



**ABF FREIGHT SYSTEM, INC.
and
OFFICE AND PROFESSIONAL EMPLOYEES
INTERNATIONAL UNION LOCAL NO. 30**



DENVER, CO

October 1, 2013 through September 30, 2018

AGREEMENT BETWEEN
ABF FREIGHT SYSTEM, INC.
and
OFFICE AND PROFESSIONAL EMPLOYEES INTERNATIONAL UNION
LOCAL #30, AFL-CIO

AGREEMENT made this 1st day of October 2013, by and between ABF Freight System, Inc., hereinafter called the “Company” and the Office and Professional Employees International Union Local #30, AFL-CIO, hereinafter called the “Union”.

The following Articles represent the Agreement between the parties:

ARTICLE 1 – RECOGNITION

- 1.1 The Union shall be the sole representative of those classifications of employees covered by this Agreement in collective bargaining with the Company for office and clerical employees at the Company’s place of business located at 5871 Broadway, Denver, Colorado, but excluding supervisors as defined in the National Labor Relations Act, drivers, dock workers and all other employees. If the Company moves its business address in the Denver, Colorado area, this Agreement shall apply at such new address.
- 1.2 Classifications other than those appearing in the Appendix, or which the Company may establish, shall be established as may be required or advisable following proper negotiations with the Union to establish job classification and pay. Such newly created positions shall be included within the jurisdiction of the Union.

ARTICLE 2 – MANAGEMENT OF THE BUSINESS

- 2.1 The right to manage and direct the working forces and operations of the office, subject to the limitations of this Agreement, is vested in and retained by the company.

ARTICLE 3 – UNION SECURITY

- 3.1 UNION SHOP – When the company needs additional personnel, the Union shall have equal opportunity to provide suitable applicants. The Company agrees that, as a condition of employment, all employees covered by this Agreement shall become and remain members of the Union in good standing after ten (10) days of employment within a calendar month.
- 3.2 NEW EMPLOYEES AND EMPLOYMENT AGENCY FEES – The Company shall notify the Union of the name, address and job classification of each new employee, in writing, within thirty-one (31) days after the employee is placed on the seniority list. The

Company shall also notify the Union, in writing, the name, address and job classification of each terminated employee.

Upon request, the Company shall advise the Union Steward the names, addresses and hours worked by casual employees.

3.3 SUBCONTRACTING AND TRANSFER OF WORK – For the purpose of the protection and preservation of the Union work and employment standards, the Company agrees that, during the effective term of this Agreement, no work which is presently performed by bargaining unit employees shall be subcontracted to any other party without first providing to the Union written notice of its intent to do so, except as provided in subparagraph 3.3 (a) below.

- (a) Subcontracting of emergency and/or overflow work is permitted under this article, but shall not be permitted when employees are in layoff status provided such laid off employees are qualified and available to perform the work when needed.
- (b) In the event the Company transfers work to another location and the transfer of such work results in a layoff, the affected employees shall be offered work at the location to which the work was transferred, provided that such affected employees are qualified to perform the work at the office or terminal to which the work is transferred. Such offer shall be consistent with the general wage, hours and working conditions prevailing at the location to which the work is transferred and shall be on a one-time basis only. If the work is transferred to a location where the Company has no clerical employees and only the clerical work previously performed under this Agreement is performed at the new location, then this Agreement shall follow an employee accepting transfer pursuant to this provision.

ARTICLE 4 – PAYROLL DEDUCTIONS OF UNION DUES, INITIATION FEES, AND 401(K) PLAN

4.1 AUTHORIZATION FOR DEDUCTIONS – The Company shall deduct from the first pay of each month, upon written authorization from the employee, an amount equal to the regular monthly dues as established by the Union and simultaneously, one time only, the initiation fee as established by the Union. The Company shall also deduct from the employees pay each week a percentage of gross pay as authorized by the employee in writing, as a contribution to the 401(K) Plan established by Office and Professional Employees International Union Local #30.

4.2 PAYMENT OF DEDUCTIONS – Within one (1) calendar week following the pay day on which the deduction has been made, the Company shall deliver to the Union Treasurer a check for the amount due and payable to the Union and a list of the names of employees from whose pay:

- (a) A deduction for the initiation fee has been made and the amount, and

- (b) Regular dues deductions have been made and the amount.
- (c) Contributions to OPEIU Local 30 401(K) Plan.
- (d) No deduction has been made because of insufficient earnings available in the current pay period.

4.3 J.B. Moss Political Action Committee:

The Employer shall deduct from the wages of any employee who submits a voluntary authorization card, an amount designated by such employee for OPEIU's "J.B. Moss Voice of the Electorate" (VOTE) fund. Such deductions shall be made on the same date that employees receive their regular paychecks.

Voluntary contributions deducted from employee's paychecks shall be made payable to the J.B. Moss Voice of the Electorate (VOTE) fund and forwarded monthly to the Secretary/Treasurer of the Office and Professional Employees International Union, AFL-CIO, 80 Eighth Avenue, Suite 610, New York, NY 10011, along with a listing of the names of contributors and the amounts.

ARTICLE 5 – BOND AND NOTARY PUBLIC

- 5.1** All employees may be bonded at the option of the Company. The premium for same shall be paid by the Company. Whenever an employee is required to be certified as Notary Public, any expense in connection therewith shall be paid by the Company.

ARTICLE 6 – PICKET LINE CLAUSE

- 6.1** It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action in the event an employee refuses to go through or work behind a primary picket line. However, if the employee elects not to cross the primary picket line at the Company's place of business, all benefit contributions including health, welfare and pension shall immediately cease. Vacations, holidays, etc., shall not be paid while employees refuse to cross the primary picket line.

