Employees shall immediately, or at the end of their shift, report all defects of equipment. Such reports shall be made on a suitable form furnished by the Employer and shall be made in multiple copies, one copy to be retained in the vehicle. The Employer shall not ask or require any Employee to take out equipment that has been reported by any other Employee as being in an unsafe operating condition until same has been approved as being safe by the mechanical department.

ARTICLE 16 – LEAVE OF ABSENCE

16.01 Time off for Union Activities

The Employer agrees to grant necessary and reasonable time off, without discrimination or loss of seniority rights and without pay, to any Employee designated by the Local Union to attend a labor convention or serve in any capacity or other official Union business, for a period which shall not exceed a maximum of ten (10) days, provided forty-eight (48) hours' prior written notice is given to the Employer from Local Union, specifying the length of time off. The Local Union agrees that, in making its request for time off for Union activities, due consideration shall be given to the number of Employees affected in order that there shall be no disruption of the Employer's operation due to lack of available Employees. With two (2) weeks' notice or by mutual agreement, leave shall be extended up to six (6) months, without fringe benefits paid by the Employer.

A Union member elected or appointed to serve as a full-time Union official shall be granted a leave of absence during the period of such employment, without loss of seniority rights and without pay, provided the official exercises such right within thirty (30) days following the loss of his/her employment with the Union.

16.02 Leave of Absence

(a) Any Employee desiring leave of absence from his employment shall secure written permission from both the Local Union and the Employer. Except as otherwise provided in this Article, the maximum leave of absence shall be six (6) months. During an approved leave of absence, the Employee shall not engage in gainful employment in the same industry.

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(b) An Employee who is unable to work because of sickness or injury shall be deemed to be on leave of absence.

(c) A leave of absence as provided in this Section shall not result in the loss of seniority rights.

(d) Employee requests for brief periods of time off from service shall not be subject to Section 16.02 (a) and (b) if approved by the Employer provided, however, that such time off shall not exceed a maximum of two (2) consecutive trips or five (5) days, whichever is greater.

(e) Time off in excess of thirty (30) days during an Employee's anniversary year due to an approved leave of absence shall not be accumulated for vacation purposes. Any Employee on leave of absence shall be entitled to pro rata vacation if he so requests from the Employer.

(f) Any Employee on leave of absence shall not be considered to be on the payroll of the Employer during the period of leave. It is understood that the obligation to make Health and Welfare contributions during leave of absence are between the Employee and the Trust/Union.

16.03 Furlough

Any Employee not fully utilized may request and shall receive temporary furlough without loss of seniority up to twenty-four (24) months, as specified in Article 4, Section 4.11. No Employee will be subject to recall from furlough, involuntarily, when junior Employees in the same classification are in either layoff status and/or furlough status. Recall from furlough shall be in accordance with Article 4.06. For the purpose of this Section, a junior Employee is not in layoff status or furlough status if they are recalled pursuant to Article 4.06.

16.04 Holiday Pay While on Leave of Absence

Probationary Employees are not entitled to holiday pay for holidays falling within their probationary period. Regular Employees are entitled to holiday pay if the holiday falls within the first thirty (30) calendar days of absence due to illness or non-occupational injury, or within sixty (60) calendar days of absence due to an occupational injury. This does not apply to Employees taking leave of absence for full-time employment with the Union. If during a leave of absence, due to sickness or injury an Employee becomes gainfully employed, the Employer will be relieved of responsibility for holiday pay.

16.05 Family Leave

Child care, pregnancy, and family leaves shall be granted in compliance with state and federal laws.

ARTICLE 17 – COMPANY RULES

17.01 Company Rules

The Union recognizes the right of the Employer to establish such written company rules, as it may deem necessary provided that such rules are not in conflict with the terms and provisions of this Agreement, and further provided that no such company rules shall become effective without notification to the Local Union involved. Application of company rules shall apply equally to all members of the Local Union employed by the Company making said rules. Any controversy between the Employer and each Local Union as to whether or not a company rule is in conflict with the terms and provisions of this Agreement shall be considered a dispute subject to the disputes procedure set out in Article 7 of this Agreement.

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17.02 Bulletin Boards

The Employer will provide locking bulletin boards. Postings by the Union on such boards are to be confined to official business of the Union.

ARTICLE 18 – HEALTH AND WELFARE

[SEE COMPREHENSIVE ECONOMIC SETTLEMENT]

18.01 Eligibility and Benefit Plans

~~(a) The Employer shall participate for the term of this Agreement in a Trust Fund designated as the Western Teamsters Welfare Trust (“WTWT”) for the purpose of providing the following Health and Welfare benefits to eligible Employees in dockworker/hostler, city driver, road driver and office clerical, mechanics and shop classifications covered by this Agreement: Vision, Prescription, Dental, Medical and Hospital.~~

~~(b) The Employer and Union agree to be bound by all the terms and provisions of the “Subscribers Agreement and Declaration of Trust providing for “Western Teamsters Welfare Trust,” dated March 1, 1995, as amended (the “Declaration of Trust”).~~

~~(c) The Employer and Union agree that the foregoing Declaration of Trust may be amended from time to time as hereinafter provided. All amendments to such Declaration of Trust shall be in writing, shall fix the effective date thereof, and shall bear the written approval of all Company and Union Trustees.~~

~~(d) As soon as practicable following ratification of this Agreement, the Employer shall pay the WTWT for every regular, non-probationary Employee in a dockworker/hostler, city driver, road driver,~~

~~office clerical, mechanic and shop classification who was compensated for at least one hundred (100) hours in the previous month the sum of \$1,140.24 per month. The Company shall pay contribution rate increases of up to \$0.35 per hour (paid on forty (40) hours) on August 1, 2013 and August 1, 2014.~~

~~(e) The Company shall pay into the WTWT up to the amounts set forth for each eligible regular, non-probationary Employee covered by this Agreement. Such payments shall be due on the first of the calendar month and shall become delinquent the twentieth (20th) day of each such month. Contribution requirements shall be determined by the Board of Trustees of the WTWT.~~

ARTICLE 19 – PENSION

[SEE COMPREHENSIVE ECONOMIC SETTLEMENT]

19.01 Basic Contribution

The Employer shall pay to the Western Conference of Teamsters Pension Trust on behalf of each eligible bargaining unit member at the rates set forth below.

19.02 Pension Dates and Rates

The Effective dates and pension rates shall be as follows:

6/1/2009	.25	+	1.25	=	1.50
6/1/2010	.25	+	1.50	=	1.75
6/1/2011	.25	+	1.75	=	2.00
6/1/2012	.25	+	2.00	=	2.25

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19.03 Pension Calculation and Annual Maximum

~~The Employer shall pay the appropriate pension contributions for all compensable hours up to a maximum of two thousand eighty (2,080) hours in each calendar year.~~

~~In order to calculate such contributions, forty (40) miles equal one (1) hour for the line haul drivers, up to the applicable maximums defined in this Agreement. For an Employees first ninety (90) calendar days of employment with the Employer as a Probationary Employee or otherwise, the Employer shall pay to the Western Conference of Teamsters Pension Trust ten cents (\$.10) for each compensable hour worked by that Employee.~~

ARTICLE 20 – VACATIONS

20.01 Eligibility for Vacation

Employees covered by this Agreement, upon completion of anniversary years of employment, shall be entitled to weeks of vacation as follows:

<u>Years of Service</u>	<u>Weeks of Vacation</u>
1	1
3	2
9	3
15	4
20	5

20.02 Pro Rata Vacation

An Employee who has been continuously in the employ of the Employer for nine (9) months or more and is terminated or quits shall be entitled to all vacation pay earned, including prorated vacation earned after his/her anniversary date. The formula for

proration shall be the total number of days worked divided into the earnings for the same.

Vacation pay shall be based upon 1/52 of the Employee's previous year earnings for each week of vacation. In the event an employee is off work for either a leave of absence as described elsewhere or on injury they will receive vacation pay based on 1/52 of the previous year's earnings or forty (40) hours whichever is greater, provided in the year in question the Employee had a minimum of one thousand five hundred sixty (1560) compensated hours. In those cases where the Employee fails to work the above minimum the Employee's vacation shall be prorated at 1/52 of the previous year's earnings.

20.03 Holiday During Vacation

If an Employee's vacation period includes a holiday as specified in Article 21, he shall receive the specified holiday pay in addition to his vacation pay.

20.04 No Gainful Employment

~~Employees on vacation shall not engage in gainful employment in this industry.~~

20.054 Unemployment Compensation

If an Employee's paid vacation period accrues or is payable during a period in which he is otherwise entitled to unemployment compensation, the Employee's right to and payment for such vacation shall be deferred until after the termination of the unemployment benefit period.

The Employer waives the privilege of allocating vacation pay to past, present or future weeks of unemployment.

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20.065 Schedule

Vacation schedules shall be posted by January 31st; vacations shall be selected, according to seniority, by March 1st. **Effective for vacation after January 1, 2020, vacation schedules shall be posted by the third (3rd) Monday in February of each year; vacations shall be selected, according to seniority, by the first (1st) Sunday in April.** Employees failing to so select shall be passed. Upon mutual agreement, an Employee's vacation may be carried over one (1) year, but no more, and may be taken in conjunction with the following year's vacation. Employees may take no more than three (3) contiguous weeks except by mutual agreement. Ten percent (10%) of each bargaining unit classification, by terminal, may be on vacation at one time. Those locations that have historically bid vacation schedules from a common seniority roster (i.e., city; dock & yard) shall maintain this practice. At those locations where the vacation bid is conducted at the same time as the annual bid, such practice shall continue.

Vacation may be taken in single days; however, no one who has scheduled a full week of vacation may be "bumped" by an Employee taking only one (1) or more days of vacation. An Employee may only take the amount of vacation due per the vacation schedule in Article 20.01 above. Employees may take all vacation in less than one-week increments.

If the vacation schedule is filled by Employees taking vacation increments of one (1) week, Employees requesting less than one (1) week must be approved at the Employer's option. An Employee who requests less than one (1) week of vacation may not bump a junior Employee taking less than one (1) week of vacation within fourteen (14) days of the vacation.

Employees working a five/eight work week and taking less than one (1) week of vacation shall be paid 1/5 of 1/52 per day taken and will be paid on their next pay period, on their regular pay check just as if they had worked on the days taken. Hours paid for vacation taken in less than one (1) week increments shall be counted as hours worked for purposes of health and welfare, pension and vacation accrual.

Employees working a four/ten work week and taking less than one (1) week of vacation shall be paid ten (10) hours of straight time per day taken at their current hourly rate and will be paid on their next pay period, on their regular pay check just as if they had worked on the days taken. Hours paid for vacation taken in less than one (1) week increments shall be counted as hours worked for purposes of health and welfare, pension and vacation accrual.

For purposes of computing vacation pay for line-haul drivers ~~forty (40)~~ **thirty-eight and a half (38.5)** miles shall equal one (1) hour.

For employees hired after ratification of the Agreement, vacation shall be paid at forty (40) hours for the first three (3) years of employment.

20.076

Where permissible by law, Employees have the option of taking all vacation earned and receiving forty (40) hours of vacation pay for each week, or working and receiving pay for forty (40) hours straight time in addition to hours worked according to the following schedule:

<u>Earned Vacation</u> <u>Weeks</u>	<u>Payment Options</u> <u>Weeks</u>
2 or 3	1
4	2

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Practices with respect to pay in lieu of vacation in effect as of the ratification of this Agreement shall, however, remain in place.

ARTICLE 21 – HOLIDAYS

21.01

The following shall be considered as holidays under this Agreement, unless changed by State or Federal laws:

New Year's Day (Jan. 1)
Memorial Day (Last Monday/May)
Fourth of July
Labor Day (First Monday/Sept.)
Thanksgiving Day
Day after Thanksgiving
Christmas Eve
Christmas Day

21.02

Holiday pay shall be eight (8) hours at the Employee's normal straight-time rate. If the holidays fall on a day the Employee is not normally scheduled to work, holiday pay shall be eight (8) hours.

21.03

All regular Employees who have worked within five (5) days prior to a holiday or five (5) days after a holiday shall be entitled to the aforementioned holidays. However, Employees must work their last scheduled day before a holiday **or** ~~and~~ their first scheduled day after a holiday to receive holiday pay. This shall not apply to Employees who are on approved leave (e.g. vacation or other holidays or to Employees who are on illness or injury leave verified by a doctor's statement or other approved absences.)

21.04

Resignation or termination shall terminate all subsequent holiday benefits.

ARTICLE 22 – INSPECTION PRIVILEGES

Authorized agents of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions and collection of dues; provided however, there is no interruption of the firm's working schedule. Terminal managers or supervisors shall be notified upon arrival if they are available.

ARTICLE 23 – MANAGEMENT RIGHTS

The management of the Company and the direction of the work force are rights vested with the Employer except as modified by the terms of this Agreement, any Addendum, or established past practice.

ARTICLE 24 – SEPARABILITY AND SAVINGS CLAUSE

24.01

Should any Article, Section, or provision of this Agreement or any Letter(s) of Understanding be rendered invalid or compliance therewith restrained, the application of other Articles, Sections, provisions or Letters shall not be affected. In such event, the parties shall enter into immediate negotiations seeking a satisfactory replacement.

