TEAMSTERS National Freight Industry Negotiating Committee

August 6, 2013

Dear ABF Teamster covered by the **Southern Garage Supplement**:

Enclosed is your ballot, voting instructions and information regarding the re-vote for your Supplement to the ABF National Master Freight Agreement. Please vote today and mail your ballot in right away—ballots must be received at the suburban Washington, D.C. post office by 10 a.m. August 28, 2013 in order to be counted.

As we have discussed in previous communications, the Union has fought hard over the past seven months to beat back the dramatic operational changes and large scale benefit cuts that ABF had sought throughout these very difficult negotiations. Recently, we have met with the company and again attempted to resolve some of the issues you have identified as impediments to reaching a fully ratified agreement. Toward that end, a Memorandum of Understanding is included with the proposed Supplement setting forth certain clarifications and modifications to the proposed Supplement. Those clarifications/modifications are:

- The Company agrees that you can split into daily increments an additional week of your vacation;
- In accordance with Article 42, Section 3, the Company will continue its technology training program for mechanics, as it has in the past, to help maintain and service equipment;
- The Company will pay an annual tool allowance of five hundred dollars (\$500.00) to all active employees working under the Southern Garage Supplement as of April 1st each contract year;
- Confirmation that the change of operations provisions contained in Article 8, Section 6 of the ABF-National Master Freight Agreement are fully applicable to the Southern Garage Supplement.

Furthermore, please be advised that until there is a fully ratified agreement (i.e. all supplements are approved), the Company is <u>not</u> obligated to pay the additional monies (i.e. up to \$1.00 per hour per year increase to be split between the applicable funds) negotiated for your health and welfare and pension benefits under the National Economic Settlement portions of the Agreement. The impact of this failure to pay the increased rates may differ from fund to fund but the fact remains that **none of the various benefit funds will receive the increases that they have indicated they need until all Supplements have been ratified.**

Please review the enclosed documents and cast your vote as soon as possible. Thank you for your continued support and please visit the "ABF Update" section at www.teamster.org for more information.

Your vote is very important and your committee asks that you vote "YES."

Fraternally,

James P. Hoffa,

Teamsters General President

James P. Noffa

Chairman,

National ABF Negotiating Committee

Gordon Sweeton

Co-Chairman,

National ABF Negotiating Committee

Tyson Johnson,

Director, National Freight Division

Co-Chairman, TNFINC

Southern Region Negotiating Committee:

Wordon Sweets

Ken Bryant, Local 745

John Gale, Local 878

Lendon Grisham, Local 480

Johnny Gabriel, Local 528

MEMORANDUM OF UNDERTANDING SOUTHERN GARAGE SUPPLEMENT

In order to complete the ratification process of the 2013-2018 ABF National Master Freight Agreement, ABF Freight System, Inc. and TNFINC agree to the following clarifications/modifications to the initial tentative agreement that was previously submitted to the members:

- 1. All employees, at the employee's option shall be entitled to split into daily increments an additional week of their vacation, above and beyond the number of weeks they were previously permitted to split into daily increments. Furthermore, if an employee has only one week vacation he/she shall be permitted to split that into daily increments. All other provisions governing the use of individual vacation days shall not change. This does not, however, result in any additional vacation or alter the national vacation reduction. Rather, this is intended to pertain only to the use of the vacation time.
- 2. In accordance with Article 42 Section 3, the Company will continue its technology training program for mechanics, as it has in the past, to help maintain and service equipment.
- 3. The Company shall pay to all active employees working under the Southern Garage Supplemental Agreement as of April 1st of each contract year five hundred dollars (\$500.00) for the tool allowance. Such payments will be considered as taxable earnings without proof of expenditure for tools purchased. The Employer shall provide latex or nitrile gloves.
- 4. By way of clarification, it is agreed and understood that the change of operations provisions contained in the ABF National Master Freight Agreement, including those in Article 8, Section 6 are fully applicable to the Southern Garage Supplemental Agreement.

Ken Bryant /S/	David Evans /S/
For TNFINC	For the Company
8/02/2013	8/02/2013
Date	Date

SOUTHERN REGION AREA LOCAL FREIGHT FORWARDING GARAGE SUPPLEMENTAL AGREEMENT

Employees of Private, Common, Contract and Local Cartage Carriers

For the Period of April 1, 2013 through March 31, 2018 covering:

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

Where no reference is made to a specific Article or Section thereof, such Article and Section are to continue as in the current Master Agreement, as applied and interpreted during the life of such Agreement. Additions and new language are **bold and underlined**.