ARTICLE 7 – LEAVES OF ABSENCE

- 7.1** ILLNESS OR INJURY – Employees absent due to illness or injury for a period less than three (3) years, including maternity leave, shall maintain their seniority status. Upon an employee's return to work, the Company may require satisfactory proof of illness or injury and/or a physician's release to return to normal duties. The Company may, in addition, at its expense, require examination and release by a physician of its choice. The Union may, if it believes an injustice has been done an employee, have such employee re-examined at the Union's expense. In the event of disagreement between the doctor selected by the Company and the doctor selected by the Union, the Company and the Union doctors shall together select a third doctor within seven (7) days, whose opinion

shall be final and binding on the Company, the Union and the employee. Neither the Company nor the Union nor the employee shall attempt to circumvent the decision. The expense of the third doctor shall be divided equally between the Company and the Union.

- 7.2** PERSONAL LEAVE – Upon written request setting forth the reason(s) therefore, an employee may, by mutual agreement between the Company and the Union, be granted a leave of absence for personal reasons not to exceed thirty (30) calendar days. Personal leave shall not be granted to accept employment elsewhere.
- 7.3** All employees who worked for the Company for a minimum of twelve (12) months and worked at least 1250 hours during the past twelve (12) months are eligible for unpaid leave as set forth in the Family and Medical Leave Act of 1993.
- 7.4** UNION BUSINESS – Upon written request from the Union, one (1) employee at any one time will be granted leave of absence for the purpose of attending a labor convention or engaging in Union business. Such leave will be limited to the time necessary for the specific activity, but will in no event exceed fifteen (15) calendar days. The Union will provide the Company reasonable notice of any such leave. Upon thirty (30) days notice to the Company, an employee elected or appointed to a full-time position with the Union shall be entitled to a leave of absence for one (1) term of office not to exceed three (3) years.
- 7.5** EFFECT ON SENIORITY ACCUMULATION – For the first forty-five (45) calendar days of any leave of absence, an employee shall retain and accumulate seniority. After forty-five (45) calendar days an employee on leave of absence shall retain, but not accumulate seniority and, upon return to work, the employee's seniority date shall be adjusted accordingly.
- 7.6** FAILURE TO RETURN TO WORK – Failure to return to work upon the expiration of any leave of absence shall result in the loss of all seniority.

ARTICLE 8 – BULLETIN BOARDS

- 8.1** The Company agrees that the Union is entitled to post notices of Union meetings and Union business affecting office personnel on an office employees section of the company bulletin board. No material of any controversial nature shall be placed on such board. Use of the bulletin board for the promotion of personal business is prohibited.

ARTICLE 9 – NON-DISCRIMINATION

- 9.1** The Company agrees there shall be no discrimination, interference or restraint against any employee because of membership in the Union, engaging in legitimate Union activity or for refusing to purchase stocks, bonds or interest in any firm or business.

- 9.2 There shall be no discrimination against a person because of sex, creed, race, age, religion or national origin.

ARTICLE 10 – ACCESS OF UNION OFFICIALS TO COMPANY PREMISES

- 10.1 OFFICIALS OF THE UNION – Officials of the Union shall have the right to enter the premises of the Company to investigate working conditions, grievances or disputes. They shall have the right to meet with the Steward or with employees involved in a dispute relative to the administration of this Agreement but shall not in any way disrupt the business of the Company. Such Union officials shall report to the designated Company representative upon entering the Company’s premises.
- 10.2 STEWARDS – The Company recognizes the right of the Union to designate job stewards provided the name of the job stewards and their specific responsibilities shall be given in writing by the Union to the Company. The job stewards shall be the employees of the Company. Employees, including job stewards shall not have the authority to take any action to strike or otherwise interrupt the Company’s business during the term of this Agreement. The Company, recognizing such limitation, shall have the authority to impose proper discipline, including discharge in the event any employee has taken any action interrupting the Company’s business.

ARTICLE 11 – PAYMENT OF WAGES

- 11.1 Employees, including casual employees, shall be paid on a weekly basis with no more than two (2) weeks pay to be held back by the Company. Friday of each week shall be the pay day.
- 11.2 Electronic Funds Transfer (Direct Deposit)

Where not prohibited by State Law, all employees hired after the date of ratification are required to use electronic deposit of their paychecks.

If an employee hired after the date of ratification is unable to obtain a bank account, he/she will be paid electronically using a pay card/debit card. If for reasons beyond the Employer’s control, such as weather delays, express mail failure, etc. an employee’s “paycheck” or debit card does not arrive at the employee’s facility by payday, a replacement check will be issued at the General Office and mailed to the employee’s facility by the end of that business day.

ARTICLE 12 – REST PERIODS & MEAL PERIODS

- 12.1 Employees, including casual employees, shall be permitted to take two (2) ten (10) minute rest periods to be scheduled by the Company in each regular eight (8) hour shift.

One (1) rest period shall be during the first half of the shift and one (1) during the last half of the shift. Regular employees are entitled to an unpaid meal period of not less than thirty (30) minutes or more than one (1) hour between the fourth (4th) and sixth (6th) hours unless otherwise mutually agreed.

ARTICLE 13 – HEALTH CARE

13.1 Effective April 1, 2013 OPEIU Local 30 will provide health and welfare benefits through OPEIU Local 30 Trust Fund. The plan will be provided by Kaiser Permanente Colorado and the rates for the plan will be \$1067 per employee per month plus \$150 per employee per month for all dependents for a total of \$1217 for full family coverage.