24.02

If the parties, within sixty (60) days of the beginning of the period of invalidity or restraint, fail to agree, either party, without liability therefore, may, thereafter,

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implement economic persuasion, notwithstanding any other provisions of this Agreement and such shall not be a violation of this Agreement.

ARTICLE 25 – UNIT WORK PRESERVATION/SUBCONTRACTING

The protection and preservation of bargaining unit work is central to this Agreement. The Employer agrees that it will not subcontract or divert work for the purpose of subverting the provisions of this Agreement **or to avoid hiring employees.** This provision shall not be construed to restrict the Employer's current practices and methods of operation. **Such practices and methods of operation shall be reduced to writing for any facility that either is or becomes covered by this Agreement.**

The Employer shall not use purchased transportation within the Reddaway Service Area, defined below, except in the case of (a) overflow freight when all regular Employees are working; or (b) imbalanced lanes of traffic. The Employer may, **however,** use purchased transportation from the point of origin inside the Reddaway Service Area for freight destined to points outside the Reddaway Service Area, **provided such purchased transportation may** and it will not be used to circumvent the hiring of drivers. In addition, the Employer may use purchased transportation to the point of destination inside the Reddaway Service Area for freight originating outside the Reddaway Service Area. The Employer shall not be required to move such freight to or from the end of its terminal network. As an example, purchased transportation can be used for loads destined from Los Angeles to Chicago or from Chicago to Los Angeles. Violations of this paragraph will be subject to the Grievance Procedure.

For purposes of this Agreement, the Reddaway Service Area shall consist of the entire

Reddaway terminal service network. Nothing in this Agreement shall impact the Employer's right to use purchased transportation under existing agreements covering the Pacific Northwest.

25.01. Overflow Purchased Transportation Records

~~The Employer shall be permitted to use purchased transportation only to haul loads in the Reddaway Service Area after the loads have first been offered through dispatch. For example, in Los Angeles, there are 6 available drivers and 7 loads which have been offered for dispatch. The Employer is then permitted to use purchased transportation to deliver the 7th load in order to meet service requirements.~~

All drivers, including purchased transportation drivers, must sign-in and sign-out on sheets maintained at the terminals which include their name, company name, home domicile, origin, destination, and arrival and/or departure times, **and trailer number.** The sheets will be made available to the Local Union daily and maintained for six (6) months. 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 Machinery. The Union shall have access to all Employer records related to purchased transportation within or outside of the Reddaway Service Area.

The Employer must provide each affected Local Union a report on the utilization of purchased transportation on a quarterly basis and send a copy to the **Western Regional Freight Coordinator and the International**

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Brotherhood of Teamsters. The report shall be provided within thirty (30) days of the end of the quarter.

25.02 Imbalanced Lanes

The Employer is committed to the use of its Employee drivers before it resorts to the use of purchased transportation. However, the parties recognize that it may be necessary to utilize purchased transportation because of imbalanced lanes of traffic. In such circumstances, the Employer may use purchased transportation to meet the service needs.

Violations of this paragraph shall be subject to the Grievance Machinery.

25.0302 Driver Protections

Purchased transportation usage should be engineered to the fullest extent possible to minimize its use and to maximize the use of bargaining unit employees. Line drivers shall be protected in connection with the use of purchased transportation for overflow or imbalanced lanes, in accordance with the terms of this Article 25.02.

(a) All active line drivers at origin terminals from which purchased transportation is dispatched shall be protected in that dispatch day on a one-for-one basis as follows:

- i. Bid drivers domiciled at that location shall have their bid protected. If an employee's bid run is cancelled (or a driver is "short-stopped"), he or she shall be paid the difference between his or her bid run and any alternate work opportunity that, in

accordance with current practice is offered. If an alternate work opportunity would allow the employee to protect his or her next bid run, earnings from that alternate work opportunity will be used to offset payment for the cancelled bid run regardless of whether it is accepted by the employee.

- ii. Extra board drivers domiciled at that location who are not dispatched in a day shall be offered shuttle work or other hourly-paid driving work opportunities. In no event, however, shall that extra board driver receive less than eight (8) hours for the day provided he or she accepts the shuttle or other hourly-paid work offered.

(b) In the event that the use of purchased transportation occurs on a consistent basis within the geographic region of Local Unions party to this Agreement, which means that at least forty-(40) matched loads (meaning loads moving both ways within a reasonable period of time, and not including the movement of empty trailers) are dispatched to purchased transportation within a sixty (60) day period, the Employer will be required to add a regular driver to the seniority list.

Allegations concerning seniority/run-around claims under Article 25.01 of this Agreement, disputes over the use of purchased transportation in overflow situations, disputes over the existence of an imbalance lane in cases where the Employer used purchased transportation under Article

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~~25.02~~ of this Agreement, or disputes over the addition of drivers under Article ~~25.03~~ of this Agreement shall be subject to the Grievance Machinery.

The parties agree that nothing in this Agreement shall alter the Employer's ability to engage in layoffs as provided for under this Agreement.

25.0403 Purchased Transportation Review Committee

The parties to this Agreement shall establish a Purchased Transportation Review Committee (the "Committee") comprised of the Teamsters Western Region Freight Director (Union Co-Chairman) and the Employer's Vice President of Labor Relations (Employer Co-Chairman). In the event there are alleged abuses of purchased transportation raised by the Union Co-Chairman, the issues shall initially be referred to the Committee for resolution. The Committee, in appropriate circumstances, may require the Employer to hire more drivers in situations where there are sufficient and balanced freight levels to support such hiring at a particular terminal.

The Committee also shall have the authority, in appropriate situations **and in accordance with Article 25.02**, to award lost earnings on a one-for-one, man-for-load basis in seniority order to active drivers on the seniority list at the affected domiciles where the drivers were available for work, but did not receive work because of the abuse of purchased transportation. To the extent the Committee determines that the award of lost earnings is appropriate, the following shall not be credited for purposes of computing lost earnings: where a driver is offered a work opportunity that the driver has a contractual obligation to accept **or involves other driving duties**, and the driver elects not to accept such work, the driver shall

have an amount equal to the wages such work would have generated credited to such driver for purposes of determining his weekly earnings.

In disputes over the alleged abuse of purchased transportation, the Committee shall review the amount of purchased transportation utilized by the Employer, business and/or freight levels, the number of positions at particular terminals and any special circumstances, such as storms, earthquakes, tornadoes, impassable highways or other conditions over which the Employer could not control, that caused the Employer's use of purchased transportation. In the event the Committee is unable to reach agreement concerning the resolution of alleged abuses of purchased transportation, the matter will be referred to ~~expedited arbitration~~ **the Joint Deadlock Committee**, which must be ~~conducted~~ **convene** within thirty (30) days of the alleged abuse of purchased transportation, unless the parties mutually agree otherwise, **and processed in accordance with the remainder of the grievance procedure**.

Allegations of subterfuge shall be within the sole jurisdiction of the Committee.

25.0504 Bids

(a) The Employer shall bid a minimum of ~~eighty-five~~ **seventy** percent (~~85~~ **70**%) of the line haul jobs at each terminal, where it has a line haul seniority list greater than forty (40) drivers. In the event the list is less than forty (40), the minimum bid will be ~~seventy-five~~ **seventy** (~~75~~ **70**%) of the active line haul jobs.

(b) All bid schedules shall be offered in seniority order to the qualified drivers at each terminal. Any bid schedule that is not selected shall be assigned to the extra boards

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in reverse seniority order. The only way a bid will not be filled at any time is if the business volume is not sufficient enough to support the bid.

(c) All bid schedules that are not filled by the bid will be offered to the extra board at the terminal on the basis of seniority. The only way a bid will not be filled at any time is if the business volume is not sufficient enough to support that bid.

(d) Prior to the implementation of any new runs in or out of a covered terminal, the Vice President of Operations, or his designee, shall meet with the Union(s) to achieve a fair number of run(s). Based upon growth the Employer agrees to add additional runs to the service area which has experienced growth in traffic.

25.05 No Autonomous Vehicles

The Employer shall not operate driverless trucks, drones, or remotely operated vehicles to move freight over public roads.

ARTICLE 26 – STEWARDS

Stewards shall be permitted reasonable time to investigate, present and process grievances on Employer property, without loss of time or pay during their regular working hours and shall have full access to all call sheets, sign in and out sheets, and any and all paperwork that is needed to complete the investigation of any claimed contract violations. Time spent at the monthly grievance meetings/hearings between the Union and the Employer shall be paid for by the Employer provided the Steward is an active participant; and considered as hours worked for the purpose of computing daily and weekly overtime if within the regular work schedule of the Steward.

26.01

The Employer recognizes the right of the Union to designate job stewards and alternates from the Employer's seniority list. The authority of job stewards and alternates so designated by the Union shall be limited to, and shall not exceed, the following duties and activities:

(a) The investigation and presentation of grievances with the Employer or the designated Employer representative in accordance with the provisions of the collective bargaining agreement; and

(b) The transmission of such messages and information, which shall originate with, and is authorized by the Local Union or its officers.

26.02

Job stewards and alternates have no authority to take strike action, or any other action interrupting the Employer's business, except as authorized by official action of the Union. The Employer recognizes these limitations upon the authority of job stewards and their alternates, and shall not hold the Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the shop steward has taken unauthorized strike action, slow down or work stoppage in violation of this Agreement.

26.03

Stewards shall be permitted reasonable time to investigate, present and process grievances on the Employer property, without loss of time or pay during their regular working hours. Such time spent in handling grievances shall be considered

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working hours in computing daily and/or weekly overtime if within the regular work schedule of the steward.

26.04

When the Union designates a job steward at an individual warehouse of the Employer, the job steward shall be assigned to the same warehouse in which he was designated as a steward unless it is necessary for the job steward to exercise his seniority to retain his employment. The Union shall advise the Employer in writing and by terminals of those persons designated as stewards or alternates. The term Employer shall be deemed to mean the Director of Human Resources and the applicable Terminal Manager.

ARTICLE 27 – FUNERAL ~~BEREAVEMENT~~ LEAVE

27.01

Regular Employees suffering a death in the family shall receive three (3) days off with pay for missed work. Additional unpaid time off may be granted under warranting circumstances. The Employee must claim such ~~funeral~~**bereavement** leave within ~~two~~ **six (6)** calendar weeks of the death within the immediate family as defined below. Proof of death may be required for payment. **It is understood that the leave contemplated under this Article is not limited to a formal funeral but shall also encompass cremations and celebrations of life.**

27.02

Immediate family means: Current spouse, son, daughter, mother, father, mother-in-law, father-in-law, brother, sister, Grandparents, Grandchildren and Grandparents-in-law. Stepparents and half-

brothers and sisters shall be included provided the Employee resided with them prior to reaching his/her eighteenth (18th) birthday. The Employer may require verification.

ARTICLE 28 – LAYOVER

28.01

When an Employee is required to be held over at a point away from his home terminal (except if Employee is unable to work because of depletion of hours of work, injury or sickness), he shall be compensated as follows:

(a) For the first fourteen (14) hours of each layover period after pay for the day or shift end – No pay.

(b) For the next eight (8) hours beginning with the start of the fifteenth (15th) hour after arrival at the layover point, at the regular hourly rate of pay. Layover pay shall cease at commencement of regular work.

(c) For the next ten (10) hours – No pay.

(d) For the next eight (8) hours at the regular hourly rate of pay.

(e) And continuing on the same basis for each eighteen (18) hours of continuing layover.

28.02

If the Employer uses road drivers on road trips where they are held away from home for a period of time, but put on the clock at the same time each day as though they were home, no layover provisions are applicable. When road drivers are used for the purpose of delivering loads, getting new loads, and proceeding to some other destination or returning home, that are held on layover for any reason where the Employer calculates

USF REDD

free time, the full layover provisions shall apply.

28.03

The layover provisions shall apply when the Employer knowingly dispatches a road driver to a terminal at which a primary picket line has been posted.

28.04

In the event the Employer dispatches a driver to deplete his hours away from his home terminal, the driver shall be compensated at his full hourly rate (beginning with the 15th hour of layover), and continuing under the normal layover provisions of Section 1 herein until driver has hours available to work.

ARTICLE 29 – SUBSISTENCE

Effective upon ratification, when an Employee is held away from his home terminal for the convenience of his Employer during a rest period before continuing a trip or returning to his home terminal, he shall receive an allowance of ~~\$14.00 (Fourteen and 00/100 dollars)~~ **\$16.00 (Sixteen and 00/100 dollars)** for meals, plus reasonable motel charges, with verifiable receipts per rest period. Additional subsistence allowance will be negotiated for periods in excess of three (3) days where lodging under unusual conditions is required.

The Employee is to be reimbursed on the next regularly scheduled payday after submission in writing of an expense for per diem request.

