

**TNFINC - STANDARD FORWARDING LLC
NATIONAL MASTER FREIGHT AGREEMENT
2015 NEGOTIATIONS**

TENTATIVE AGREEMENT



April 15, 2015
Chicago, IL.

Covering

National Master Freight Agreement
C.S. Local Cartage Supplement
C.S. O-T-R Supplement
Standard Forwarding LLC Supplement

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

The 2008-13 National Master Freight Agreement, Central States Over-the-Road Supplement and Central States Area Local Cartage Supplement, along with this supplement cover all present covered terminals and operations of Standard Forwarding LLC including those represented by Locals Unions 120, 160, 200, 238, 279, 325, 364, 371, and 710 including union clerical at Waterloo, Iowa and Dubuque Iowa (specific union clerical classifications include: OS&D Clerk, General Office Clerk, Tracing Clerk, Billing Clerk, and Filing Clerk). Corporate office: 2925 Morton Drive, East Moline, IL.

Any item not specifically covered by this Supplement shall be governed by the 2008-13 National Master Freight Agreement, Central States Over-the-Road and Central States Local Cartage Supplements. If applicable, this Supplement will supersede any other agreement.

This supplement does not apply to Local 371 Office or Local 371 Mechanics.

Standard Forwarding LLC Supplement

**For the Period
March 6, 2015 to March 5, 2018**

I. HOURLY and MILEAGE RATES and NEW HIRES

ALL PRESENT EMPLOYEES

(a) Effective 03-06-15

| | |
|----------------|--------------------|
| Hourly Workers | + \$0.50/hour |
| Mileage | + 1.220 cents/mile |

(note: all wage and mileage increases retroactive to 3/6/15)

(b) Effective 03-06-16

| | |
|----------------|--------------------|
| Hourly Workers | + \$0.50/hour |
| Mileage | + 1.220 cents/mile |

(c) Effective 03-06-17

| | |
|-----------------------|------------|
| Lump Sum Wage Payment | \$1,000.00 |
|-----------------------|------------|

All full time active employees on payroll for prior 12 months to effective date. See MOU which is incorporated herein by reference.

(d) Full-Time New Hire Wage Progression

1. CDL qualified drivers (including mechanics and maintenance):

- a. Effective first day of employment- 90% of the current top rate.
- b. Effective first day of employment plus 1 year- 95% of the current top rate.
- c. Effective first day of employment plus 2 years- 100% of the current top rate.

2. Non CDL qualified employees:

All non CDL qualified employees (including clerical) hired on or after **ratification** shall receive the following hourly rate of pay:

- a. Effective first day of employment: \$14.00 per hour
- b. Effective first day of employment plus 1 year: \$15.00 per hour.
- c. Effective first day of employment plus 2 years: \$16.00 per hour.
- d. Effective first day of employment plus 3 years: \$17.00 per hour.
- e. Effective first day of employment plus 4 years: \$18.00 per hour.

3. All non CDL qualified employees (excluding Mechanics) within the jurisdiction of Teamsters Local 710 hired on or after 01-26-09 and before 03-06-15 shall receive the following hourly rate of pay:

- a. Effective first day of employment \$14.00 per hour or 75% of the current top rate.
- b. Effective first day of employment plus 1 year- 80% of the current top rate.
- c. Effective first day of employment plus 2 years- 85% of the current top rate.
- d. Effective first day of employment plus 3 years- 95% of the current top rate.

4. All non CDL qualified employees (excluding Mechanics) within the jurisdiction of Teamsters Local 710 hired before 01-26-09 shall receive 100% of the current rate.

5. The following language in the NMFA shall remain inactive for the term of this Agreement:

“CDL-qualified employees hired into driving positions who are not currently on the seniority list at an NMFA carrier and who for two (2) or more years regularly performed CDL-required driving work for a commonly-owned NMFA carrier shall be compensated at 90% of the full contract rate of pay for a period of one (1) year and go to the full contractual rate thereafter, provided they have not had a break in service in excess on three (3) years.”

6. In the event the company offers to waive the progression in a classification at any Local, the same offer will be made to all other Standard Forwarding LLC Local Unions in that same classification.

7. No employee on the books as of the date of ratification shall suffer a reduction in their hourly and/or mileage rate of pay as a result of this Agreement.

II. CASUAL RATES

Casual employees will have the following hourly and/or mileage rates of pay:

- a. CDL-qualified driver casual rate shall be 85% of the top rate.
- b. Non CDL-qualified employee casual rate shall be \$14.00 per hour for the life of this Agreement.