Health & Welfare Plan:

The Employer shall continue to participate in the same Health and Welfare Fund. During the life of this Agreement, the Employer shall continue to make contributions at the rates being paid as of the date of ratification of the ABF OPEIU Local 30 Agreement to the appropriate Health Welfare Fund in such amounts as are determined on an annual basis by the Fund to be necessary to maintain the benefit then in effect.

Increased Employer Contributions to the OPEIU Local 30/ 537 Health & Welfare Plan, if necessary to maintain the Health and Welfare benefit, the Employer shall increase its contribution to the OPEIU Local 30/ 537 Health & Welfare Plan, up to \$1.00 per hour per year as follows:

Effective Dates	Increases in Employer Contributions	
January 1, 2014	up to	\$1.00 per hour
January 1, 2015	up to an additional	\$1.00 per hour
January 1, 2016	up to an additional	\$1.00 per hour
January 1, 2017	up to an additional	\$1.00 per hour
January 1, 2018	up to an additional	\$1.00 per hour

Monthly, daily and/or hourly contributions shall be converted from the hourly contributions in accordance with past practice. Allocation of contribution increases between the Health and Welfare Funds will be determined by Local 30 in conjunction with the Trustees of the Fund covered by this Agreement. The Pension fund rates shall be frozen at the level of the April 1, 2012 rates for the remainder of this contract.

The employer shall only be required to pay those portions of the “up to” \$1.00 per hour increases that are necessary to maintain the benefits as described above.

Monthly Health Care Premium Cost Share

There will be a monthly health care premium cost share to be paid by the employee of \$21.46 weekly.

The Company contributions as provided for herein shall be made on active employees who successfully pass their thirty (30) day probationary period and are compensated for

one hundred (100) hours per month for full time positions, and sixty (60) hours per month for part-time positions.

13.2 ELIGIBLE EMPLOYEES – Active employees (not laid off) on the seniority roster shall be eligible for health and hospital benefits under a plan.

13.3 NON-ELIGIBLE EMPLOYEES – Employees not eligible for coverage under this Article are as follows:

- (a) Laid off employees;
- (b) Casual employees (employees having no seniority rights);
- (c) Employees suffering an injury or illness covered by Worker’s Compensation benefits;
- (d) Employees on leave of absence.

13.4 The Company retains the right to change its health and welfare benefits plan and providers. The Company shall notify the Union of such changes and further, the Union shall notify the Company where to send required premiums should changes take place.

ARTICLE 14 – PENSION PLAN

14.1 COMPANY PENSION CONTRIBUTIONS – For full time employees (not laid off) on seniority roster, to make a contribution on behalf of each employee to the Western States Office Employees Pension Fund not to exceed forty (40) times the hourly contribution rate per week. The Pension fund rates shall be frozen at the level of the October 1, 2012 rates for the remainder of this contract.

<u>Effective Date</u>	<u>Rate Per Hour</u>
10-1-13	\$9.25
10-1-14	\$9.25
10-1-15	\$9.25
10-1-16	\$9.25
10-1-17	\$9.25

In the event that future federal legislation allows ABF to reduce its pension contribution rates which would not cause a reduction in benefits, the Company reserves the right to reopen the ABF OPEIU Local 30 contract as it relates to the pension contribution rates. If the parties do not agree on a mutually satisfactory resolution to negotiations over such issues within sixty (60) days of the start of such negotiations, either party shall be permitted all legal or economic recourse in support of its proposals on this matter notwithstanding any provisions of this Agreement to the contrary.

- (a) Subject to the forty (40) hour maximum, contributions shall be made for each full hour worked by each employee.

- (b) If an employee is injured on the job, the Company shall continue to make the required contributions until the employee returns to work, but not to exceed five hundred twenty (520) hours of contributions for missed work opportunities.

ARTICLE 15 – SENIORITY

15.1 DEFINITIONS:

Regular Employee - An employee with an established seniority date.

Permanent Part-Time Employee - A regular employee with a set schedule of less than 40 hours per week.

Probationary Employee - A regular employee in probationary status as defined in 15.3 of this Article.

Active Employee - A regular employee not in layoff status.

Unassigned Employee - An active employee in an unassigned status as provided in Article 19.2 of this Agreement.

Laid-off Employee - A regular employee who is in layoff status by proper written notice from the Company.

Casual Employee - An employee having no seniority rights under this Agreement. Unless specifically provided otherwise, casual employees are not entitled to any of the benefits or guarantees of this Agreement, except the hourly wage rate when put to work.

Unless the language in the Agreement clearly refers to a specific employee definition(s), the term employee(s) shall be deemed to encompass all regular employees (those having established seniority dates).

15.2 SENIORITY RIGHTS – Seniority shall prevail for layoff, recall, transfer and job assignment, provided the employee is qualified to perform the job. There shall be one (1) bargaining unit consisting of one (1) office seniority roster. Seniority shall be continuous from the date on which the employee acquires seniority under this Agreement, except as provided in Article 7.5 (LEAVES OF ABSENCE).

15.3 FORMULA FOR ACQUIRING SENIORITY – When any casual employees are worked (either full-time or part-time) for thirty (30) working days in any consecutive two (2) calendar month period, the Company shall be required to add an employee to the seniority roster. Days or hours worked replacing regular employees absent for any reason shall not be counted.