Covering the Operations in the Territory of:

ALABAMA, ARKANSAS, FLORIDA, GEORGIA, LOUISIANA, MISSISSIPPI, OKLAHOMA, TENNESSEE, TEXAS, and the City of ASHEVILLE, N.C.

PREAMBLE
REFER TO NATIONAL AGREEMENT

This Local Freight Forwarding Garage Supplement is supplemental to and becomes a part of the National Master Freight Agreement hereinafter referred to as the "Master Agreement" for the period commencing April 1, 2008 2013, which Master Agreement shall prevail over the provisions of this Supplement in any case of conflict between the two, except as such Master Agreement may specifically permit. Questions arising out of alleged conflicts shall be submitted directly to the National Grievance Committee.

ARTICLE 40. OPERATIONS AND EMPLOYEES COVERED – No Change

ARTICLE 41. PROBATIONARY AND CASUAL EMPLOYEES

Section 1. Probationary Employees – No Change

Section 2. Casual Employees

Replacement casuals may be utilized by the Employer to replace regular employees when such regular employees are off due to illness, vacations, or other absence, and shall not be counted in the computation of adding employees to the regular seniority list. In order for the Employers utilization of replacement casuals not to be counted in the computation of adding employees to the regular seniority list, the replacement casual must work the shift of the regular employee or within three (3) hours of said regular employee's shift. In order for a casual to replace a regular employee, such casual must be as qualified to perform the work in the position vacated by the regular employee he/she is replacing; and/or more qualified than the regular employee being replaced, otherwise the casual will be counted as a supplemental casual.

Section 3. Preferential Casuals - No Change

Section 4. - No Change

Section 5. – No Change

ARTICLE 42. SENIORITY

Section 1. Seniority Rights For Employees Shall Prevail

In the event of a layoff, an employee so laid off shall be given two (2) weeks notice of recall by certified mail to his/her last known home address. In the event the employee fails to make himself/herself available for work at the end of said two (2) weeks, he/she shall lose all seniority rights under this Agreement. Employees shall give the Employer one (1) week notice of intent to return to work. The above time limits shall begin with the day following the postmark of the certified letter of recall. If such employee does not immediately return to work and a laid off employee or a casual is called to

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replace the employee that was recalled as outlined above, the day (s) worked by the replacing employee or casual will not count under the five (5) out of seven (7) day formula to return another employee to regular status.

Section 2. Reduction in Force – No Change

Layoff and Recall - No Change

Section 3. - No Change

Section 4. Bulletining of Jobs

See National Agreement on Start Times

The bulletining of positions or vacancies shall consist of the number of days, classifications, the rate of pay, the days to be worked and the starting time, which shall be the same time each day of the assignment except that on two (2) days of the assignment such starting time may be two (2) hours either before the regular starting time or on two (2) days two (2) hours after the regular starting time, but the bulletining of such positions shall specify the starting time on each day of the assignment.

Section 5. – No Change

Section 6.

The assignment of equipment, or work within a particular classification, shall be subject to seniority or bid "only" at the beginning of the shift, provided skills are equal.

Section 7. – No Change

ARTICLE 43. ABSENCE – No Change

ARTICLE 44. GRIEVANCE COMMITTEES – No Change

ARTICLE 45. GRIEVANCE MACHINERY AND UNION LIABILITY – No Change

ARTICLE 46. DISCHARGE OR SUSPENSION – No Change

ARTICLE 47. EXAMINATIONS AND IDENTIFICATION – No Change

ARTICLE 48. PAY PERIOD

It is understood and agreed that Yellow Transportation will change their pay week to Sunday through Saturday for pay and benefits, effective October 01, 2010. Should the corporation determine that an extension to the effective date is necessary, it will notify the Southern Region Negotiating Committee, in writing, of the extension required and the new effective date, recognizing that time is of the essence.