Casuals will be permitted on the road on weekends only, and then only between terminals and Deere plant locations. Before any Road Casual is used, the work will be offered by seniority to regular employees as is currently done, using posted sign-up sheet. Any Casual Road Driver forced to layover except when caused by a road emergency (road emergency as used herein does not include hot freight) will be hired as a probationary.

Order of Call/Weekend Work

1. Volunteers (who signed weekend list-active employees): Must have 10 hours available.
2. Laid off employees that have requested daily work.
3. Casual (road or city).
4. Force from bottom of active list.
 - a. Road to Road-must have 10 hours available.
 - b. City to City.
 - c. Anyone, anywhere.
5. The terms and conditions of Article 32, N.M.F.A. shall apply with regard to subcontracting.

III. DOWNTIME PAY

1/8 hour paid for each drop and for each hook and 1/4 hour for fueling. The Company agrees that all time spent in excess of the aforementioned set time limits shall be paid for all time spent with approval of management. The driver shall secure within the current pay period a signature from management for payment of such time. Road drivers drop and hook their own trailers at all locations.

IV. SICK LEAVE

First three (3) days of absence for sick and scheduled will be paid.

V. ARTICLE 59-OVER THE ROAD SUPPLEMENT

The following language shall remain inactive for the term of this Agreement:

"Regular Road Drivers performing work on the holidays stated above shall be paid a total of four (4) straight-time hours, in addition to the holiday pay, except in no event shall the application of this provision provide for more than a total of twelve (12) straight-time hours of holiday pay. "

VI. VACATIONS

Vacations paid under the following schedule:

| | |
|------------------------|-------------|
| One year employment: | One week |
| Two years or more: | Two weeks |
| Nine years or more: | Three weeks |
| Fifteen years or more: | Four weeks |
| Twenty years or more: | Five weeks |
| Thirty years or more: | Six weeks |

Full pay shall mean **forty-five (45)** hours of straight-time pay **per week**. ~~There shall be no forfeiture of any vacation entitlement which was fully earned and accrued prior to March 6, 2010, except that the rate paid will be forty (40) hours of straight time pay.~~ Vacations will be selected on a terminal-by-terminal basis, by seniority. A minimum of twelve percent (12%) of the total number of the active employees in each location shall be permitted to go on vacation on any one (1) day as provided in N.M.F.A. Two (2) weeks of vacation may be taken one (1) day at a time, per N.M.F.A. One (1) week shall be defined as five (5) segments for both Road and City. The Employer will send an annual report to employee's home verifying vacation accrued.

VII. HOLIDAYS

All regular employees shall receive eight (8) hours pay for each of the following holidays not worked:

New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve Day and Christmas Day.

VIII. HEALTH & WELFARE AND PENSION

The Employer agrees to pay TEAMCARE M9 contributions (including R-4 retiree coverage) to the Central States Health and Welfare Fund for the full term of this Agreement. Local 200 contributions will be made to the Wisconsin Health Fund on the same basis as those made to Teamcare. Health and Welfare rates will be paid as established by the fund Trustees so as to maintain existing benefits and coverage levels as follows:

03/08/15: \$311.70 per week
03/06/16: \$342.50 per week*
03/05/17: \$376.40 per week*

* not-to-exceed

Contribution increases required by the Wisconsin Health Fund shall be made in the same amount as those increases required to maintain benefits at the published M9 rates as determined by the Trustees.

PENSION

The Employer agrees to pay Class 16 Pension contributions to the Central States Southeast and Southwest Pension Fund on behalf of all individuals covered by this agreement for the period of this Agreement. Pension rates ~~will be~~ established by the fund Trustees are as follows.

The daily pension rates that have been scheduled are:

March 6th, 2015 \$33.00 (8%)

March 6th, 2016 \$35.60 (8%)

March 6th, 2017 \$38.40 (8%)

IX. OTHER

~~A. Provide City/Road Combination bids at all terminals. The number of City/Road Combination bids will be based on 35% of Road bids at each terminal. (See attached table for computation and application of 35%). Formula for rate of pay for City/Road Combination bids and Day Road bids will be as follows: City/Road Combination Drivers will be paid hourly for all time spent in the City and normal hourly rate plus overtime if applicable or mileage pay, whichever, is greater, for all time spent on the road.~~