ARTICLE 30 – EXAMINATIONS AND IDENTIFICATION FEES

30.01 Examinations

(a) Physical, mental or other examinations required by a government body or the Employer shall be promptly complied with by all such Employees, provided, however, the Employer shall pay for such examinations after the first qualifying examination. Employee to pay the minimum D.O.T. physical fee only. If Employee does not attain seniority then the Employer shall reimburse Employee for such costs. This does not apply to drivers or chauffeur's license examinations. Routine examinations are to be taken at the Employee's home terminal. Employees will not be required to take examinations during their working hours, without pay for time so consumed. The Employer shall post a list of Employees with expiring D.O.T. Medical Cards. The list shall be posted in the month prior to expiration. Any Employee(s) who fails to get a new card for any reason, shall not be subject to discipline, but will not be allowed to work until such time as they have a valid card. **At those locations where the Employer pays for time spent and/or fees beyond what is outlined above, such practices shall continue.**

(b) The Employer reserves the right to select its own medical examiner or physician, and the Union may, if it believes an injustice has been done an Employee, have said Employee re-examined at the Union's expense.

(c) In the event of disagreements between the doctor selected by the Employer and the doctor selected by the Union, the Company and Union doctors shall together select a third doctor within thirty (30) days whose opinion shall be final.

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30.02 Identification

Should the Employer find it necessary to require Employees to carry or record full personal identification, such requirement shall be complied with by the Employees. The cost of such personal identification shall be borne by the Employer to include the replacement of two (2) lost additional badges within a twenty-four (24) month period. Thereafter, the Employee shall be responsible for reimbursing the Employer for same.

The Employer shall pay for all time spent, including necessary travel, and any fees involved in gaining any and all identification and or documents required by the Employer or the Employer's customers for the Employee to have access to any job location that Employee is dispatched to.

Further, no Employee shall be required to surrender any document or personal information to a customer of the Employer in the performance of their daily assignment.

ARTICLE 31 – JURISDICTIONAL DISPUTES

In the event that any dispute should arise between any Local Unions, parties to this Agreement, relating to jurisdiction over Employees or operations covered by this Agreement, the Employer agrees to accept and comply with the decision or settlement of the Unions or Union Tribunals which have the authority to determine such dispute.

ARTICLE 32 – EMPLOYEE'S BAIL

32.01 Employee's Bail

Employees will be bailed out of jail if accused of any offense in connection with the faithful discharge of their duties in accordance with instructions of the Employer, and any Employee forced to

spend time in jail or in courts shall be compensated at his regular rate of pay. In addition, he shall be entitled to reimbursement for his meals, transportation, court costs, etc. Provided, however, that faithful discharge of duties shall in no case include compliance with any order involving commission of a felony. In case an Employee shall be subpoenaed as an Employer witness he shall be reimbursed for all time lost and expenses incurred.

32.02 Suspension or Revocation of License

In the event an Employee shall suffer a suspension or revocation of his or her commercial driver's license because of a succession of size and weight penalties, caused by the Employee complying with his Employer's instructions to him, the Employer shall provide employment for such Employee at not less than his regular earnings at the time of such suspension for the entire period thereof, subject, however, to the seniority and layoff provision applicable to him at the time of such suspension. In the event a driver, either P&D or Road, shall suffer a suspension or revocation of his or her commercial drivers' license for ninety (90) days or less as a result of conduct off the job, the Employee shall be placed at the bottom of the seniority list during the period of suspension. He or she shall be offered available dock work after all employees on the P&D seniority list (including probationary employees) have had a work opportunity, and shall be paid at the Dock/Hostler rate. Upon restoration of the Employee's license and resumption of driving duties, the Employee shall return to his or her prior position on the appropriate seniority list. In all other cases the Employee may be discharged.

USF REDD

ARTICLE 33 – WORKING CONDITIONS

33.01 – P&D, DOCK & HOSTLERS

Qualified Employees shall be allowed the annual right to bid shifts according to seniority. **Posted bids will include the work day, work week, and start time. For informational purposes only, posted P&D bids will also include if the bid is solo work or lift gate. At those locations where bids have been for a certain geographic area or included other similar information such practices shall continue.** Ninety Percent (90%) of the seniority list shall be allowed to bid ~~start times~~ on an annual basis at all terminals or more often if mutually agreed to by Union and Employer **(Eugene and Salem, for example, shall maintain their current practices).** It is understood that one hundred percent (100%) of hosteling work shall be bid. Bidding shall begin ~~in on~~ the third (3rd) Monday in ~~February~~ **January** of each year and become effective the first (1st) Monday ~~Monday~~ **Sunday** in ~~April~~ **March and the bidding shall be conducted with a shop steward present.** Seniority Employees may pass the bid. Bids shall be locked for a minimum of sixty (60) days, except for bid House Accounts; however, Employees may drop a bid during this period. If a bid start time is eliminated by the Employer, any displaced Employee may bump through to the end of the seniority list. Any additional non-bid start time that is run with regularity for a ~~sixty~~ **forty-five (45)** day period shall be placed for bid. Bid levels shall be reviewed and adjusted at the quarterly Joint Committee Meetings. Meetings for this purpose may be scheduled more frequently if necessary.

It is recognized between the parties that the Employer shall have the ability to temporarily change bid start-times when

causes arise beyond the control of the Employer (weather conditions, other acts of God, power failures etc.)

- (a) Dispatching of percenters shall be by seniority according to the following: On a daily basis, qualified percenters will be offered known available start times for the next workday as soon as possible. The Employer may fill any start time by reversed seniority, if necessary.
- (b) Qualified Drivers shall bid line or local depending on which seniority list they are on. **Non-CDL Drivers shall be bid from the local list.**
- (c) **Permanent vacancies and new schedules that become available subsequent to the bids shall be posted within five (5) days for five (5) working days, during which time employees shall be afforded the opportunity to bid such vacated or new schedules. A posted vacancy or new schedule shall include a brief description as provided above. The successful bidder shall be awarded the posted vacancy or new schedule the Sunday following the expiration of the five (5) day posting period. Any cancelled bid(s) will not take effect without five (5) business days' notice to the displaced employee. The five (5) day notification shall only apply to the initial cancellation, not the bump and roll process.**

33.02 – Dock Workers/Hostlers

Dockworkers/hostlers shall bid start-times in accordance with seniority. Start-times on such bids may be adjusted up to two (2)

USF REDD

hours either before or after the bid start-time without rebidding. Thereafter, Employees will be called to work by seniority on a daily basis.

33.03 – VACATION REPLACEMENT AND OTHER ABSENCES

The Employer shall post all vacation hold downs to be bid by qualified non-bid Employees. The Employer shall post all hold down bids for Employee(s) that are going to be off for thirty (30) days or more due to OJI, FMLA, or leave of absence.

33.04 – QUALIFICATION LANGUAGE

It is management's right and responsibility to establish the requirements to operate as a City P&D and an Over-the Road Driver, **as well as a Non-CDL Driver.** The Employer will maintain two separate seniority lists; namely, a City P&D/**Non-CDL Driver/Dock/Hostler** list and Over-the-Road seniority list, **unless contrary to practice in which case the practice shall prevail. Any disagreements about employee's qualification shall be subject to the grievance procedure.**

Those qualifications for City P&D **and Non-CDL Drivers** are:

- a. Know city and service areas well
- b. Possess pleasant sales personality
- c. Be well groomed and neat in appearance
- d. Be able to handle general freight in an expedited manner
- e. Be able to count, check, and document bad order freight
- f. ~~Have accident free record and~~ **Be qualified** approved by Safety

Department. **No employee shall be disqualified without notification to the Local Union.**

- g. **For City P&D – possession of a CDL license with doubles/triples, hazmat and tanker endorsements; For Non-CDL Drivers – possession of a Class C license, successful passage of a medical exam, successful passage of a drug screening, and successful completion of Employer training.**

Line requirements ~~requirements~~ **qualifications** are:

- ~~a. Must hold one (1) year minimum doubles current experience~~
- a. Be familiar with U.S. D.O.T. logging rules and paperwork
- b. ~~Have accident free record and be~~ **Be qualified** approved by the Safety Department. **No employee shall be disqualified without notification to the Local Union.**

Any Driver who wishes to move to the line and has one (1) year combination vehicle (doubles experience) and who completes a satisfactory student trip shall be automatically qualified to either board.

Dock employees who obtain their CDL may bid an open driving position. They shall be allowed to bid in their terminal seniority position. **Similarly, dock employees who possess a Class C license may bid into Non-CDL Driving positions. The Employer shall establish a list of hostler qualified employees. The list shall be posted in seniority order including each employee's qualifications and updated as needed.**

33.05 – Call-Back Pay

Any Employee required to report back to work after more than one (1) hour's intermission after completion of his day's

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work or shift shall be guaranteed pay at the rate of time and one-half (1 ½) for all additional hours worked with a minimum guarantee of four (4) hours per call-back.

33.06 – HOURS OF WORK (DOCK, HOSTLERS, AND LOCAL CARTAGEP&D AND NON-CDL DRIVERS)

Eight (8) consecutive hours of work with intervals for meals of not less than one-half (½) hour nor more than one (1) hour shall constitute a day's work. Any regular Employee shall receive a full day's pay if put to work, or if not put to work, after reporting shall be allowed one half (1/2) day's pay, unless notified the previous day that there would be no work.

- (a.) It is understood and agreed that the workweek shall be five (5) consecutive days of eight (8) hours, Monday through Friday. **However local practice shall prevail.**
- (b.) Qualified Employees shall have the right to bid their workweek in conjunction with the bidding procedures described in Section 33.01.
- (c.) Failure to comply with the order of call shall subject the Employer to runaround claims. Employees should be worked in the following order.
 1. Bid Employees working their regular bid day at straight time
 2. Unassigned Employees not yet offered five days in the workweek (at straight time).
 3. Employees replacing a bid Employee (#1 above) or an unassigned

Employee (#2 above) who is absent, provided the Employee is working on the absent Employee's shift and is qualified and performing the work of the absent Employee (at straight time).

4. Regular employees who have worked their forty (40) hours including those who missed only **four (4)** days for which they were compensated for by contract (at premium time).
 5. Those Employees with a broken guarantee working a make-up day (at straight time).
 6. All other Employees, including laid off Employees called in seniority order (at straight time).
 7. **Employees worked on an involuntary basis in reverse seniority order.**
- (d.) Any driver who bids a combination driver/dock bid shall receive the driver rate for hours worked. The parties agree that the primary job function of any such combination bid shall be driving work.
 - (e.) The Employer will file a change of operations, consistent with Article 5, in order to establish a seven (7) day operation in terminals which do not currently have such an operation. Such changes shall be on an expedited basis.
 - (f.) The first shift of a Monday-Friday work week shall commence at 10 p.m. on Sunday. Locations that have pre-existing Sunday evening shifts that start prior to 10 p.m. will be allowed to

USF REDD

maintain those shifts and they will be considered as Monday shifts. All other Saturday or Sunday shifts will be considered as outside the work week, but may be bid as a regular straight time shifts with agreement of the Local Union and the parties' notification to the Joint Labor-Management Committee. Without agreement, the Company must apply for a work week change through the grievance procedure.

33.07 – OUT-OF-TOWN HOURS OF WORK

When an Employee is required to take at least ~~an eight (8)~~ a **ten (10)** hour rest period after an original full work period, for the next period of work a guarantee of eight (8) hours shall be at the straight-time rate even though it may be in the same calendar day.

33.08 Split Shifts

There shall be no split shifts.

33.09 – OVERTIME

Applicable to P&D/Dock Employees only. All work after either eight (8) or ten (10) consecutive hours of duty shall be at time and one-half (1 ½). Work performed by local Employees on their scheduled days off shall be paid at one and one-half (1 ½) times their normal straight time rate, except as provided in Section 33.06 (c). Holiday work is time and one-half (1 ½) with either an eight (8) or ten (10) hour guarantee, depending on the Employee's workweek plus holiday pay.

If a specified holiday falls on the Employee(s) bid workday, it will be counted as a day worked for purposes of computing overtime in that Employee(s) workweek.

~~Subject to customer needs, Employee absences, and the number of requests, It shall be the policy of the Employer to cooperate with an employee who desires to be relieved of overtime. **The Employer shall reasonably accommodate an Employee's request not to work excessive overtime.** An Employee's request not to work overtime on any particular day shall be made at the start of the Employee's shift. This request shall be made on a daily sign-up sheet provided by the Employer. **Up to 10% of each day's employees by classification shall be protected to work no more than two (2) hours of overtime; all subsequent hours beyond the two (2) hours will be paid at the double-time rate for that shift.** However, if overtime will be required and the Employee has requested not to work such overtime at the start of their shift, the Employer shall not force the Employee to work more than two (2) hours of overtime on any given day. In those cases where the driver is away from the terminal completing an assignment, the driver may be required to complete the route assignment before returning to the terminal at the end of the two (2) hours of overtime. On so-called "clean up nights," the overtime limitation shall be three (3) hours for the last shift worked in either a four (4) or five (5) day workweek.~~

The Employer will maintain daily sign-up sheets for no less than six (6) months and will make them available to the Union upon request. Any abuse of the intent of this language by the Employer shall be subject to the dispute procedure. In the event the Joint Committee finds a pattern of abuse, it shall develop a remedy it believes to be appropriate. **Upon completion of a shift, a city or dock employee shall have the option of ten (10) hours of undisturbed rest by written request.**

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33.10 – MEALS

The Employer shall grant and require only one meal period during an eight (8) hour shift. The period shall be of not less than one-half (1/2) hour nor more than one (1) hour duration. The Employer shall not require that the meal period begin less than **four (4) hours and be completed not more than six (6) hours** ~~three (3) hours nor more than five (5) hours~~ after the start of the shift, **unless mandated otherwise by a state or federal law.** The length and beginning time of a meal period may be changed from day to day but not after the meal period has begun.