15.4 PROBATIONARY PERIOD – Upon acquiring seniority under the above provision an employee will be subject to a probationary period of thirty (30) calendar days during which time the employee may be terminated without recourse. Upon successful completion of the probationary period, the employee shall be added to the seniority roster. The employee’s seniority date shall be the date the employee is advised by the Company that he/she is a probationary employee. Prior to gaining seniority rights as described herein, casual employees shall not be entitled to any of the benefits or guarantees of this Agreement, except the applicable hourly rates of pay when put to work, or as specifically provided otherwise.

15.5 EMPLOYMENT WITH UNION OR COMPANY OUTSIDE BARGAINING UNIT – An employee may take a leave of absence pursuant to the provisions of Article 7.3 and 7.4 (LEAVES OF ABSENCE), for the purpose of accepting employment with the Union or with the Company in a capacity outside the bargaining unit. If the employee does not return to a job classification covered by this Agreement upon expiration of the leave of absence, the employee shall forfeit all seniority. If the employee returns to a classification covered by this Agreement prior to or upon expiration of the leave of absence, the employee’s seniority shall resume in accordance with the provisions of Article 7.5 (LEAVES OF ABSENCE).

15.6 LOSS OF SENIORITY – An employee’s seniority shall be broken for any of the following reasons:

- (a) Voluntary quit;
- (b) Discharge for just cause. The Company may discipline or discharge any employee for just cause and simultaneous notification must be given to the Union. Just cause shall include, but not be limited to, the following:
 - (1) Dishonesty;
 - (2) Insubordination;
 - (3) Unprovoked physical assault upon another employee;
 - (4) Excessive absenteeism;
 - (5) Use of or under the influence of alcoholic beverages or illegal drugs while on duty or on company property.
 - (6) Failure to submit to a determinative test “upon request” if an employee appears to be under the influence of alcoholic beverages or illegal drugs.
- (c) More than three years layoff or a period equal to the period of employment with the Company, whichever is shorter.
- (d) Failure to return to work from layoff within seven (7) days from postmark of notice of recall mailed to the employee’s last known address by certified mail, return receipt requested. A copy of the Company’s notice of recall shall be mailed to the Union on the same day the employee’s notice is mailed.
- (e) Unauthorized absence from work for more than three (3) consecutive working days;
- (f) Voluntary enlistment for full time service in the Armed Forces;
- (g) Absence due to illness or injury in excess of three (3) years;
- (h) Failure to return to work from an approved leave of absence within the time provisions specified in Article 7 (LEAVES OF ABSENCE);

- (i) Promotion to a non-bargaining or supervisory unit position with the Company subject to the provisions of Section 5 of this Article.
- (j) Audio, Video and Computer Tracking Devices

The Employer may use video, still photos derived from video, electronic tracking devices and/or audio evidence to discipline an employee without corroboration by observers if the employee engages in conduct such as dishonesty, theft of time or property, vandalism, or physical violence for which an employee could be discharged without a warning letter. If the information on the video, still photo, electronic tracking devices and/or audio recording is to be utilized for any purposes in support of a disciplinary or discharge action, the Employer must provide the Local Union, prior to the hearing, an opportunity to review the evidence used by the Employer.

15.7 POSTING OF JOBS FOR BID – All newly created jobs or vacancies shall be posted on the bulletin board for four (4) consecutive working days with a copy to the Union. Each posting, except for unassigned positions, shall specify the days of the week, starting times, which shall be the same each day and the qualifications required to perform the job (job description). Starting times may be temporarily varied upon notice to the employee of two (2) hours prior to the adjusted start time. Employees desiring to bid on posted jobs must submit a written bid to the Company with a copy to the Union Steward, prior to the close of the four (4) day posting period. The Company will accept bids by absent employees from the Steward. Within five (5) days after the close of bidding, the Company shall award the posted job(s) to the senior qualified bidder(s). If there are no bids on a posted job, the Company may assign the junior qualified employee to the job. Employees awarded job bids shall be entitled to a reasonable trial period in which to become proficient in the performance of the job duties.

15.8 ABOLISHMENT OF JOB – If an employee’s job is abolished or otherwise disturbed, the employee may exercise seniority on any job for which the employee may be qualified.

15.9 LAYOFF AND RECALL –

- (a) In the event the Company finds it necessary to reduce the office working forces, the layoff shall be based on seniority and qualifications. Employees so laid off shall be given two (2) working days notice unless the layoff is due to emergency, catastrophe, work stoppage or other event beyond the control of the Company.
- (b) Laid off employees shall be returned to active status by (1) letter of recall to regular status mailed to the employee’s last address on file with the Company, or (2) supplemental (non-replacement) work by a laid-off or casual employee of five (5) eight (8) hour days in any Sunday through Saturday period.
- (c) Employees in layoff status shall have no obligation to accept temporary work assignments. At time of layoff, the employee may be requested to advise the Company if he/she does not desire to be called except for return to active status.

15.10 SENIORITY LIST – A list of employees arranged in the order of their seniority shall be posted in a conspicuous place in the Company’s office, with a copy to the Union. Any

protest to the seniority list must be made in writing within thirty (30) days from the date of posting. In the event no protest is made, the seniority list as posted shall be considered correct. Controversies regarding seniority shall be settled by the Company and the Union. Failing settlement by these parties, the controversy shall be processed under the grievance procedure beginning at Step 2 of Article 25.3 (GRIEVANCE PROCEDURE) of this Agreement. Errors made in the process of transcribing when preparing a new seniority roster may be corrected at any time.

ARTICLE 16 – PROTECTION OF BARGAINING UNIT WORK

16.1 Supervisory and non-bargaining unit employees shall not perform work on the jobs covered by this Agreement except as follows:

- (a) In the instruction of employees.
- (b) In the investigation or experimentation of new procedures.
- (c) Clerical functions which are incidental and necessary to the performance of supervisory duties.
- (d) In the event of an emergency.