B. Road Drivers may spot loads and pick-up loads at all Deere plants and vendor plants.

~~C. All Day Road Drivers may make multiple stops within the 25-mile radius of a terminal, provided that no seniority driver at that terminal is laid off. Additionally, Night Road Drivers may do multiple stops as long as the work performed is limited solely to drops and/or hooks, provided that no seniority driver at that terminal is laid off. Driver(s) dispatched on milk runs (Deere and/or Case only) will be allowed to meet their scheduled stops, as dispatched, without violating the terms set forth above. Road Drivers working within the 25-mile radius will be paid hourly. Road Drivers working outside the 25-mile radius will be paid miles and hours or miles and drop and/or hook, whichever is applicable. Local Cartage employees will have preference on Local Cartage work, including overtime opportunities. Road Drivers will not be allowed to perform work on the dock in a lighted terminal. **(T-OK 3/2/15, both parties agree to delete)**~~

D. On April 1st of each year, provide City/Road preference bid at each terminal.

E. Treat all empty trailers as loads.

F. Article 19, N.M.F.A. applies with exception that no glass bulletins will be mandated.

G. Employees who have been laid off for more than fourteen (14) days at any terminal will be allowed the right to make a voluntary transfer (at the sole expense of the employee) to fill a need at another terminal covered by the terms of this Agreement and will take a place at the bottom of the seniority list at that terminal. This right to transfer only exists if the employee returns a form provided by the Employer in conjunction with the certified layoff notice within twenty-eight (28) days of receipt of the form and the layoff letter. Said form will list all current STDF terminals. The employee will be required to mark which terminals he/she would be willing to transfer to. Any employee transferring remains at the new location until recalled to origin or laid off at the new location. If he/she chooses to leave the new location for any reason other than layoff, he/she will lose all right for further transfers until he/she is recalled to his/her origin terminal and subsequently laid off. Any employee refusing a transfer gives up the right for future offers for that specific terminal but does retain the right to transfer to any other terminal specified on the form returned to the Employer. The employee shall maintain Company seniority for recall rights at his/her terminal. Casuals will not work in place of any laid off employee unless the laid off employee does not wish to transfer to where the work is being offered.

~~H. Leased employees on a meet and turn run may not meet a Company driver within the 25-mile radius of any terminal. Leased employees may not perform pick up and delivery work in the normal service area of local unions party to the Agreement. Chicago area leased employees' pick up and delivery area will be limited to a 40 mile radius of downtown Chicago. Indiana jurisdiction will be handled per past practice.~~

I. Article 16, N.M.F.A. applies with the exception that power mirrors will not be provided.

K. Article 34, Garnishments. Delete in its entirety and replace with "The Employer may not take any disciplinary action against an employee as the result of a garnishment(s). Only in the case of three or more simultaneous garnishments on an employee's paycheck shall the Employer be allowed to levy an administrative fee not to exceed \$2.00 per pay period. In the event there are any discrepancies, state and/or federal laws will apply."

~~L. Central States Local Cartage: Article 43 to remain as per 1991-1994 N.M.F.A.~~

~~N. Road Drivers: Any driver that does not get dispatched during his/her bid (day or night) can exercise his/her seniority for a load on the other dispatch.~~

~~Example: A Day Driver does not get out because of a lack of dispatches. He/she can take a spot on the night dispatch, dovetailing where his/her seniority will put him/her. Once the driver moves, he/she stays on the new shift the rest of the week. The junior driver on the shift he/she goes to is bumped to the other shift the rest of the week.~~

~~The employee not getting dispatched does not have to exercise this option. He/she can hold his/her position for the next day if business permits.~~

O. Sunday through Thursday bids for dock and road may be established by mutual agreement on a local-by-local basis.

P. All area practices shall be maintained during the term of this Agreement.

Q. Article 3, Section 7, N.M.F.A. language concerning Utility Employees shall remain dormant for the life of the Agreement.

R. All drivers shall continue to comply with the 7-day/60 hour provision under the DOT Hours of Service Rules.

S. Road drivers will continue to comply with the N.M.F.A. concerning Sign-In/Sign-Out sheets.

T. Article 14, Section 3 N.M.F.A. shall read:

The Employer will provide a weekend emergency phone number for any employee that has an undisputed pay claim concerning the established state worker compensation amount required by Law. The Employer's worker compensation manager will have authority to make immediate payment Monday through Friday during normal business hours. The pay shortage will be reconciled by check delivered by express overnight mail within (24) hours of the call or on Tuesday if the call takes place on the weekend. If the disputed pay is not received within this time frame, an (8) hour penalty will be paid to the employee for every day until the pay is received.