33.11 – REST PERIODS

All Employees shall be allowed a rest period approximately one half way through the first (1st) half of their shift and another half way through the second (2nd) half of their shift. The time for said rest periods shall be paid for by the Employer and shall not exceed ten (10) minutes each, **unless mandated otherwise by a state or federal law.** ~~There will be occasions when a rest period privilege will not be granted due to customer's demands, job conditions or emergencies. Rest periods missed are not cumulative nor shall they constitute a wage claim.~~

Locations that had 15-minute breaks in place prior to the ratification of the contract shall maintain that break schedule.

33.12 – CALL IN CALL OFF LATE RULE

(a.) Employees who are scheduled to work are obligated to notify the Company if they are not going to report to work.

(b.) Employees who are placing themselves out of service must do so a minimum of two (2) hours prior to the start of their next scheduled shift. Out of service calls must be placed to the Terminal Manager or a designated supervisor.

(c.) Employees who are late for their shift will be allowed to work if they report within one (1) hour of the designated start time. The Company is under no obligation to work an employee who reports to work more than one (1) hour after the designated start time. Employees who report late will be paid for time worked for the balance of the shift.

(d.) Work calls will be placed to one telephone number only. Employees must provide the company with any changes to their telephone number or address in writing on the proper notification form.

33.13 – LEADMAN

The Company may establish or eliminate leadman positions at its terminals. The pay rate for newly established positions will be \$1.00/hr. **for local leadman, \$10.00/day for a line leadman while on the road, and \$1.00/hr. over the applicable 1/52nd rate for a line leadman for classroom time.** ~~The pay rate for existing lead man positions will remain at \$5.00/day until that position is changed or an existing leadman is added at the facility. In such cases, the existing leadman will also receive the \$1.00/hr rate. The leadman rate is a premium over the employee's regular rate.~~

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Work or information provided by leadmen shall not be used for disciplinary action. Disputes related to work or information performed/provided by established leadmen shall be subject to the grievance procedure. No additional leadmen shall be created without the consent of the applicable Local Unions.

		<u>Straight Truck Hourly</u>	<u>Road Driver Hourly</u>
1/7/2013	Tier 2	\$22.57	\$23.60
1/7/2014		\$22.97	\$24.00
1/7/2015		\$23.22	\$24.25
		<u>Dockworker/Hostler Hourly</u>	<u>City Driver Hourly</u>
1/7/2013	Tier 3	\$18.29	\$22.95
1/7/2014		\$18.69	\$23.35
1/7/2015		\$18.94	\$23.60

ARTICLE 34 – SCALE OF WAGES

[SEE COMPREHENSIVE ECONOMIC SETTLEMENT]

34.01 – Minimum Wages

		<u>Straight Truck Hourly</u>	<u>Road Driver Hourly</u>
1/7/2013	Tier 3	\$21.00	\$22.95
1/7/2014		\$21.40	\$23.35
1/7/2015		\$21.65	\$23.60

(a) Hourly — Job Classification

<u>Eff. Dates</u>	<u>Wage Tier</u>	<u>Dockworker/Hostler Hourly</u>	<u>City Driver Hourly</u>	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
1/7/2013	Tier 1	\$20.77	\$24.13	Bakersfield	Phoenix	Billings
1/7/2014		\$21.17	\$24.53	Las Vegas	Bend	Yakima
1/7/2015		\$21.42	\$24.78	Eureka	Burlington	Grand Junction
1/7/2013	Tier 1	\$22.62	\$24.13	Fontana	Colorado Springs	Great Falls
1/7/2014		\$23.02	\$24.53	Redding	Elko	Wenatchee
1/7/2015		\$23.27	\$24.78	Sacramento	Lake Havasu City	Twin Falls
		<u>Straight Truck Hourly</u>	<u>Road Driver Hourly</u>	Los Angeles	Denver	La Grande
1/7/2013	Tier 1	\$22.62	\$24.13	Stockton	Boise	Twin Falls
1/7/2014		\$23.02	\$24.53	Fresno	Spokane	Missoula
1/7/2015		\$23.27	\$24.78	San Diego	St. George	Three Forks
		<u>Dockworker/Hostler Hourly</u>	<u>City Driver Hourly</u>	Orange	Salt Lake City	Pasco
1/7/2013	Tier 2	\$20.55	\$23.60	Reno	Tucson, AZ	Pocatello
1/7/2014		\$20.95	\$24.00	San Fernando Valley	Tacoma	Three Forks
1/7/2015		\$21.20	\$24.25			

(b) Probationary Employees.

Probationary Employees working in a city driver classification shall receive \$17.45 per hour at Tier 1 terminal facilities and \$16.85 per hour at Tier 2 terminal facilities for the duration of the probationary period. And at

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~~tier 3 facilities \$16.40 Freight Handlers see Letter of Understanding~~

~~Probationary OTR drivers will be paid \$17.45/hour or \$0.4362/mi.~~

~~(c) Line Haul – Mileage Rate~~

<u>Eff. Dates</u>	<u>Road Driver – Mileage (cents per mile)</u>
1/7/2013	\$0.6032
1/1/2014	\$0.6132
1/1/2015	\$0.6195

~~Effective on the Sunday immediately preceding or following date listed, whichever is closer.~~

(d) ~~Swampers~~helpers will be paid at the Dock/Hostler rate.

Linehaul – Undisturbed Rest

Upon returning to their home terminal, a driver shall have the option of ten (10) hours undisturbed rest.

A mileage run shall be any trip which has at least an outbound radius of one-hundred (100) miles or a bid line-haul run.

For purposes of hourly computations, the rate shall be the applicable hourly rate. The mileage rates shall include the following activities:

- * Pre-trip inspection
- * Haz Mat inspections
- * Post-trip inspection
- * All paperwork and breaks
- * First one-half (1/2) hour of impassable highway
- * Front trailer, tractor, and lead dolly hosted at destination terminal

Minimum trip guarantee

A driver shall be paid for the actual miles driven and work time at the applicable rate or eight (8) hours at the straight time hourly rate whichever is greater. Show-up time guarantee at four (4) hours if not dispatched. All overtime is included in the mileage rate.

All line drivers are paid a combination of mileage rate and hourly time, except as noted below. Work time must be submitted in minutes during the pay period the work is performed and must be approved by a supervisor to be paid.

Drivers dispatched during a paid holiday will receive two (2) additional hours of pay at the applicable straight time hourly rate.

Chaining Performed by Driver Pau

Chain-up – ¾hour
Unchain – ¼ hour

Breakdown

All time will be paid at applicable straight-time hourly rate. Note – the Employer has the option of putting the driver to rest in a motel. Layover provisions apply.

Fueling Performed by Driver

One quarter (1/4) hour pay when a driver fuels.

Impassable Highway

First one-half (1/2) hour included in mileage rate. All additional time is to be paid at applicable hourly rate. Note – the Employer has the option of putting the driver to rest in a motel. Layover provisions apply.

Triple and Rocky Mountain Doubles Premiums

~~Two cents (.02)~~ **Three cents (.03)** per mile. This premium shall be added to the driver's

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mileage rate, irrespective of their position on the wage progression schedule.

Wait Time

All time paid at applicable hourly rate.

Work Time

Actual time in handling freight will be paid at the applicable hourly rate.

Layover

See Article 28.

Holiday/Vacation/Sick Leave Pay Calculation

Eight (8) hours at applicable straight time hourly rate.

When bid hourly drivers are forced to work a mileage run during the designated work week, they shall be paid one and one-half (1 ½) times the applicable straight time hourly rate on the sixth (6th) or seventh (7th) consecutive day of work.

Inspection

Inspections by regulatory agencies shall be paid at the applicable hourly rate, unless driver induced.

34.02 Wage Progression

	<u>Dock Hostler</u>	<u>City/Lin e Driver</u>
Effective first day of fulltime Employment	70%	80%
First day plus 1 year	80%	85%
First day plus 2 years	90%	90%
First day plus 3 years	95%	100%
First day plus 42 months	100%	—

34.03 New Equipment and Operations

Where new types of equipment and/or operations are utilized, for which rates of pay are not established by this Agreement, and which are put into use after **April 1, 2019** ~~February 12, 2007~~ within operations covered by this Agreement, rates governing such operations shall be subject to negotiations between the parties. Rates agreed upon or awarded shall be effective as of the date the equipment is put into use.

Driver Trainer premium: Driver trainers shall receive a minimum of eight dollars (\$8.00) per day above scale for classifications they work with.

34.04 Deadheading

Deadheading shall be paid for and considered as work time in the computation of hours, overtime, or mileage at the appropriate rate of pay.

34.05 Reassignment of Work

(a) Employees drawing a lower wage scale may be used temporarily at the option of the Employer for a higher class of work; provided, however, that if any such work exceeds one (1) hour, such Employee shall draw the higher wage scale for all successive work in that classification. Such Employees may be returned to the lower wage scale when returning to the lower class of work.

(b) The Employer may, when conditions dictate, permanently reassign an Employee to work commanding a lower wage scale; provided, however, advance notice is given to Employee, with a copy to the Union. Such reassignment shall be by mutual agreement between the Employer and Local Union and, if they are unable to reach agreement, shall be subject to the grievance procedure.

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(c) Drivers who bid dock/hostling work may be paid at the Dock Worker rate.

34.06 Retention Bonus

The Employer will pay each regular employee that completes CDL training and certification after April 1, 2019 the sum of two hundred and fifty dollars (\$250.00) upon completion and two-hundred and fifty dollars (\$250.00) after one (1) year, provided the employee remains employed by the Employer.

34.07 Past Service Credit

Those line-haul drivers with at least three (3) years of verified experience shall be started at ninety percent (90%) of the applicable rate.

Effective at date of ratification, CDL-qualified employees hired into driving positions who are not currently on the seniority list at the Company but who for two (2) or more years regularly performed CDL-required driving work for USF Reddaway shall be compensated at 100% of the full contract rate provided they have not had a break in service in excess of eighteen (18) months.

ARTICLE 35 – NONDISCRIMINATION

35.01 Laws, Policies, or Regulations

The Employer and the Union shall not discriminate against any Employee with respect to hiring, wages, hours, or other terms and conditions of employment in violation of any governmental law, policy, or regulation.

35.02 Union Activities

No Employee shall be discharged or discriminated against for Union activities.

Any Employee acting in any official capacity whatsoever shall not be discriminated against for his acts as such officer of the Union so long as such acts do not interfere with the conduct of the Employer's business, nor shall there be any discrimination against any Employee because of Union membership or activities or for upholding Union principles.

35.03 Disabilities

The Employer and the Union agree that they will comply with the provisions of the Americans with Disabilities Act.

ARTICLE 36 – MANAGEMENT – EMPLOYEE RELATIONS

The parties agree that the principle of a fair day's work for a fair day's pay shall be observed at all times and Employees shall perform their duties in a manner that best represents the Employer's interest. It is understood that the Employer shall not overly supervise, harass or unfairly coerce Employees in the performance of their duties.

ARTICLE 37 – MONTHLY INCENTIVE PLAN

[DELETED – SEE COMPREHENSIVE
ECONOMIC SETTLEMENT]

Eligibility Requirements

~~To be a participant in the monthly incentive plan (“Incentive Plan”), each employee must meet the following eligibility requirements:~~

~~(1) Not be a participant in any other incentive plan.~~

~~(2) Be an employee of record as of month end and/or time of calculation based on predominant job class, prorated in the event of job class transfers during the month.~~

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~~(3) Drivers must operate their vehicles safely each calendar month with no vehicular accidents (chargeable) or moving violations/citations.~~

~~(4) Must be free of industrial injuries for the month.~~

~~(5) Must be free from receipt of any letters of reprimand or suspension issued for any reason.~~

~~(6) Must have worked eighty (80) hours in one month, unless on vacation.~~

~~(7) If any of the criteria in items 4, 5, 6, or 7 are not met, an employee must wait three (3) consecutive months before he or she can become eligible to participate in the plan.~~

~~(8) Incentive payout will be included in employees' regular paychecks.~~

Calculation of the Incentive Plan

~~If the above criteria are met, employees will receive \$85.00 each month. Calculation and distribution will be made on the second pay date of the following month.~~

Termination or Change in Incentive Plan

~~A committee chaired by the Chief Executive Officer of the Company and comprised of other officers and directors shall have the sole authorization to revise, interrupt, or terminate the Incentive Plan at their discretion.~~

~~Disputes arising out of or relating to the Incentive Plan, except disputes over whether an employee satisfied the eligibility requirements and over the distribution of payouts, shall not be subject to the grievance procedure.~~

ARTICLE 37 - INCENTIVE COMPENSATION PLAN

The Profit Sharing Bonus program outlined in the 2014 Extension Agreement shall be eliminated. In the event bonus payments are triggered under the Incentive Bonus Program outlined in Article 33, Section 6 of the National Master Freight Agreement applicable to the YRC Worldwide companies (NMFA), bonus payments in the same amount shall be made to Reddaway employees. Reddaway employees will not, however, be added to the pool of NMFA-covered employees for purposes of determining the amount of the payout. To be eligible for payment, a Reddaway employee must work or have been paid for at least one thousand (1,000) hours in the prior calendar year and be employed by Reddaway at the time of payout.