ARTICLE 17 – HOLIDAYS

17.1 DESIGNATED HOLIDAYS – The following holidays shall be observed:

New Years Day	Memorial Day
July Fourth	Labor Day
Thanksgiving Day	Day after Thanksgiving
Christmas Eve Day	Christmas Day
Employee’s Birthday	Employee’s Anniversary Date

17.2 OPTIONAL HOLIDAY DESIGNATIONS AND WORK PREFERENCE – Should any of the holidays herein fall on a non-scheduled workday, except Sunday, the Company may, at its option, designate as the holiday the last workday immediately preceding the actual holiday, or, in addition to an employee’s actual earnings for the week in which the holiday falls, pay the employee holiday pay as set forth in this Article. In the event a holiday falls on a Sunday, the following Monday shall be observed as the holiday. If the Company offers work to regular employees on any of the designated holidays set forth above, the employee normally performing the regular duties required to be performed on the holiday will be given preference for the holiday work. If such employee does not accept the work it will be offered to other qualified employees by seniority. Regular employees shall be offered holiday work opportunity ahead of casual employees on the Day after Thanksgiving and Christmas Eve, provided such holidays do not fall after the fifth (5th) consecutive day of regularly assigned work in the work week.

17.3 HOLIDAY PAY – Holiday pay, when no work is performed, shall be eight (8) times the applicable straight time hourly rate of pay. When a regular employee is required to work on a holiday, the pay for such work shall be as follows:

- (a) Employees shall be paid two (2) times the applicable hourly rate for all time actually worked in addition to the holiday pay except for work performed on the Day after Thanksgiving, Christmas Eve, the Employee’s Birthday, and the Employee’s Anniversary.

17.4 HOLIDAY ELIGIBILITY –

- (a) Active employees shall be eligible for holiday pay by protecting their last and first work assignments immediately preceding and following the holiday respectively, unless absent because of proven illness or injury and such absence has not exceeded thirty (30) days.
- (b) Laid-off employees shall be eligible to receive holiday pay if the layoff occurs fifteen (15) or less days prior to the holiday. Employees laid off more than fifteen (15) days may become eligible for holiday pay by working both the workdays immediately preceding and following the holiday, if requested to do so by the Company.

17.5 HOLIDAYS DURING VACATON PERIOD – In the event any of the above holidays fall within an employee’s vacation period, such employee shall receive an additional day off at the start or end of the vacation period, or, at the option of the Company, an additional day of pay at eight (8) times the applicable straight-time hourly rate. The employee will be advised at least one (1) week prior to the holiday as to whether the holiday may be added to the vacation.

ARTICLE 18 – VACATIONS

18.1 VACATION QUALIFICATIONS

- (a) Employees may qualify for vacation upon completion of a minimum number of years as follows:
 - One (1) year Ten (10) days
 - Eight (8) years. Fifteen (15) days
 - Fifteen (15) years Twenty (20) days
 - Twenty (20) years. Twenty-five (25) days
- (b) During the first year of employment, an employee must work two hundred twenty (220) days from anniversary date to anniversary date in order to earn a vacation.
- (c) During the second and succeeding years of employment, vacation shall be earned on a prorated basis of days worked related to two hundred sixty (260) rounded to the nearest full day. Compensable time off and absence due to on-the-job injury shall be counted as days worked in computing earned vacation. Hours worked of less than eight (8) straight time hours in a day shall be added together, divided by eight and rounded to the nearest full day in computing days worked.

18.2 VACATION PAY – Pay for each day of earned vacation shall be eight (8) times the applicable straight time hourly rate.

18.3 VACATION PERIOD AND FORFEITURE CONDITION – Vacations may only be taken and will only be paid in the anniversary year following the anniversary year in which vacations are earned. Vacations not taken during this period shall be forfeited.

18.4 VACATION SCHEDULING – Vacation time off will be posted for bid in October of each year under the conditions outlined as follows:

- (a) Seniority shall prevail in the selection of vacation period. However, the Company may determine the maximum number of employees to be off at any one time based on the needs of the business.
- (b) Employees with up to two (2) weeks of earned vacation may use the vacation in increments of one (1) day.
- (c) Employees with three (3) or more weeks of earned vacation may use up to two (2) weeks of vacation in increments of one (1) day.
- (d) Employees who elect to split their vacations shall be paid for each segment as taken.
- (e) Employees who split vacations must bid all segments. They may select the first segment at the same time as employees who are ineligible for split vacations. Remaining available weeks may be selected in the following segment by those electing to split vacations.

18.5 PAYMENT FOR EARNED VACATION ON TERMINATION OR LAYOFF – Earned and unused vacation pay shall be included in the final payment for all terminated employees. Upon request, laid off employees may receive payment for earned and unused vacation subject to the provisions of Article 18.3.

18.6 HOLIDAYS DURING VACATION PERIOD – In the event any of the holidays contained in this Agreement fall within an employee’s vacation period, such employee shall receive an additional day off at the start or end of the vacation period or, at the option of the Company, an additional day of pay at eight (8) times the applicable straight time hourly rate. The employee will be advised at least one (1) week prior to the holiday as to whether the holiday may be added to the vacation.