U. Article 3, Section 4 Work Assignments, add to section:

Dock Pick-up:

This provision supercedes any other related article contained in the Agreement.

The employer agrees that the function of the supervisor is the supervision of employees and not the work of the employees they supervise.

However, where no local cartage employees are on the property, a supervisor can load an unscheduled customer pick-up on an occasional and incidental basis. It is understood that this provision is intended to only apply to unanticipated situations taking less than thirty (30) minutes. The company shall not intentionally schedule such pick-ups for times when the local cartage employees are not available.

V. Article 24. Inspection Privileges and Employer and Employee Identification, add to end:

Employees may be required to show their driver's license and Company identification to customers, and allow the customer to copy or otherwise reproduce their Company identification only and not the driver's license. The Company identification will not have personal information on it such as home address or social security number.

W. Article 26. Time Sheets, Time Clocks, Video Cameras and Computer Tracking Devices

Replace Section 2 with new Section 2: Use of Video Cameras for Discipline and Discharge

The Employer may not use video cameras to discipline or discharge an employee for reasons other than theft of property or physical violence. If the information on the video tape is to be used to discipline or discharge an employee, the Employer must provide the Local Union, prior to the hearing, an opportunity to review the video tape used by the Employer to support the discipline or discharge.

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

New Section 3: Use of Other Devices to Monitor Employee Work Activity

Employees are provided by the Employer with an increasingly sophisticated set of equipment, vehicles and other devices with which to perform their job functions. Employees do not have any expectation of privacy with the regard to the use of such equipment, vehicles and other devices, and the Employer may use information contained in or generated by such devices for appropriate disciplinary purposes. This information may include, but is not limited to, computer tracking devices in vehicles (commonly known as "Black Boxes"), information stored on computers, records from Company-issued cell phones and two-way radios, and information generated by GPS (Global Positioning System) Devices. However, the Employer may not use such devices as the sole basis for discipline. In the event the Employer uses any of the aforementioned devices that result in discipline, such information or evidence must be presented to the Local Union prior to the hearing.

X. Article 33, Section 4 N.M.F.A. – COLA

Shall remain dormant for the life of the agreement.

X. **401(K)**

Employer will make available to regular seniority employees, a 401 (K) Tax Deferred Savings Plan. (No matching Employer contributions.) The Employer agrees to pay any administrative costs of the plan. During the term of this Agreement employees will have the option, on an individual basis, to transfer from the Standard Forwarding LLC 401 (K) Plan to the Teamsters-National 401(K) Savings Plan.

XI. WORKDAY – WORKWEEK

All hours worked in excess of forty (40) in any one (1) week shall be paid at the rate of time and one-half (1 ½) the regular hourly rate. All paid time off shall count as eight (8) hours toward the weekly hour total for overtime purposes. In addition, the following examples will count towards the weekly hour total:

- a. A 10% 'er who is not given a work opportunity due to no fault of his will have his/her overtime protected for any days worked in excess of (8) throughout the week.
- b. If an employee is offered and accepts a company convenience, he/she will have their overtime protected for any days worked over (8) throughout the week.
- c. If a road driver does not get out on his regular dispatch, and he/she works the following day(s) in local cartage, any hours worked in excess of (8) for those days worked in cartage will be paid at time and one-half. This applies to road drivers working on a single board seniority system.

XII. OFFICE CLERICAL

- a. There will be a fifteen (15) minute coffee break in the morning and a similar period in the afternoon with pay.
- b. Start times will be bid once a year in conjunction with the driver's annual bid.

XIII. PROBATIONARY EMPLOYEES

The parties agree the probationary period for new hires will be sixty (60) days effective at ratification of this Supplement. Under no circumstances shall any extension of the probationary period cause any employee to lose benefits that he/she would be otherwise able to enjoy under the previous probationary period.

XIV. Standard Forwarding Joint Labor-Management Committee (JLMC)

The Company and the Union, desiring to foster better day-to-day communications and maintain a mutually beneficial relationship, agree to establish a continuing communications program to maintain stable labor-management relations, address operational improvements and avoid controversies. The parties further agree to negotiate enabling language as part of this Supplement that will establish a JLM Committee under guidelines that are acceptable to both parties. The guidelines for the JLMC will be contained in a Memorandum of Understanding that will be discussed and agreed to by the parties at a date subsequent to contract ratification. In the event either party deems it necessary, it may engage the Federal Mediation and Conciliation Service to assist in the establishment and functioning of the JLMC.