ARTICLE 38 – SLEEPER CAB OPERATION

There shall be no sleeper cab operation during this contract until and unless conditions and rates for same are mutually agreed upon between the Local Unions involved and the Employer.

ARTICLE 39 – SICK LEAVE

Each full time Employee employed by the Employer for at least one (1) year shall be eligible to receive five (5) days of sick leave each January 1 after eligibility. Any unused sick leave shall be paid out to the Employee at the applicable rate no later than January 25th of the following year. An Employee shall be eligible to utilize sick leave on the first day of illness, injury or hospitalization. Upon eligibility after one year the difference in days between the Employee's date of hire and December 31st shall be used to determine what percentage of sick days the Employee shall receive in that year. For purposes of this Article, sick leave, five (5) days, shall be interpreted as constituting

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forty (40) hours of pay for eligible Employees.

In the event a state or local law requires employees to receive sick leave benefits greater than those contained herein, the Employer shall be responsible for providing such benefits above those contained herein at no cost to the employee. Any such requirements shall be in addition to the contractually guaranteed sick time. For example, if an employee is contractually entitled to five (5) sick days and the law requires that the employee receive eight (8) days, he or she shall receive the five (5) contractual days and the three (3) additional days required by law. The employee in this example shall not receive a total of thirteen (13) days.

ARTICLE 40 – JURY DUTY

40.01

When a regular Employee is summoned for jury duty, they shall be excused from their regular duties on any day they are required to be available. The Employer reserves the right to call in an Employee to work who is not otherwise actually serving jury duty. Such Employee shall be granted up to five (5) days or forty (40) hours per such leave each calendar year. If the Employee is released early, they will be expected to report for their scheduled work. In certain circumstances the Employer may endeavor to excuse an Employee from jury duty service. While on jury duty, the Employee shall be paid their applicable rate of pay for their daily guarantee period (eight [8] or ten [10] hours). The Employee shall be required to furnish to the Employer adequate proof of their jury duty requirements. Time served on jury duty shall not be counted as time worked for the purposes of computing

overtime as specified elsewhere in this Agreement.

40.02

Employees who are scheduled to work any shift other than the day shift shall not be required to report for work on any day they are required to report for jury duty.

ARTICLE 41 ELECTRONIC CORRESPONDENCE

41.01

The parties agree that all written correspondence between the Employer, **and TINFINC**, the Western Freight Office, and the Local Unions signatory to this Agreement shall be done on an electronic basis (email or facsimile) through the electronic method mutually agreed by the parties.

When either party elects to send more than one (1) notice in a single transmittal, the sender shall identify such notices. In the case of a facsimile, the number of pages also shall be identified by the sender.

41.02

In the case of email, the party receiving the email shall acknowledge receipt.

ARTICLE 42 TEAMSTERS-NATIONAL 401(k) SAVINGS PLAN

[SEE COMPREHENSIVE ECONOMIC SETTLEMENT]

1. The Employer agrees to participate in the Teamsters-National 401(k) Savings Plan effective January 1, 2008. The Employer shall execute a participation agreement with each participating Teamster Local Union party to the Agreement and the trustees of the Teamster Plan evidencing the

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Employer's participation in the Teamsters Plan, effective prior to any employee deferral being received by the Teamsters Plan. Pursuant to the participation agreements, the Employer shall make payroll deductions from participating employees' wages in accordance with each employee's salary deferral election, subject to compliance with the Teamster Plan, ERISA, and relevant Tax Code provisions. The Employer will forward withheld sums to the Teamster Plan at such time and in such form and manner as required pursuant to the Teamster Plan and applicable declaration of trust. There will be no Employer match on employee salary deferrals into the Teamster Plan. Participant loans shall be permitted pursuant to the Teamster Plan provisions.

2. Employees covered by the Agreement who previously participated in the YRC Regional Transportation, Inc. 401(k) Retirement Plan (the "YRC Plan") will have a one-time option of either transferring their accounts from the YRC Plan to the Teamster Plan or leaving their accounts in the YRC Plan. Any such transfers shall be made in accordance with the procedures set forth by the YRC Plan and Teamster Plan, and employees must elect to make such transfers within the time limitations set forth in the Plans. All YRC Plan accounts transferred to the Teamster Plan will be governed by the terms and features of the Teamsters Plan. Employees who opt to transfer YRC Plan accounts to the Teamster Plan that include a YRC Plan participant loan will continue to have any YRC Plan loan repayment amounts withheld from their wages and applied to such loan(s).

3. Accounts left in the YRC Plan will be frozen and unable to accept new or additional employee salary deferrals or employee contributions. Employees with

frozen YRC Plan accounts will be able to manage their investments to the extent allowed by the YRC Plan and will have the same rights and obligations of any other inactive participant under the YRC Plan.

4. The provisions of this Article governing account transfers are subject to agreement between the YRC Plan and the Teamsters Plan concerning the method and timing of such transfers.

5. Employees who participate in the 401(K) will be permitted to determine the investment vehicles for their money. Based on a showing of a hardship, the employees will be permitted to withdraw their money from the YRC Regional 401 (K).

ARTICLE 43 – ALCOHOL/CONTROLLED SUBSTANCE TESTING

43.01 General Statement

1. The Employer prohibits the manufacturing, buying, selling, dispensing, distributing, possessing, consuming or using intoxicating liquors, controlled substances, narcotic drugs, intoxicants or chemicals on the Employer's premises or in the Employer's vehicles. Reporting to work or being on the job while under the influence of alcohol, drugs or intoxicants of any type is absolutely and strictly prohibited.

2. The penalty for use and/or possession of controlled substances while on duty and/or in the Employer's property is termination of employment. The penalty for use of alcohol while on duty or on the Employer's property is termination of employment.

3. Any illegal substances found on the Employer's property will be turned over to a law enforcement agency. The Employer will

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cooperate with law enforcement authorities that investigate the case.

4. An employee may use prescription drugs on the job only if the drugs were prescribed for the employee, the prescription is current, the prescription dosages are adhered to and the employee can satisfactorily perform his or her duties while taking the drug(s).

5. With the recent passage of a medical marijuana initiative by the states, it seems prudent to describe the Employer's position on this matter. The following procedures will apply:

(a) Medical marijuana is defined as the use of marijuana for a bona fide medical condition upon the direct advice of a licensed medical doctor (MD or DO). The recommending physician must substantiate such in writing.

(b) Medical marijuana is not an "acceptable medical explanation" for a positive drug test under any program mandated by the US Food and Drug Administration. The Employer's medical review officer will automatically verify such test results as positive.

(c) Since federal government laws supersede state law, and since marijuana remains an illegal substance (Class I controlled substance), marijuana positive testing results shall be considered a positive test, even if a physician's recommendation can be documented. In such cases, however, each donor shall be evaluated individually to determine if marijuana use could interfere with their ability to perform their essential job duties by a Medical Review Officer (MRO) or Substance Abuse Professional (SAP).

(d) As with the use of any drug that can affect safety, users of medical marijuana who are involved in the performance of safety-sensitive functions are required to report the use of the drug to their supervisor immediately. No disciplinary action shall be taken for self-reporting such use when done so promptly and before controlled substance testing reveals such use. Failure to inform a supervisor may result in discipline up to and including termination.

6. Total compliance with any return to work condition(s) established by the rehabilitation clinic or hospital is required. Failure to test, regularly attend meetings, cooperate or comply in any way with return-to-work treatment recommendations is terms for immediate termination of employment.

7. The criteria for random testing and the testing thresholds articulated in the Federal Motor Carrier Safety Regulations Handbook for CDL holders will be the same criteria used for non-CDL holders.

8. Currently Cascade Occupational Health will administer the selection of both CDL and non-CDL random pools. They will communicate those selected for testing to the corporate Human Resources Department who will then notify the Terminal Manager(s).

9. Decisions on employment status based on violations of the work rules will be evaluated by an Executive Review Committee (ERC). The ERC will consist of no fewer than three of the following people: President of the Company, Vice-President of Operations, Vice President of the Division, Director of Human Resources, Director of Safety, and the Director of Risk Management.

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43.02 Random Testing

1. An employee who tests positive for alcohol and/or controlled substances in a random test will be referred to a Medical Review Officer (MRO) or Substance Abuse Professional (SAP) for
2. Should an employee feel that a positive test was in error and elects to have the split sample tested, it will be at the employee's expense.

ARTICLE 44 - GARAGE EMPLOYEES

[SEE COMPREHENSIVE ECONOMIC SETTLEMENT]

~~WESTERN STATES SUPPLEMENTAL AGREEMENT BETWEEN REDDAWAY INC., AND THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS WESTERN REGION FREIGHT DIVISION COVERING THE GARAGE EMPLOYEES FOR THE PERIOD OF JANUARY 7, 2013 THROUGH MARCH 31, 2015.~~

PREAMBLE

Reddaway Inc., hereinafter referred to as "the Company", and the International Brotherhood of Teamsters Western Region (IBTWR) and Teamsters Local 63, 70, and 104 affiliated with the IBTWR hereinafter referred to as "the Union", agree to be bound by the terms and provisions of this Agreement. The Agreement covering the period above shall prevail to the extent specifically provided herein. This Garage Supplemental Agreement is supplemental to and becomes a part of the Reddaway Western Master Agreement. All provisions

of the ~~USF Reddaway Western Master Agreement~~ apply unless specifically provided for in **this Article** ~~the following supplemental Agreement.~~

ARTICLE G-1 OPERATIONS AND EMPLOYEES COVERED

Section 1 – Scope of **Article Agreement**

The execution of this **Article Agreement** on the part of the Employer shall cover all the mechanical and service operations of the Employer in said described area as provided in Article 1.3 of the ~~Western Master Reddaway/IBT Agreement.~~

Section 2 – Employees Covered

Employees covered by this **Article Agreement** shall be construed to mean any lead mechanic, mechanic, mechanic's helper, parts man and service man, etc.

ARTICLE G-2 SENIORITY

(a) Terminal seniority as measured by length of service at such terminal shall prevail.

(b) Terminal seniority as described in (A) above shall be applied in bidding of job openings providing the employee is qualified.

(c) Terminal seniority as described in (A) above shall be applied by classifications to shift overtime work including premium days and vacation periods; and further when an opening occurs in starting times shift preference, work day, and work week.

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~~ARTICLE G-3~~ SHOP

All shop facilities shall be properly ventilated to remove exhaust fumes from the workplace.

~~ARTICLE G-4~~ GARAGE RATES OF PAY

[SEE COMPREHENSIVE ECONOMIC SETTLEMENT]

The hourly rates of pay shall be as follows:

Tier 1 Facilities	2013	2014	2015
Truck/Trailer Mechanic-			
Class A-1	26.00	26.40	25.65
Class B-1	20.80	21.20	21.45
Class B-2	24.05	24.45	24.70
Class C-3	20.00	20.40	20.65
Class C-2	18.80	19.20	19.45
Class C-1	16.80	17.20	17.45
Tier 2 Facilities			
Truck/Trailer Mechanic-			
Class A-1	24.55	24.95	25.20
Class B-1	19.95	20.35	20.60
Class B-2	22.30	22.70	22.95
Class C-1	15.75	16.15	16.40
Class C-2	17.85	18.25	18.50
Class C-3	18.95	19.35	19.60
Wash Rack-			
Class A	15.95	16.35	16.60
Class B	15.15	15.55	15.80
Class C	14.35	14.75	15.00

~~Tier 1 garages shall be identified as Fontana, Orange, LAX (Compton), Oakland and Phoenix.~~

~~Tier 2 garages shall be identified as Medford, Portland, Seattle, Spokane, Salt Lake City, and Denver.~~

Probationary employees shall be paid the applicable contractual rate of the classification for which they were hired.

Effective January 1, 2020, the top rate of pay for Class A mechanics at facilities in California shall be no less than \$26.00 per hour. Effective January 1, 2021, the top rate of pay for Class A mechanics at facilities in California shall be no less than \$28.00 per hour. Once these rates have been achieved, Mechanics shall not be subject to the general wage increases outlined in this Agreement.

JOB DESCRIPTIONS

Section 1

Mechanic-Leadman:

Shall perform the duties of "A" and, in addition, shall organize and assign work and responsibility but shall not have the authority to hire or discharge. The employment of a Leadman shall be discretionary with the Employer and if the Employer is presently employing a Leadman or hereafter employs a Leadman, he/she may discontinue such practice at any time, and upon the discontinuance of such practice, the Leadman will revert to the normal classification of work from which he/she was selected and shall receive the prescribed rate of pay for that classification. The selection of a person to be a Leadman shall be at the sole discretion of the Employer. In locations where the Leadman classification has been subject to bid, the Employer shall continue this practice.