ARTICLE 19 – WORKDAY AND WORKWEEK

19.1 GUARANTEES – The guaranteed workweek is forty (40) hours and shall be any five (5) consecutive days. The guaranteed workday shall be eight (8) hours per day. Compensable days off which fall on a scheduled workday shall be considered time worked in making up the weekly guarantee. The weekly guarantee shall not apply in the event of a work stoppage or an emergency which may occur anywhere in the Company’s scope of operations beyond the control of the Company which precludes the Company from fulfilling the weekly guarantee of work. The term “emergency” includes but is not

limited to civil commotions and acts of God. The weekly guarantee shall not apply to employees in layoff status by proper written notice. The guarantees herein shall not apply to any employee who fails to report as scheduled. An employee reporting less than one (1) hour late may complete the balance of a scheduled shift. However, the Company shall have no obligation for work or pay to an employee reporting one (1) or more hours late. The Company shall have no further daily obligation to an employee who has completed eight (8) straight time hours and no further weekly obligation to an employee who has completed forty (40) straight time hours.

- 19.2** UNASSIGNED EMPLOYEES – Twenty percent (20%) of the active (not on layoff) employees on the seniority roster (at least one (1) employee) shall not be entitled to the guarantees herein except the eight (8) hour guarantee and shall be unassigned as to days of the week and starting time. Unassigned employees shall be advised when next to report no later than the end of each shift unless there is mutual agreement for a different procedure between the Company and the employee. No unassigned employee will be required to report to work less than ten (10) hours after completing a shift. An unassigned employee scheduled for less than twenty-four (24) hours for two (2) consecutive weeks will, upon request, be placed on layoff. The unassigned workweek shall be Sunday through Saturday. Fractions shall be dropped in computing the twenty percent (20%) unassigned.

ARTICLE 20 – OVERTIME

- 20.1** DAILY AND WEEKLY OVERTIME – All time worked in excess of eight (8) hours in a workday and all time worked in excess of forty (40) hours in a workweek shall be paid at one and one-half (1 ½) times the applicable straight time hourly rate.
- 20.2** RECALL AFTER SHIFT – An employee recalled to work after completing eight (8) hours and leaving the Company's premises shall be guaranteed four (4) hours pay at one and one-half (1 ½) times the applicable straight time hourly rate.
- 20.3** SEVENTH CONSECUTIVE DAY – Employees shall be paid twice the applicable straight time hourly rate for all work performed on the seventh consecutive day of work. This shall not apply when an employee bids on a new assignment and the change to new workdays results in the need to work seven or more consecutive days to get on the new schedule.
- 20.4** OVERTIME WORK OPPORTUNITY – If the Company elects to offer overtime work opportunity to regular employees, the employee normally performing the regular duties required to be performed on overtime will be given preference for the overtime work. If such employee does not accept the overtime work, or if more than one employee is needed to complete the work, it will be offered to qualified employees by seniority. This section is not intended to require the Company to offer overtime work to absent employees when junior qualified employees on duty may be extended beyond their shift to perform the required work. Except as provided in Article 17 (HOLIDAYS), regular

employees accepting work assignment on a non-scheduled work day shall be guaranteed four (4) hours at the applicable hourly rate.

20.5 WORK PRIOR TO START OF SHIFT – When an employee is required to report to work prior to the start of a shift, the first eight (8) hours will be paid at the straight time hourly rate of pay.

20.6 COMPUTING WEEKLY OVERTIME – Holiday pay, paid sick leave, and paid vacation time shall be considered as hours worked for the purpose of computing weekly overtime hours.

ARTICLE 21 – WAGE RATES AND CLASSIFICATIONS

21.1 WAGE RATES

- (a) The wage rates for employees with a seniority date October 1, 2013 or earlier are as follows:

Effective:	<u>10-1-13</u>	<u>10-1-14</u>	<u>10-1-15</u>	<u>10-1-16</u>	<u>10-1-17</u>
Rate/Hour	\$22.88	\$23.22	\$23.57	\$23.92	\$24.40

General Wage Adjustment:

Effective payroll period following ratification January 13, 2014 as reflected in above rates:

- a. Effective payroll period following ratification – (-5%) on all hourly rates
- b. Effective October 1, 2014 – (+1.5%) on all hourly rates
- c. Effective October 1, 2015 – (+1.5%) on all hourly rates
- d. Effective October 1, 2016 – (+1.5%) on all hourly rates
- e. Effective October 1, 2017 - (+2.0%) on all hourly rates

New Hire Wage Progression:

Non-CDL Qualified Employees (excluding mechanics):

First day: 70% of top rate

1 year: 75% of top rate

2 year: 80% of top rate

3 year: 90% of top rate

4 year: 100% of top rate

- (b) The wage rate for casual employees shall be as follows:

Effective:	<u>10-1-13</u>	<u>10-1-14</u>	<u>10-1-15</u>	<u>10-1-16</u>	<u>10-1-17</u>
Rate/Hour	\$14.25	\$14.25	\$14.25	\$14.25	\$14.25

- (c) All regular employees shall be covered by the provisions of a Cost of Living Allowance as set forth in this Article.

The amount of the cost of living allowance shall be determined as provided below on the basis of the “Consumer Price Index for Urban Wage Earners and Clerical Workers”, CPI-W (Revised Series Using 1982-84 Expenditure Patterns), All Items (1982-84=100), published by the Bureau of Labor Statistics, U.S. Department of Labor and referred to herein as the “Index”.

Effective October 1, 2013 and every October 1 thereafter during the life of the agreement, a cost of living allowance will be calculated on the basis of the difference between the Index for July 2007 and the Index for July, 2008 with a similar calculation for every year thereafter, as follows:

For every 0.2 point increase in the Index over and above the base (prior year’s) Index plus 3.5%, there will be a one cent (.01¢) increase in the hourly wage rates payable on October 1, 2014, and every October 1 thereafter. These increases shall only be payable if they equal a minimum of five cents (.05¢) in a year and in no case shall the COLA increase be more than five (5) cents in any given year.

