

# Vacation Reduction Clarification



Based on questions received at Local Union meetings so far regarding the 2010 YRCW Restructuring Agreement, TNFINC is issuing the following clarification regarding the proposed change in vacation weeks. These understandings have been confirmed by the company and need to be shared with all YRCW Teamster-represented employees.

## **Two Over-Riding Principles Govern the Vacation Reduction:**

**A) No Teamster will forfeit any vacation benefits earned or accrued in 2009 or 2010, including those who reach an anniversary date before December 31, 2010.**

**B) This agreement will not result in the loss of more than one week of vacation for any employee during its term.**

1) No one will lose any earned or accrued vacation until 2011. The loss of one week of vacation for those currently enjoying four weeks or more will not occur until all accrued vacation earned prior to December 31, 2010 has been used. The loss of one week of vacation will commence with an employee's accrual year beginning on or after January 1, 2011.

Example: a dockman has worked at least 60% of the days in the prior 12 months and expects reach his 20th anniversary (and fifth week of vacation) on December 12, 2010. Under our understanding with YRCW, this person will be able to take his fifth week of vacation in 2011 since he earned it on or before December 31, 2010 but will only accrue four weeks going forward starting in 2011.

2) TNFINC has negotiated this vacation reduction only through the term of the Restructuring Agreement which expires on March 31, 2015. This is not to be viewed as a permanent change to the vacation schedule contained in your Supplemental Agreement.

3) The maximum amount of vacation time any employee with four or more weeks of vacation can sacrifice is capped at one week. This means any employee who currently has four or more weeks of vacation and sacrifices one week in 2011 but is on schedule to trigger an additional week of vacation sometime before the expiration of the agreement on March 31, 2015, will receive the additional week.

Example: a city driver in Ohio has 18 years of employment and currently enjoys four weeks of vacation. Next year, that driver's vacation accrual will be reduced from 4 weeks to 3 weeks. However, when the same driver hits his 20th year anniversary in 2012 and becomes eligible for an additional week (normally his fifth week), that driver will receive the scheduled one week increase bringing his total back to four.

4) To ensure parity and equal sacrifice, all YRCW Teamsters currently enjoying three weeks of vacation (generally between 8 and 15 years of service) will be frozen at that level for the duration of the agreement. This occurs because the fourth week is being forfeited as soon as it triggers. This must happen to insure that a driver who may be eligible for a fourth week at his 15th year anniversary in 2012, for example, does not 'leap-frog' over a 16 year person who just relinquished his fourth week and now only has three weeks for the next four years until his next vacation week trigger.

5) As soon as the vacation reduction accrual becomes effective and through the Agreement's expiration, no employee will have more than five weeks vacation annually.

6) There are no other changes to either the vacation pay formulas or the amount of time needed to work to earn a vacation.