Truck Mechanic

Class C-1 Fueler, shop clean up, general tire work, helper for other shop classifications. If the employee desires advancement to the next pay

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grade the employee will be reviewed and given a written test for brake inspector and vehicle inspector after six (6) months. Employees passing the test will, at the completion of six (6) months of employment, or at the next pay period after passing the written test, will advance to the next pay grade. Employees failing the test will be given direction as to what steps to take in regards to schooling and training. Employees will be re-tested at the end of one (1) year. The employee must pass the brake, and vehicle inspector test to advance to the next pay grade. If the employee fails the test a second time, the employee will be held at this pay grade until such time as the employee is able to pass the required tests. The employee will be required to wait six (6) months before attempting the test and will not be allowed to advance to the next pay grade without successfully completing the test. This employee will not be allowed to perform P.M. services, brake work, or safety inspections without supervision and direction from a qualified employee.

Class C-2 An employee can reach this pay grade after six (6) months of service and must pass the brake and vehicle inspector test. However, the employee will not be allowed to perform P.M. services, brake work, or safety

inspections without direct supervision and direction from a qualified employee until the employee has completed one (1) year of service.

Class C-3 The employee will be allowed to perform P.M. services, brake work, tire work and safety inspections without direct supervision. The employee will be required to meet average time constraints for jobs performed, and demonstrate the ability to properly perform the assigned duties. If the employee desires the opportunity to advance to the next pay grade, the employee must have one (1) year of experience in the present position, a good record of performance in the present position and pass the test for mechanic "A". If the employee fails the test, he will not be eligible to re-test for six (6) months.

Class B-1: Employee must pass the written test for "A" mechanic, have brake and vehicle inspector certification and one (1) year experience as a C-3. The employee will be eligible for review and advancement after one (1) year in this classification, and has proven that he has the ability to perform scheduled services and repairs consisting of the following:

Properly change a set of mounted wheels and tires

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Brake relines and repairs to the brake system
Adjustment of valves and injectors
Service of the power steering
Service air dryer
Replace the clutch
Battery and cables
Alternator
Starter
Water pump
Fan Hub

Class B-2: An employee must have a minimum of one (1) year experience in a B-1 classification, be able to perform general truck repairs, and proven he can satisfactorily perform the duties required within the established average time constraints.

Class A-1: Must be able to satisfactorily perform the duties and requirements of a B-2 Classification and in addition must have the ability to diagnose, trouble shoot, and replace components on electric controlled engines. Repair and replace chassis and suspension components. Must be certified in the handling of refrigerant used in automotive air conditioning, and have the ability to diagnose and repair the air conditioning system. Be able to perform these duties within the established average time constraints, without supervision.

Trailer Mechanic

Class C-1: Ability to lube axels, check and adjust brakes, perform minor electrical repair, minor tire work, and assist mechanics in other classifications in repair and service of major components of trailing equipment. If the employee desires advancement to the next pay grade, the employee will be reviewed and given the written test for brake inspector and vehicle inspector after six (6) months. Employees passing the test will, at the completion of six (6) months of employment, or at the next pay period after passing the written test, will advance to the next pay grade. Employees failing the test will be given direction as to what steps to take in regards to schooling and training. Employees will be re-tested at the end of one (1) year. The employee must pass the brake, and vehicle inspector test to advance to the next pay grade. If the employee fails the test a second time, the employee will be held at this pay grade until such time as the employee is able to pass the required tests. The employee will be required to wait six (6) months before attempting the test and will not be allowed to advance to the next pay grade without successfully completing the test. This employee will not be allowed to perform P.M. services, brake work, or

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- safety inspections without supervision and direction from a qualified employee.
- Class C-2 An employee can reach this pay grade after six (6) months of service and must pass the brake and vehicle inspector test. However, the employee will not be allowed to perform P.M. services, brake work, or safety inspections without supervision and direction from a qualified employee.
- Class C-3 The employee will be allowed to perform P.M. services, brake work, tire work and safety inspections without direct supervision. The employee will be required to meet average time constraints for jobs performed, and demonstrate the ability to properly perform the assigned duties. If the employee desires the opportunity to advance to the next pay grade, the employee must have one (1) year of experience in the present position, a good record of performance in the present position and pass the test for mechanic "A". If the employee fails the test, he will not be eligible to re-test for six (6) months.
- Class B-1: Employee must pass the written test for "A" trailer mechanic, have brake and vehicle inspector certification, and one (1) year experience as a C-3. The employee will be eligible for review and advancement after one (1) year in this classification, and has proven that he has the ability to perform scheduled services and repairs consisting of the following:
- Brake relines and repairs to the brake system, including anti-lock brakes
 - Properly change a set of mounted wheels and tires
 - Complete repairs on both roll up and swing doors
 - Fifth wheel repair
 - Roof repair
 - Axel alignment
 - Diagnosing and repair of electrical problems
 - Repair and rebuilding of landing gear and sub frame
 - Repair of all structural components of a trailer
 - Diagnose and repair lift gates
 - Must have knowledge of basic welding
 - With supervision of an "A" level mechanic.
- Class B-2 An employee must have a minimum of one (1) year experience in a B-1 classification, be able to perform general trailer repairs, and proven he can satisfactorily perform the duties required within the established average time constraints.
- Class A-1: Must be able to satisfactorily perform duties of and requirements of a B-2 classification and perform these duties without supervision. Must be certified

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to weld both meg and stick in all positions.

advancement after six (6) months and a favorable review.

Wash Rack

Class A: Must be familiar with two-step washing process. Be able to operate yard hostling equipment. Move tractors in yard. Have thorough understanding of the operation of the pressure washer and the Landa water maze, be able to perform routine maintenance to keep the operation in compliance with permit requirements.

Class B: Must be familiar with two-step washing process. Be able to operate yard hostling equipment. Move tractors in yard. Have thorough understanding of the operation of the pressure washer and the Landa water maze, be able to perform routine maintenance to keep the operation in compliance with permit requirements. Must have six (6) months experience as a Class A.

Class C: Must be familiar with two-step washing process. Be able to operate yard hostling equipment. Move tractors in yard. Have thorough understanding of the operation of the pressure washer and the Landa water maze, be able to perform routine maintenance to keep the operation in compliance with permit requirements. Limited or no previous experience. Eligible for

Section 2

All mechanics shall be limited to the operation of moving equipment to and from the shop for maintenance. They may unhook a tractor for the purpose of moving it to the shop for maintenance of service. They will not be permitted to participate in any way in the dock or road operation. Mechanics who are driver qualified may move units to and from vendor locations.

Section 3

Reddaway and the Union, the parties to this Agreement, shall establish and maintain a Qualification Committee to afford to any employee who may desire to move to a higher classification the opportunity to try to qualify for such job opportunity. The assignment of equipment, or work within a particular classification, shall not be subject to seniority or bid.

Section 4

The Company may use outside vendors to handle road calls, as it has historically done. Bargaining unit employees required to make a road call shall be compensated for all travel time and work time until returned to the home point.

Section 5

When the Employer requires an employee to attend training programs or a school to learn new techniques or types of operation or equipment, the employee shall be compensated under the terms of this Agreement. If the Company requires Certification, it will be paid by the Employer. Employees shall be offered the opportunity in seniority order, when

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practical, to attend required training programs for work to be performed within the employee's classification.

~~ARTICLE G-5~~ TOOLS

The Employer will be responsible to an employee for personal tools destroyed as a result of fire in the shop facilities and as a result of the theft of the employee's complete tool box and tools provided said tools are previously inventoried with the Employer. It will be the employee's responsibility to provide the inventory list to the Employer.

The Employer will repair all employee-owned air tools used by the employee on the job, provided it is a quality tool.

The Employer will furnish shop tools such as specialty tools, ladders, grinders, bench tools, expendable tools; such as taps, drills, dies, hacksaw blades, files, and easy outs. Special and heavy-duty tools, such as torque wrenches, test equipment, or hydraulic equipment, required by the Employer shall be furnished by the Employer.

~~ARTICLE G-6~~ SUBCONTRACTING AND OVERFLOW WORK

This Agreement shall not prohibit the Employer from taking advantage of manufacturers or vendors warranties, guarantees, or adjustments on equipment or from having work performed at point's en-route as needed, provided it is not used as a subterfuge to the Agreement.

This will be monitored by the Employer completing a farm out/overflow log prior to the utilization of farm out and subcontractors. The Stewards will have access to the farm out log at all times. Farm out work is subject to the grievance machinery.

In all shops employing Teamster mechanics and/or service employees, the Employer agrees to maintain the number of mechanics and/or service bargaining unit employees on each of the applicable seniority lists at each shop location as those lists are constructed as of the date of recognition. It is understood that the use of vendors to perform overflow work will be permitted, provided, the affected mechanics/service employees are offered two (2) hours overtime on the day the farm out has occurred. There will be no penalty for failing to maintain the prescribed number of employees, provided the Company is making a good faith effort to hire.

This language does not prohibit the Company from laying off due to a down turn in business. There shall be no subcontracting of work that is historically performed by the bargaining unit during periods of lay off, provided, however, that the laid off employees are qualified to do the work. This is not intended to preclude the Employer from exercising their rights under Article 5.8, Change of Operations.

The terms and conditions of this language are not intended to change or modify the manner in which lease equipment repairs, accident repairs, warranted work, etc., is presently performed or to modify in any manner those written agreements between each of the respective signatory Local Unions and Employers relative to the use of outside vendors.

~~ARTICLE G-7~~ BIDDING

- (a) Shift starting times, work weeks and classifications shall be posted and bid on a seniority basis annually. Daily work assignments will be made by the Employer based on operational requirements.

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- (b) All job openings shift and starting times are subject to seniority & qualifications and shall be posted for bid when openings occur. Posting of bid notices shall be in a conspicuous place so that all eligible employees will receive notice and have an opportunity to bid.
- (c) Bid changes that are required by the Company (re-bids, bids due to lay-off, abolishment(s) any extra days worked by the employee will be paid at the premium time rate. Annual bids or bid changes at the employee's option, the employee may take his old bid days off. If, at the employee option, he works consecutive days to start the new week it will be at the straight time rate of pay.
- (d) Probationary employees shall be assigned to a shift. Upon completion of their probationary period, a permanent bid shall be created.

~~ARTICLE G-8~~ SCHOOLING

(a) When an employee attends a community college and enrolls in a trade course or special schools such as Cummings Diesel, an approved Teamster apprenticeship Programs etc., the Employer shall pay the tuition provided that:

1. Course must be subject to approval;
2. The employee has completed six months employment prior to enrollment in the course;
3. Has achieved a passing grade equal to C+;
4. Provided proof of attendance and grade obtained.

~~ARTICLE G-9~~ BULLETIN BOARDS

The Company will provide reasonable locking bulletin board space that is encased in glass or plastic to be utilized for official business of the Union in each shop.

~~ARTICLE G-10~~ ADDENDUMS

Addendums or supplements to this Agreement providing for better wages, hours and working conditions which have previously been negotiated, will remain in force.

~~ARTICLE G-11~~ TERMS OF ARTICLE AGREEMENT

The terms of this Article Supplemental Agreement is subject to, and controlled by, all provisions of the Agreement between the parties hereto and is to be governed by the ~~Western Master Reddaway/IBT~~ Agreement where this Article ~~the Garage Supplement~~ is silent it is understood that the terms and conditions of the ~~Western—Master Reddaway/IBT—~~Agreement shall apply where reasonable and logical, subject to the grievance machinery in the event of a dispute.

TENTATIVE AGREEMENT USF REDDAWAY

For the Period: April 1, 2019 through March 31, 2021

The parties reserve the right to correct inadvertent errors and omissions.

The USF Reddaway Northwest Agreement and the USF Reddaway Western Agreement have been consolidated into this one Tentative Agreement. The USF Reddaway Western Agreement served as the starting point for this Tentative Agreement. Additions to that contract appear as **bold and underlined**. Deletions appear as ~~struck through~~.

**ARTICLE 45 - OFFICE CLERICAL
EMPLOYEES**

**[SEE COMPREHENSIVE ECONOMIC
SETTLEMENT]**

1

~~WESTERN STATES SUPPLEMENTAL
AGREEMENT
BETWEEN
REDDAWAY INC.
AND THE INTERNATIONAL
BROTHERHOOD OF
TEAMSTERS
WESTERN REGION FREIGHT
DIVISION
COVERING FIELD OFFICE CLERICAL
EMPLOYEES
JANUARY 7, 2013 THROUGH MARCH
31, 2015~~

PREAMBLE

~~Reddaway, Inc., hereinafter referred to as “the Company” and the International Brotherhood of Teamsters Western Region (IBTWR) hereinafter referred to as “the Union” agree to be bound by the terms and provisions of this Agreement. This Office Supplemental Agreement is supplemental to and becomes part of the Western Master Agreement. All provisions of the Reddaway Western Master Agreement apply unless specifically provided for in this **Article** agreement.~~

**~~ARTICLE 0-1:~~ WORK
JURISDICTION**

Work that has traditionally been performed by clerks will continue to be performed by clerks. Work that has traditionally been performed by supervision will continue to be performed by supervision. Work that has traditionally been shared between clerks and supervision will continue to be shared work. Alleged violations of this section will be subject to the grievance machinery.