All cost of living allowances paid under this agreement will become and remain a fixed part of the base wage rate for all job classifications. A decline in the Index shall not result in the reduction of classification base wage rates.

Profit Sharing Bonus:

1. If the Employer achieves a published, annual operating ratio of 96.0 or below for any full calendar year during this agreement (2014 through 2017), each employee will receive a bonus based on their individual W-2 earnings (excluding any profit sharing bonuses) for the year in which the qualifying operating ratio was achieved according to the following schedule:

ABF Published Annual Operating Ratio	Bonus Amount
95.1 to 96.0	1%
93.1 to 95.0	2%
93.0 and below	3%

2. The profit sharing bonus will be distributed to the employees by separate check within 60 days of the end of the calendar year. An employee must be on the ABF seniority list for the entire calendar year in question to be eligible for such a bonus. Any employee who resigns, retires, or otherwise incurs a termination of employment, whether voluntary or involuntary, during the year in question shall not be eligible for a year-end bonus. There shall be no inter-company charges initiated by the employer or changes in accounting assumptions or practices (GAAP), except as required to conform to governmental regulation for the purpose of defeating the calculation of the annual operating ratio.

21.2 CLASSIFICATIONS – The Company has the sole right to establish classifications for the purpose of describing the primary duty(s) of a particular job assignment and may change or modify such description(s) at its discretion. Subject to the provisions of Article 15.7, the establishment of job descriptions or classifications shall not inhibit the Company’s right to assign any qualified employee to perform available work. The initial classification established under this Agreement is as follows:

Customer Service Representative

ARTICLE 22 – SICK LEAVE

22.1 EARNING AND ACCUMULATION OF SICK LEAVE – As a safeguard against loss of pay due to sickness all employees shall at the beginning of the second (2nd) anniversary year, be granted six (6) days of sick leave each year cumulative to a maximum of ten (10) days.

22.2 OTHER COMPENSABLE DAYS – Sick leave benefits will not be paid for days which are otherwise compensable under this Agreement.

22.3 ON-THE-JOB INJURY OR ILLNESS – Sick leave benefits will not be paid for time lost due to an on-the-job injury or illness.

22.4 PROOF OF ILLNESS – The Company may require an employee to submit proof of illness prior to payment of sick leave benefits. In the event of a dispute, the Company may, at its expense, require the employee to be examined by a physician of its choice to aid in the determination whether sick leave benefits are payable. Fraudulent claim of sick leave benefits shall be considered just cause for discharge.

ARTICLE 23 – JURY DUTY

23.1 QUALIFICATIONS – Regular employees losing work resulting from a requirement to report for or perform jury duty shall be reimbursed for such lost work time up to a maximum of eight (8) hours for each day of work lost up to a maximum of ten (10) days subject to the following conditions and qualifications:

- (a) All compensation, including mileage reimbursement, received for jury service shall be deducted from jury duty pay.
- (b) Written proof of jury service and a written statement from the court showing total monies received resulting from jury service must be submitted to the Company prior to payment of jury pay.

- (c) Jury pay reimbursement for lost work shall be at the straight time hourly rate of pay.
- (d) Employees reporting for jury duty and not selected for service or released early shall be required to report for a regularly scheduled shift, if, by reasonable efforts such employees can complete at least three (3) hours of the regularly scheduled shift. In such event employees shall be paid eight (8) hours for completion of the scheduled shift less total monies received for jury service.

23.2 UNASSIGNED AND LAID OFF EMPLOYEES – Unassigned and laid off employees shall be entitled to jury pay if (1) they are scheduled to work and (2) they miss work due to jury duty and (3) they are replaced by a junior employee or a casual employee.

23.3 PAYMENT FOR JURY DUTY – Payment of benefits in this Article shall be made no later than the second payday after the employee has met the requirements of 23.1 (b) of this Article.

ARTICLE 24 – TECHNOLOGICAL CHANGES

24.1 In the event of proposed technological changes, such as but not limited to the introduction of data processing equipment, computers, or other automated office machines, the Company agrees to meet with the Union to discuss such changes and negotiate over the effects of such changes which are not otherwise herein addressed.

ARTICLE 25 – GRIEVANCE PROCEDURE

25.1 GRIEVANCE DEFINITION – The Company and the Union agree that grievances or disputes arising under this Agreement shall be settled as provided in this Article and in Article 26 (ARBITRATION). A grievance shall be defined as any difference of opinion, controversy or dispute between the parties hereto related to the interpretation or application of the terms of this Agreement.

25.2 GENERAL TIME LIMITATION – Except as provided in 25.5 of this Article, grievances must be presented to the other party within fifteen (15) days of first knowledge of the act or incident which provoked the grievance or such grievance shall be deemed untimely and waived by the aggrieved party.

25.3 GRIEVANCE STEPS –Grievances shall be processed as follows:

Step 1. The parties shall have ten (10) days following receipt of first written notification of a grievance to resolve the grievance on an informal basis to include discussions among the involved parties for the Union (Employee, Steward, Union Official) and involved parties for the Company (Office Manager, Branch Manager). At this step, the parties shall have a duty to determine and submit for consideration all known facts related to the grievance. Failing settlement at this step, the aggrieved party shall have five (5)

additional days to proceed to Step 2 or the grievance shall be barred and considered waived.