ARTICLE 49. WASHROOMS AND LUNCH ROOMS - No Change

ARTICLE 50. HEALTH AND WELFARE ***REFER TO NATIONAL AGREEMENT***

"Effective August 1, 2007, the contributions of two hundred thirty seven dollars and seventy cents (\$237.70) was made to the Central States, Southeast and Southwest Areas Health and Welfare Fund. For the increase in the contribution rate due August 1, 2008 and on each August 1 of the Agreement, the Supplemental Negotiating Committees shall allocate the one dollar per hour (\$1.00 per hour) contribution rate increases due each year of the Agreement between the Pension and Health and Welfare Funds. The Committees shall, in those Supplemental Agreements which include one (1) Pension Fund and multiple Health and Welfare Funds, first allocate that portion, if any, of the contribution rate increase to the Pension Fund subject to the approval of the Joint National Master Committee. The remaining amount, if any, shall be applied uniformly to each of the Health and Welfare Funds."

ARTICLE 51. PENSION ***REFER TO NATIONAL AGREEMENT***

"Effective August 1, 2007, the Employer contributed to the Central States, Southeast and Southwest Areas Pension Fund the sum of fifty one dollars and sixty cents (\$51.60) per day or tour of duty either worked or compensated, to a maximum of two hundred fifty eight dollars (\$258.00) per week, for each regular employee covered by this Agreement who has been on the payroll thirty (30) days or more. For the increase in the contribution rate due August 1, 2008 and on each August 1 of the Agreement, the Supplemental Negotiating Committees shall allocate the one dollar per hour (\$1.00 per hour) contribution rate increases due each year of the Agreement between the Pension and Health and Welfare Funds. The Committees shall, in those Supplemental Agreements which include one (1) Pension Fund and multiple Health and Welfare Funds, first allocate that portion, if any, of the contribution rate increase to the Pension Fund subject to the approval of the Joint National Master Committee. The remaining amount, if any, shall be applied uniformly to each of the Health and Welfare Funds."

ARTICLE 52. VACATIONS ***REFER TO NATIONAL AGREEMENT REGARDING NUMBER OF WEEKS OF VACATION***

Section 1.

A vacation of one (1) week shall be granted with pay to all employees covered by this Agreement who have worked for the Employer for a period of one (1) year or more.

Section 2.

A vacation of two (2) weeks shall be granted with pay to all employees covered by this Agreement who have worked for the Employer for a period of two (2) years or more.

Section 3.

A vacation of three (3) weeks shall be granted with pay to all employees covered by this Agreement who have worked for the Employer for a period of eight (8) years or more.

Section 4.

A vacation of four (4) weeks shall be granted with pay to all employees covered by this Agreement who have worked for the Employer for a period of fifteen (15) years or more.

Section 5.

A vacation of five (5) weeks shall be granted with pay to all employees covered by this Agreement who have worked for the Employer for a period of twenty (20) years or more.

Section 6.

A vacation of six (6) weeks shall be granted with pay to all employees who have worked for the Employer for a period of thirty (30) years or more; provided however, at the option of the employee, the employee shall either take the fourth (4th), fifth (5th), and/or sixth (6th) week of vacation or shall take only three (3) weeks and receive compensation for the fourth (4th), fifth (5th), and sixth (6th) weeks of vacation. The employee shall not be allowed to work the fourth (4th), fifth (5th) and sixth (6th) week of vacation if any qualified employee is on layoff.

Section 7.

At least fifteen percent (15%) sixteen percent (16%) of the employees at the terminal involved shall be permitted to take their vacation at the same time during the months of June, July and August.

Vacations may be taken in increments of one (1) week at a time.

It is further agreed that an employee may take one (1) week of his/her earned vacation (five (5) days total), one (1) day at a time if the employee has earned two (2) weeks of vacation. An employee may take two (2) weeks of his/her earned vacation (ten (10) days total), one (1) day at a time if the employee has earned three (3) weeks or more vacation. At least forty-eight (48) hours notice will be required (except by mutual agreement) and the Employer will verify the request, forty-eight (48) hours prior to the requested vacation day(s). The number off will be subject to the fifteen percent (15%) sixteen percent (16%) provision in Section 7 and the fifteen percent (15%) provision

in Section 9. Seniority will control when more requests are made than can be permitted to be off and one (1) week increments will take priority over day(s). During the forty eight (48) hours prior to vacation day(s), no bumping will be permitted.