**~~ARTICLE 0-2:~~ CONFIDENTIAL
EMPLOYEES**

Confidential employees, supervisory and professional employees, and employees who exercise independent judgment with respect to the responsibility for directing work or recommending hiring and firing, within the meaning of the Labor Management Relations Act of 1947, as amended, are excluded from the provisions of this contract. These exclusions are governed by the duties regularly performed by employees and shall not depend upon mere title.

~~ARTICLE 0-3:~~ WAGES

~~Annual wage increases will be equal to the USF Reddaway annual budget increases for non-union clerical employees and will be effective on the same date as those increases. Annual increases will be no less than the general wage increases in Article~~

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~~34.01 of the Master Contract. Any clerk who has a wage rate above the applicable full wage rate will remain at their current rate and receive the annual increases thereafter. Employees currently in a more favorable progression will remain in that progression until the full contract wage rate is achieved.~~

[SEE COMPREHENSIVE ECONOMIC SETTLEMENT]

~~Wage rates are established as follows, effective on January 7, 2013:~~

	<u>Probatio</u> <u>nary</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Tier 1	\$14.36	\$17.95	\$18.35	\$18.60
Tier 2	\$13.56	\$16.95	\$17.35	\$17.60
Tier 3	\$12.76	\$15.95	\$16.35	\$16.60

ARTICLE O-4: PART-TIME EMPLOYEES

The Company may employ part-time clerical employees. Part-time clerks will be on the seniority list with wage rates established at ~~75% of the 3 year wage scale.~~

The hourly rate for part-time clerical employees shall be the straight time, new hire hourly office clerical rate in effect at the applicable facility. In no event shall a part-time clerical employee be paid less than eighty percent (80%) of the regular, full-time clerical rate in effect at that facility.

Part-time clerks may receive Health, Welfare, and Pension benefits in accordance with the ~~Master Contract~~. Part-time clerks are not subject to the vacation, holiday, sick leave, jury duty, or funeral leave provisions of the ~~Master Contract~~. This provision may not be used for the purpose of avoiding the payment of fringe benefits or arbitrarily reducing the number of full-time jobs at a

facility. Existing part-time bids may remain in place. When business levels require a reduction in the work force a Full-Time (8-hour) bid may be cancelled and a Part-Time bid be posted in its stead. Full-time employees forced to a part-time position will not incur a loss in wage rates or benefits.

~~ARTICLE O-5: VACATIONS~~

Vacations will be given in accordance with the Reddaway clerical vacation policy. Vacations will be administered on a calendar year basis (January-December).

Vacation pay shall be based upon 1/52 of the Employee's previous year earnings for each week of vacation, in accordance with Section 20.02 of the Agreement.

<u>Completed</u> <u>Years of Service</u>	<u>Eligible Vacation Time</u>
<1	1 week (if hired prior to July 1)
1-5	2 weeks
6-14	3 weeks
15-19	4 weeks
20-29	5 weeks
30 and above	6 weeks

~~ARTICLE O-6: TERMS OF AGREEMENT~~

The terms of this ~~Article Supplemental Agreement~~ **is** are subject to, and controlled by, all provisions of the Agreement between the parties hereto. ~~and is so governed by the Western Master Reddaway/IBT Agreement.~~ Where **this Article** ~~the Office Supplement~~ is silent it is understood that the terms and conditions of the ~~Western Master Reddaway/IBT Agreement~~ shall apply where reasonable and logical, subject to the grievance machinery in the event of a dispute.

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ARTICLE 46- FREIGHT HANDLER EMPLOYEE CLASSIFICATION

[SEE COMPREHENSIVE ECONOMIC SETTLEMENT]

RIDER TO THE REDDAWAY WESTERN CONTRACT REGARDING

This Rider to the Reddaway Western Contract is a supplement to and incorporated by reference in the Reddaway Western Contract, covering the period from January 7, 2013 to March 31, 2015 (the "Agreement"). This Rider Article covers the establishment of a new employee classification called freight handler and addresses the terms and conditions of employment for employees in the freight handler job classification ("Freight Handlers"). The parties to this Rider agree to the following:

1. Freight Handlers shall be a separate employee classification with separate job duties and responsibilities, and shall have a seniority list that is separate from those for employees in Dock/Hostling driving positions.
2. Freight Handlers shall only position, load, and unload freight on the dock. Freight Handlers shall not hostle any freight or perform other yard duties that are required of employees in Dock/Hostler positions; ~~unless the parties agree to allow hostler-qualified Freight Handlers to Hostle, on an as-needed basis, based on business needs.~~
3. See Letter of Agreement for wage rates.
4. ~~The Employer shall contribute to the Western Conference of Teamsters Pension Trust the sum of twenty cents (\$.20) per hour for each hour worked by a Freight~~

~~Handler on which compensation is paid, up to the maximum number of hours allowable under the Plan (2080 hours per year). The hourly contribution rate for Freight Handlers will be ten cents (\$.10) per hour for the first ninety (90) calendar days of each Freight Handler's employment with the Employer, and in no case shall the ten cent (\$.10) contribution rate last more than ninety (90) calendar days. Upon completion of this ninety (90) calendar day period, the pension contribution rate shall increase to twenty cents (\$.20) per hour.~~

5. 3. Freight Handlers shall not be eligible for Health and Welfare benefits and the Employer is not required to make Health & Welfare contributions on behalf of Freight Handlers.
6. 4. Freight Handlers shall not be eligible for the paid time-off benefits outlined in the Agreement.
7. 5. Freight Handlers shall be assigned to a shift based on their indication of availability on a sign-up sheet, which shall be updated quarterly, unless otherwise mutually agreed. Freight Handlers assigned to a shift shall be worked in seniority order.
8. 6. In the event a Freight Handler is not called for his or her assigned shift due to a lack of work, he or she may use seniority to bump to the next shift provided he or she previously indicated availability for that shift, on the sign-up sheet.
9. 7. Each Freight Handlers who works a total of sixty (60) eight (8) hour shifts in a nine (9) month period shall be offered a fulltime position on the regular seniority list and, if he or she accepts, enter the new hire wage progression. In the event the Freight Handler does not accept a full-time position, it shall be offered in seniority order to the other Freight Handlers. For purposes of this

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~~Rider~~**Article**, any shift where a Freight Handler works more than six (6) hours shall be considered an eight (8) hour shift.

10. **8.** Freight Handlers shall not be called for less than four (4) hours work, and shall be subject to a four (4) hour guarantee when called.

11. **9.** Freight Handlers shall have access to the grievance procedure only for issues contained within this ~~Rider~~**Article** (specifically excluding the language in ~~fourteen (14)~~**twelve (12)** below).

12. **10.** The Employer agrees to code the Freight Handler classification separately from the Dock/Hostler classification for payroll purposes.

13. **11.** There are no split shifts allowed in this ~~Rider~~**Article**. Freight Handlers can work one (1) shift per day. Freight Handlers who are worked on a part-time (6 hours or less) shift may not be worked on a back-to-back or overlap basis for the purpose of evading the hiring provisions of this ~~Rider~~**Article**. If the Company does work Freight Handlers in such a manner, they must be able to show a bona fide operational

necessity. This provision shall not apply to an Employee who exercises the provision of eight (8) above.

14. **12.** For all terms and conditions of employment on which this ~~Rider~~**Article** is silent, the remainder of the Agreement shall apply.

13. The hourly rate for Freight Handlers shall be the straight time, new hire hourly dock rate in effect at the applicable facility. In no event shall a Freight Handler be paid at less than eighty percent (80%) of the regular, full-time dock rate in effect at that facility.

~~15. The Rider shall be in full force and effect during the term of the Agreement.~~

ARTICLE 44 47 – DURATION

This Agreement shall be in full force and effect from ~~January 7, 2013~~ **April 1, 2019 through March 31, 2021**~~15~~, and shall continue from year to year thereafter unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.

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2019 REDDAWAY - TNFINC NEGOTIATIONS COMPREHENSIVE ECONOMIC SETTLEMENT

1. Wage Rates

(a) **General Wage Increases:** All Regular Employees. All regular, full-time employees subject to this Agreement shall receive the following general wage increases unless otherwise indicated elsewhere:

Effective Dates	Hourly	Mileage
April 1, 2019	\$ 1.00 per hour*	2.500 ¢ per mile*
<i>*Full Retroactivity back to 4/1/19 made payable by separate check within 30 days of ratification</i>		
October 1, 2019 (see b. below)	\$ 0.25 per hour	0.625 ¢ per mile
April 1, 2020	\$ 0.80 per hour	2.000 ¢ per mile
TOTAL:	\$ 2.05 per hour	5.125 ¢ per mile

Annual rate increases shall be paid on the straight time wage or mileage rates currently in effect as of March 31, 2019, which shall become the new base rates. Employees in progression shall receive the appropriate increase based on their position in progression. Part-time employees shall receive the same increase as full-time employees who are in the initial step of the wage progression.

(b) **Article 38. Monthly Incentive Plan**

The monthly incentive plan will be eliminated effective 11:59 pm September 30, 2019, with final payouts occurring in October 2019. All monies allocated to the plan for union members are reflected in the wage increase effective October 1, 2019, as noted in 1(a) above.

(c) **No Reduction**

No employee shall suffer a reduction in a wage rate as a result of this Agreement.

(d) **Prior MOUs**

All reference to the MOUs will be eliminated, as provided for in Addendum A, unless agreed to otherwise.

(e) **Non-CDL Driver Rate**

The straight time hourly wage rate for employees hired into Non-CDL Box Truck Driver positions after ratification of the Agreement shall be \$1.50 per hour less than the applicable CDL rate at the employee's domicile, subject to the applicable new hire wage progression and the General Wage Increases outlined in Section 1(a) above.

The straight time hourly wage for existing employees in Non-CDL Box Truck Driver positions shall remain the same, subject to the General Wage Increases outlined in Section 1(a) above.

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2. Premiums

(a) Article 32, Section 34.03. Triple and Rocky Mountain Doubles Premiums

Three cents (\$0.03) ~~Two cents (\$.02)~~ per mile. This premium shall be added to the driver's mileage rate, irrespective of their position on the wage progression schedule.

(b) Retention Bonus (Article 34. New Section.)

The Employer will pay each regular employee that completes CDL training and certification after April 1, 2019 the sum of two hundred and fifty dollars (\$250.00) upon completion and two-hundred and fifty dollars (\$250.00) after one (1) year, provided the employee remains employed by the Employer.

(c) Driver Trainer Premium (Article 34. Section 34.03 New Section)

Driver trainers shall receive a minimum of eight dollars (\$8.00) per day above scale for classifications they work with.

3. Newly Hired Employees

The Employer shall maintain the new hire progressions in effect on March 31, 2019 in all locations. In the event the Employer waives the progression at any location for any classification, it shall raise all similarly classified employees' rates at that location accordingly and shall notify the affected Local Union and Union Chairperson in advance. Under no circumstance shall any wage rate or progression have a starting rate that is below the minimum rate enacted by a state or local municipality. In addition, under no circumstance shall a part-time rate be higher than a full-time rate at a location based on the applicable progression.

4. Part Time Workers (Article 34, New Section)

(a) Freight Handlers

The hourly rate for Freight Handlers shall be the straight time, new hire hourly dock rate in effect at the applicable facility. In no event shall a Freight Handler be paid at less than eighty percent (80%) of the regular, full-time dock rate in effect at that facility.

(b) Part Time Clerical Employees

The hourly rate for part-time clerical employees shall be the straight time, new hire hourly office clerical rate in effect at the applicable facility. In no event shall a part-time clerical employee be paid less than eighty percent (80%) of the regular, full-time clerical rate in effect at that facility.

5. Past Service Credit (Article 34, New Section)

Those line-haul drivers with at least three (3) years of verified experience shall be started at ~~eighty-six~~ ninety percent (~~86~~ 90%) of the applicable rate.

Effective at date of ratification, CDL-qualified employees hired into driving positions who are not currently on the seniority list at the Company but who for two (2) or more years regularly

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performed CDL-required driving work for USF Reddaway shall be compensated at 100% of the full contract rate provided they have not had a break in service in excess of eighteen (18) months.

6. Other Article 34 Provisions

Section 34.01 (a), (b), and (c) of the Agreement will be deleted, including the terminal tier and wage schedules.

Swampers/helpers will be paid at the Dock/~~Hostler~~ rate.

Linehaul - Undisturbed Rest

Upon returning to their home terminal a driver shall have the option of ten (10) hours undisturbed rest.

Mileage Run

A mileage run shall be any trip which has at least an outbound radius of one hundred (100) miles or a bid line-haul run.

Mileage and Hourly Rates

For purposes of hourly computations, the rate shall be the applicable hourly rate.