Step 2 The grievance shall be taken up between an officer of the Union and the Company Labor Relations Representative who shall have thirty (30) days to resolve the grievance. If the grievance is not resolved in thirty (30) days, the aggrieved party shall have an additional thirty (30) days to initiate arbitration proceedings pursuant to Article 26 (ARBITRATION). If such proceedings are not initiated within thirty (30) days, the grievance shall be deemed to have been withdrawn and there is no recourse to the provisions of Article 26. The time limits in this step may be extended by mutual agreement.

25.4 EMPLOYEE PARTICIPATION – An aggrieved employee may participate in all discussions at each step of the grievance procedure described in this Article. The time period for such discussion shall be discretionary with the Company, and if such discussion occurs during the normal working hours of the grievant he shall be compensated at the regular hourly rate. Time spent for discussion outside normal working hours of an employee is not compensable.

25.5 GRIEVANCES FOR DISCHARGE OR TERMINATION – The notice to an employee of discharge or termination of services (other than voluntary quit or economic layoff) must be confirmed in writing within five (5) days of such discharge or termination and must include the reason(s) therefore. Grievances for such discharges or terminations must be filed within five (5) working days from postmark of discharge or termination letter sent to the last known address of the employee. Failure to file the grievance as provided in this section results in forfeiture of the benefits of this Article and of Article 26 (ARBITRATION).

ARTICLE 26 – ARBITRATION

26.1 TIME LIMITATIONS AND PROCEDURES – Grievances or disputes not resolved under the provisions of Article 25 may be submitted to arbitration by either party of this Agreement. The time limitations specified in Article 25 shall apply to the decision to seek arbitration. Within five (5) working days following receipt of arbitration demand by either party, the aggrieved party may request the Federal Mediation and Conciliation Service, on behalf of both parties, to submit the names of five (5) qualified arbitrators. Upon receipt of the list of arbitrators by both parties and within five (5) working days of such receipt, the Union and the Company may select one arbitrator by mutual agreement, and failing mutual selection, shall each strike two names alternately with the party seeking arbitration striking first. The remaining name shall serve as the arbitrator. Preference shall be given to local arbitrators, if possible. The time limits herein may be extended by mutual agreement.

26.2 ARBITRATOR'S JURISDICTION AND AUTHORITY – The arbitrator shall have jurisdiction and authority to interpret and apply the provisions of this Agreement only to

the extent necessary to the determination of the matter submitted to the arbitrator. The Union and the Company may mutually agree on additional specific limitations of the arbitrator's authority. The arbitrator shall not have jurisdiction to alter, extend, modify or in any way change the provisions of this Agreement.

26.3 ARBITRATOR'S DECISION – The decision of the arbitrator shall be final and binding upon all parties to the arbitration.

26.4 FEES AND EXPENSES – Fees and expenses of the arbitrator shall be borne by the party losing the arbitration. If the decision is split, the arbitrator may be requested to apply a percentage weight to the decision for each party for the purpose of determining pro-rata expenses and fees. In the event settlement is reached between the parties any/ all fees or expenses of the arbitrator shall be split evenly between the parties.

ARTICLE 27 – BEREAVEMENT LEAVE

27.1 Regular employees shall be granted bereavement leave resulting from death in the immediate family. Conditions applying to bereavement leave are as follows:

- (a) “Immediate” family is defined as the employee's spouse, children, parents, siblings grandparents, grandchildren, mother-in-law, father-in-law, sisters-in-law and brothers-in-law and those relationships generally called “step”, provided persons in such relationship have lived or have been raised in the family home and have continued an active family relationship.
- (b) Employee must attend the funeral or services.
- (c) The employee will be compensated for a maximum of three (3) days at the applicable straight time hourly rate for work missed during the period from and including the date of death, to and including the date of the funeral or services.
- (d) Unassigned and laid off employees are eligible for the benefits herein if (1) they are scheduled to work and (2) they miss work due to attendance at the funeral or service and (3) they are replaced by a junior employee or a casual employee.

ARTICLE 28 – TRANSFER OF TITLE OR INTEREST

28.1 The Company agrees that this Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns. The Company agrees that it shall give notice of existence of this Agreement to any purchaser, transferee, lessee or assignee. A copy of such notice will be sent to the Union at such time as any agreement with a purchaser, transferee, lessee or assignee is consummated.

ARTICLE 29 – SAVINGS CLAUSE

29.1 In the event any portion of this Agreement is invalidated by the passage of legislation or a decision of a court of competent jurisdiction such invalidation shall apply only to those portions thus invalidated and all remaining portions of this Agreement not invalidated

shall remain in full force and effect. Any substitution for the invalidated portion which is mutually agreed upon between the parties shall be reduced to writing and made a part of this Agreement.

ARTICLE 30 – DURATION

30.1 This Agreement shall continue in full force and effect from October 1, 2013 to and including September 30, 2018 and shall thereafter be automatically renewed from year to year unless either party notifies the other of its desire to change, modify or terminate the Agreement.

Either party desiring to change, modify or terminate this Agreement must notify the other party in writing at least sixty (60) and no more than ninety (90) days prior to the expiration date of this Agreement or any year in which notice of change or termination is given.

The parties agree that, if practical, all proposals for a new contract shall be exchanged between the parties at least forty-five (45) days prior to the expiration date of this Agreement. Such proposal shall be specific as to the exact articles desired to be changed or new articles to be added.

**OFFICE AND PROFESSIONAL
EMPLOYEES INTERNATIONAL
UNION LOCAL 30, AFL-CIO**

By: 

Title: Executive Director/ CFO

Date: Jan. 29, '14

ABF FREIGHT SYSTEM, INC.

By: 

Title: Director, Industrial Relations

Date: 2-6-14