XV. DURATION

This Agreement shall be in full force and effect on March 6, 2015 and expires on March 05, 2018.

FOR THE UNION

For Teamsters National Freight Industry Negotiating Committee

BY Robert Warnock III /s/
(Signed)

Its TNFINC Sub-Committee Chair
(Title)

Date: April 15 2015

FOR THE COMPANY

BY Allen V. Tolliver /s/
(Signed)

Its Chief Executive Officer
(Title)

Date: April 15 2015

~~ATTACHMENT TO ARTICLE VIII, SECTION A~~

NO. OF ROAD BIDS – NO. OF CITY/ROAD COMBINATION BIDS

| | | |
|---------------------|--------------|---------------|
| 1,2 | = | 0 |
| 3,4 | = | 1 |
| 5,6,7 | = | 2 |
| 8,9,10 | = | 3 |
| 11,12,13 | = | 4 |
| 14,15,16 | = | 5 |
| 17,18,19 | = | 6 |
| 20,21,22 | = | 7 |
| 23,24 | = | 8 |
| 25,26,27 | = | 9 |
| 28,29,30 | = | 10 |
| 31,32,33 | = | 11 |
| Etc., Etc..... | | |

**MEMORANDUM OF UNDERSTANDING ON THE LUMP SUM WAGE
PAYMENT FOR THE 2015-18 STANDARD FORWARDING LLC
SUPPLEMENT TO THE NMFA**

Standard Forwarding LLC (hereinafter the “Employer”) and the Teamsters National Freight Industry Negotiating Committee (“TNFINC”) on behalf of Teamster Local Union Nos. 120, 160, 200, 238, 279, 325, 364, 371 and 710, (collectively referred to as the “Union”), enter into this Memorandum of Understanding regarding the lump sum wage payment negotiated between the parties payable in 2017. Pursuant to this Memorandum of Understanding, the parties agree to the following understandings:

1) Q. How much is the Lump Sum?

The employer shall pay a lump sum payment of \$1000.00 on March 6th, 2017 to all regular full-time employees on the seniority list who have been actively working for the prior twelve (12) months. Regular full-time employees who have been subject to seasonal layoff between March 6th, 2016 and March 5th, 2017 will not be disqualified from receiving the \$1000 lump sum payment. Employees laid off for other reasons will not be eligible for the Lump Sum Payment.

2) Q. Who is eligible for Lump Sum payment?

Regular full-time employees who are actively working for the 12-month period between March 6th, 2016 and March 5th, 2017 are eligible for the \$1000 Lump Sum Payment. An employee is considered “actively working” if he or she worked or was paid 156 days or 1248 hours during the 12-month period (whichever is more favorable to the employee.) Compensated days such as vacation days, jury days, funeral days, holidays and casual days will all count toward reaching the 156 day or 1248 hour thresholds. Likewise, overtime hours count toward the 1248 hours. The 156 day threshold was developed from the qualifications for vacation under the Central States Supplements.

For any employee who is on Military Leave or subject to seasonal layoff between March 6th, 2016 and March 5th, 2017, the 156 day or 1248 hour requirement will be prorated to reflect the time he or she missed. The \$1000 lump sum payment will not, however, be prorated. Instead, the full amount will be paid to those who meet the prorated days or hour requirement.

3) Q. When will the Lump Sum Payment be paid?

For eligible employees who were actively working for the 12-month period, the \$1000 lump sum will be paid no later than March 6th, 2017.

4) Q. Will there be taxes and withholdings taken from the Lump Sum Payment?

Yes, supplemental taxes will be taken from the lump sum payment as required by the IRS. This deduction may be greater than the withholding that employees normally see in their paycheck depending on their W4 filling status.

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5) Q. Will wage orders or garnishments be taken out of the Lump Sum Payment?

Percentage withholding orders are legally required to be taken from the lump sum payment.

6) Q. Will workers on disability or worker’s compensation be eligible for the lump sum?

All workers, regardless of pay status, must work the requisite number of hours during the period to be eligible for the lump sum. All hours worked will be considered in the calculation for the period, including those that may have been performed while on modified or ‘light duty’ status for example.

_____/s/_____
Robert Warnock III
Co-Chair, Standard Forwarding Committee
TNFINC

_____/s/_____
Terry Dierikx
Chairman, STD F Committee
Standard Forwarding LLC

Date: 4/20/15

Date: 4/20/15