The mileage rates shall include the following activities:

- Pre-trip inspection
- Haz Mat inspections
- Post-trip inspection
- All paperwork and breaks
- First one-half (½) hour of impassable highway
- Front trailer, tractor, and lead dolly hostile at destination terminal

Minimum trip guarantee.

A driver shall be paid for the actual miles driven and work time at the applicable rate or eight (8) hours at the straight time hourly rate whichever is greater. Show-up time guarantee at four (4) hours if not dispatched. All overtime is included in the mileage rate.

All line drivers are paid a combination of mileage rate and hourly time, except as noted below. Work time must be submitted in minutes during the pay period the work is performed and must be approved by a supervisor to be paid.

Drivers dispatched during a paid holiday will receive two (2) additional hours of pay at the applicable straight time hourly rate.

Chaining Performed by Driver Pay

Chain-up - ¾ hour

Unchain - ¼ hour

Breakdown

All time will be paid at applicable straight-time hourly rate. Note - the Employer has the option of putting the driver to rest in a motel. Layover provisions apply.

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Fueling Performed by Driver

One quarter (¼) hour pay when a driver fuels.

Impassable Highway

First one-half (½) hour included in mileage rate. All additional time is to be paid at applicable hourly rate. Note - the Employer has the option of putting the driver to rest in a motel. Layover provisions apply.

Wait Time

All time paid at applicable hourly rate.

Work Time

Actual time in handling freight will be paid at the applicable hourly rate.

Layover

See Article 28.

Holiday/Vacation/Sick Leave Pay Calculation

Eight (8) hours at applicable straight time hourly rate.

When bid hourly drivers are forced to work a mileage run during the designated work week, they shall be paid one and one-half (1 ½) times the applicable straight time hourly rate on the sixth (6th) or seventh (7th) consecutive day of work.

Inspection

Inspections by regulatory agencies shall be paid at the applicable hourly rate, unless driver induced

New Equipment and Operations

Where new types of equipment and/or operations are utilized, and for which rates of pay are not established by this Agreement, and which are put into use after **April 1, 2019** ~~February 12, 2007~~ within operations covered by this Agreement, rates governing such operations shall be subject to negotiations between the parties. Rates agreed upon or awarded shall be effective as of the date the equipment is put into use.

Deadheading

Deadheading shall be paid for and considered as work time in the computation of hours, overtime, or mileage at the appropriate rate of pay.

Reassignment of Work

(a) Employees drawing a lower wage scale may be used temporarily at the option of the Employer for a higher class of work; provided, however, that if any such work exceeds one (1) hour, such Employee

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shall draw the higher wage scale for all successive work in that classification. Such Employees may be returned to the lower wage scale when returning to the lower class of work.

(b) The Employer may, when conditions dictate, permanently reassign an Employee to work commanding a lower wage scale; provided, however, advance notice is given to Employee, with a copy to the Union. Such reassignment shall be by mutual agreement between the Employer and Local Union and, if they are unable to reach agreement, shall be subject to the grievance procedure.

7. Vacation

The one (1) week vacation reduction for employees with four (4) or more weeks of vacation shall be eliminated during contract year 2019-2020 as follows: For eligible employees whose anniversary dates occurred between April 1 and ratification, the week shall be restored immediately upon ratification. For anniversary dates that fall between the day after ratification and March 31, 2020, the additional week shall be restored on the eligible employee's anniversary date.

Vacation shall be paid in accordance with the contract language or practice in effect prior to February 7, 2014.

Employees shall have the option of receiving pay in lieu of vacation for the restored week. The payout of accrued vacation will be in one (1) week increments.

For employees hired after ratification of the Agreement, vacation shall be paid at forty (40) hours for the first three (3) years of employment.

8. Holidays (Article 21)

21.03

All regular Employees who have worked within five (5) days prior to a holiday or five (5) days after a holiday shall be entitled to the aforementioned holidays. However, Employees must work their last scheduled day before a holiday ~~or~~ ~~and~~ their first scheduled day after a holiday to receive holiday pay. This shall not apply to Employers who are on approved leave (e.g. vacation or other holidays or to Employees who are on illness or injury leave verified by a doctor's statement or other approved absences.)

9. Subsistence (Article 29)

Effective upon ratification, when an Employee is held away from his home terminal for the convenience of his Employer during a rest period before continuing a trip or returning to his home terminal, he shall receive an allowance of \$16.00 (Sixteen and 00/100 dollars) ~~\$14.00 (Fourteen and 00/100 dollars)~~ for meals plus reasonable motel charges, with verifiable receipts per rest period. Additional subsistence allowance will be negotiated for periods in excess of three (3) days where lodging under unusual conditions is required.

The Employee is to be reimbursed on the next regularly scheduled payday after submission in writing of an expense for per diem request.

10. Redomiciling (Article 5, Section 5.09)

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In the event the Employer redomiciles a board, in whole or in part in another city, any Employee not desiring to relocate will be placed on furlough status and will have his seniority protected at that location for a period of two (2) years.

Where an Employee is required to transfer to another domicile in order to follow employment as a result of change of operations, the Employer shall move the Employee at the Employer's expense and assume responsibility for proven loss or damage to household goods due to such move, including insurance against loss or damage. Should any Employee possess household items of unusual or extraordinary value which will be included in the move, such items shall be declared and an appraised value determined prior to the move. The Employer shall provide the packaging materials for the Employee's household goods when requested or at the Employee's request pay all costs and expenses of moving such household goods, including packing. These expenses will be limited to actual expenses documented by the Employee and will be reimbursed not to exceed ~~\$3,~~ **5,000** for any individual Employee move. The Employer shall not be responsible for any other costs associated with an employee move.

The Employer shall not be responsible for moving expenses if the Employee changes his/her residence as a result of voluntary transfer.

None of the Employer obligations set forth in this Subsection (b) shall apply to transfers of domiciles within a forty-five (45) mile radius.

11. Incentive Compensation Plan (New Article)

The Profit Sharing Bonus program outlined in the 2014 Extension Agreement shall be eliminated. In the event bonus payments are triggered under the Incentive Bonus Program outlined in Article 33, Section 6 of the National Master Freight Agreement applicable to the YRC Worldwide companies (NMFA), bonus payments in the same amount shall be made to Reddaway employees. Reddaway employees will not, however, be added to the pool of NMFA-covered employees for purposes of determining the amount of the payout. To be eligible for payment, a Reddaway employee must work or have been paid for at least one thousand (1,000) hours in the prior calendar year and be employed by Reddaway at the time of payout.

12. Health & Welfare Contributions

The Employer shall continue to contribute to the same Health and Welfare Funds it was contributing to as of March 31, 2019 and abide by each Fund's rules and regulations. The Employer shall execute all documents and participation agreements required by each Fund to maintain participation.

Effective January 1, 2020 and January 1, 2021 for the Washington Teamsters Welfare Trust and the Oregon Teamster Employers Trust, the Employer shall increase its contribution by the amount determined by the Funds, as being necessary to maintain benefits and/or comply with legally mandated benefit levels, not to exceed an increase of up to \$0.50 per hour (or weekly/monthly equivalent) per year.

January 1, 2020*	\$.50 per hour
January 1, 2021	\$.50 per hour

*In the event a Trust Fund does not require the full amount indicated for January 1, 2020 the difference shall be carried forward and made available for the January 1, 2021 increase if necessary.

Once a Fund issues a determination that an increase is reasonably necessary to maintain benefits in a given year, the increase shall become due and owing upon written notice from the Fund to the Employer,

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provided the increase does not exceed the amounts outlined above. If the Employer refuses to honor a request for an increase from the applicable Fund, the matter shall proceed directly to the Joint Review Committee for consideration. If the Joint Review Committee deadlocks, the request of the Fund shall prevail and be honored by the Employer. Failure to comply within seventy-two (72) hours shall constitute an immediate delinquency.

For the Western Teamsters Welfare Trust, however, the following guaranteed contribution rate increases shall apply, regardless of need:

August 1, 2019	\$.40 per hour
August 1, 2020	\$.42 per hour

Monthly contributions shall be converted from the hourly contributions in accordance with past practice.

The trigger for qualifying for health and welfare contributions will remain as was required on March 31, 2019.

The Employer agrees that employees covered shall have the option, at any time during the life of this Agreement, to change any and all plans within the Washington Teamsters Welfare Trust or within the Oregon Teamster Employers Trust (as applicable), to maintain costs provided the change does not result in additional cost to the Employer. Any changes are subject to the approval of the Trustees of the applicable Fund.

In connection with the Washington Teamsters Welfare Trust, the principle consideration of the fund allocated will be the RWT-Plus.

13. Retirement Contributions

The Employer shall continue to make contributions to the Teamsters-National 401(k) Savings Plan at the rate in effect as of March 31, 2019 for the duration of the agreement, under the terms/conditions currently in effect. The contribution rate shall be increased annually by the same amount as for employees covered by the Western States Supplement to the National Master Freight Agreement applicable to the YRC Worldwide companies. Such rate increases shall take effect on August 1 of each year, beginning in 2019.

The Employer shall pay the appropriate 401(k) contributions for all compensable hours up to a maximum of two thousand eighty (2,080) hours in each calendar year.

In order to calculate such contributions for line haul drivers, thirty-eight and one-half (38.5) miles equal one (1) hour, up to the applicable maximums defined in this Agreement.

14. Equal Sacrifice of Non-Bargaining Unit Employees

The Employer agrees not to increase wages (including bonuses) and benefits of current non-bargaining unit employees (including management) as an overall percentage beyond the effective overall total compensation percentage increase to be received by the bargaining unit employees. This shall not prevent the Employer from paying variable, performance based compensation as the Employer has paid in past practice. This shall also not prevent the Employer from providing targeted increases to individual employee if necessary, in the Employer's judgment, to operate the business so long as the overall total compensation increases are within the effective overall total compensation percentage increases to be received by the bargaining unit employees.

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The pay rates and wage levels for non-union employees, regardless of classification, will not exceed those for equivalent union positions. In addition, any disparities that may exist in 401(k) contribution rates as of March 31, 2019 shall not be increased during the life of this Agreement.

15. Bankruptcy Protection

If the Employer files a Chapter 7 or Chapter 11 bankruptcy petition or is placed in involuntary bankruptcy proceedings, the Employer agrees not to file any documents or motions under Sections 1113 or 1114 of the Bankruptcy Code without the approval of TNFINC.

16. Garage Employees

The Garage Supplement in effect as of March 31, 2019 shall be eliminated, and its terms shall be included in a new Article of the Agreement.

Effective January 1, 2020, the top rate of pay for Class A mechanics at facilities in California shall be no less than \$26.00 per hour. Effective January 1, 2021, the top rate of pay for Class A mechanics at facilities in California shall be no less than \$28.00 per hour. Once these rates have been achieved, Mechanics shall not be subject to the general wage increases outlined in 1(a) above.

17. Office Clerical Employees

The Office Supplement in effect as of March 31, 2019 shall be eliminated, and its terms shall be included in a new Article of the Agreement.

Vacation pay shall be based upon 1/52 of the Employee's previous year earnings for each week of vacation, in accordance with Section 20.02 of the Agreement.

18. Duration

April 1, 2019 through March 31, 2021.

19. Termination of MOUs

The following addendum shall be added to the Agreement:

Addendum to the Agreement

Termination of Prior MOUs

Reddaway, TNFINC and/or the applicable Teamster Local Unions have been signatory to a series of agreements designed and intended to provide Reddaway with the opportunity to restructure, stabilize, and provide job security and work opportunities to Teamster members. Reddaway recognizes that the Teamster-represented bargaining unit has made tremendous sacrifices in this regard. The parties now desire to return to a more traditional collective bargaining relationship and format. To that end, the following agreements (collectively the MOUs) between the parties are terminated with respect to the Employer:

- Memorandum of Understanding on the Adoption of the Wage Reduction-Job Security Plans

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- Memorandum of Understanding on the Adoption of the Wage Reduction-Job Security Plans and the Agreement for the Restructuring of the YRC Worldwide, Inc. Operating Companies
- Memorandum of Understanding on the Adoption of the Agreement for the Restructuring of the YRC Worldwide, Inc. Operating Companies
- Extension Agreement for the Restructuring of the YRC Worldwide Inc. Operating Companies

Reddaway may, however, require mandatory direct deposit in accordance with its practice under the prior MOUs.

Likewise, the MOU Subcommittee is terminated. Any and all grievances and interpretations arising out of the new collective bargaining agreement and applicable supplements, under the prior MOUs, or any other agreements between the parties concerning terms and conditions of employment shall be addressed under the traditional methods outlined in the collective bargaining agreement. Prior decisions and interpretations of the MOU Subcommittee shall, however, remain in effect.

Economic conditions and other terms and conditions of employment shall be set forth in the new collective bargaining agreement. Future raises and other increases shall not be subject to the 15% reduction.

20. No employee shall suffer a reduction in a wage rate as a result of this Agreement.

For the Company:

/s/ John Croslin

8-16-19

Date

For TNFINC:

/s/ Bob Paffenroth

8-16-19

Date

For the Union:

/s/ Daniel W. Ratty

8-16-19

Date