Section 8. – No Change

Section 9. - No Change

ARTICLE 53. HOLIDAYS - No Change

ARTICLE 54. PAID-FOR TIME – No Change

ARTICLE 55. WAGES AND HOURS

Section 1. Hours - No Change

Section 2. Rates of Pay - Change rates of pay as follows:

SEE NATIONAL ECONOMIC SETTLEMENT IN THE MASTER AGREEMENT

The hourly rates of pay shall be as follows for the classifications of work covered by this Agreement:

Mechanic-Leadman Mechanic, Class A Mechanic, Class B Mechanics Helper Garage Service, Class A Garage Service, Class B Parts Man Porter

Employees covered by this Agreement who were receiving a night shift differential, second or third shift differential, shall continue to receive that differential in effect, as maintenance of standard. This shall not apply to those employees hired after April 1, 1970.

Entry Rates

SEE NATIONAL ECONOMIC SETTLEMENT IN THE MASTER AGREEMENT

Effective April 1, 1998, all regular employees hired on or after that date or employees who are in progression shall receive the following hourly rates of pay:

(a) Effective first (1st) day of employment—seventy five percent (75%) of the current rate.

(b) Effective first (1st) day of employment plus one (1) year eighty percent (80%) of the current rate.

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- (c) Effective first (1st) day of employment plus eighteen (18) months ninety percent (90%) of the current rate.
- (d) Effective first (1st) day of employment plus two (2) years one hundred percent (100%) of the current rate.

The above rates of pay shall not apply to casual employees.

The term "current rate" is the applicable hourly and/or mileage rate of pay for the job classification including all wage and guaranteed cost-of-living adjustments under this Agreement.

The above rates of pay shall not apply to casual employees.

Casual rates of pay to be effective on the date of ratification:

Hourly

SEE NATIONAL ECONOMIC SETTLEMENT IN THE MASTER AGREEMENT

Job Description - No Change

Section 3. Unassigned Employees – No Change

Section 4. - No Change

Section 5. - No Change

Section 6. – No Change

Section 7. Work in Other Classifications – No Change

Section 8. - No Change

Section 9. – No Change

Section 10. - No Change

Section 11. – No Change

Section 12.

The employer may be permitted to work the active seniority board twenty-five percent (25% percent) of the straight time hours in overtime. In the event the employer exceeds the twenty-five percent (25%) overtime allowance in any thirty (30) days of two (2) consecutive months, the employer shall add one additional employee to the seniority list.

This provision is not applicable during the months of June, July and August, provided the overtime is due to replacing summer vaction absences.

Section 13. - No Change

Section 14. – No Change

Section 15. - No Change

Section 16. Road Work - No Change

Section 17. – No Change

Section 18. Protective Equipment

(b) The Employer shall pay to all active employees, Garage Supplemental Agreement as of April 1st of each contract year, beginning with the third year of this agreement one hundred dollars (\$100.00) three hundred (\$300.00) for the tool allowance per year to each active employee working under the Garage Supplemental Agreement.

Such payments will be considered as taxable earnings without proof of expenditure for tools purchased.

The employer shall provide latex or nitrile gloves.

Tools - No Change

ARTICLE 56. FARM OUT - No Change

ARTICLE 57. FUNERAL LEAVE - No Change

ARTICLE 58. ADDENDA – No Change

ARTICLE 59. ELIMINATION OF BONUS - No Change

ARTICLE 60. MOONLIGHTING - No Change

ARTICLE 61. TERM OF AGREEMENT

The term of this Supplemental Agreement is subject to and controlled by all of the provisions of Article 39 of the National Agreement between the parties hereto.

NEGOTIATING COMMITTEES FOR THE LOCAL UNIONS:

TEAMSTERS NATIONAL FREIGHT INDUSTRY
NEGOTIATING COMMITTEE
Chairman
Co-Chairman

FOR THE EMPLOYERS:

TRUCKING MANAGEMENT, INC.
NATIONAL NEGOTIATING COMMITTEE
Chairman

IN WITNESS WHEREOF, the undersigned duly execute The National Master Agreement and Supplemental Agreement (and Addenda, if any) set forth herein.

FOR THE UNION:
LOCAL UNION No.
Affiliate of
I.B. of T.
By
(Signed)
Ita
Its(Title)
(Title)
FOR THE EMPLOYER:
(Employer)
By
(Signed)
Its
(Title)
Home Office Address:
Ву
(Street)
Its
(City/State)
(City/State)
(Date Signed)