



OFFICE EMPLOYEES AGREEMENT
ALBUQUERQUE, NM
DENVER, CO

BETWEEN

ABF FREIGHT SYSTEM

AND

OFFICE AND PROFESSIONAL EMPLOYEES
INTERNATIONAL
UNION LOCAL #251, AFL-CIO

OCTOBER 1, 2018 THROUGH DECEMBER 31, 2023

A G R E E M E N T
between
ABF FREIGHT SYSTEM
and
OFFICE AND PROFESSIONAL EMPLOYEES INTERNATIONAL UNION
LOCAL #251, AFL-CIO
ALBUQUERQUE, NEW MEXICO

AGREEMENT made this 1st day of October, 2018 by and between ABF FREIGHT, hereinafter called the "Employer" and the OFFICE AND PROFESSIONAL EMPLOYEES INTERNATIONAL UNION #251, AFL-CIO, hereinafter called the "Union".

The Employer, its Employees, and the Union have a common interest in the progress and efficient operation of ABF FREIGHT. Therefore, adjustment of differences by rational common sense methods, based on mutual confidence between the Employer and the Union, and between the Employer and its employees, will contribute to progress in the trucking industry and promote harmony among the Employer, its employees, the Union and the Public.

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained, the parties hereto agree with each other with respect to the employees of the Employer recognized as being represented by the Union as follows:

ARTICLE 1 - RECOGNITION

The Union (OPEIU Local 251) shall be the sole representative of those classifications of employees covered by this Agreement in Collective Bargaining with the Employer for office and clerical employees currently or in the future who perform Albuquerque proper clerical work in Albuquerque, New Mexico and Denver, CO including parts-men, but excluding supervisors as defined in the National Labor Relations Act, drivers, dock workers, clerical workers performing clerical functions for other metropolitan areas that are not classified as Albuquerque proper work or Denver proper work and all other employees as certified by the NLRB, Case No. 33-C-457 dated August 21, 1953.

ARTICLE 2 - MANAGEMENT OF THE BUSINESS

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

ARTICLE 3 - UNION SECURITY

Section 1

The Employer 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 thirty-one (31) days of continuous employment.

Section 2

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

Section 3

The Chief Shop Steward will be notified when a new bargaining unit employee is hired. The Chief shop steward where the new employee will be employed may meet with the new employee within 15 days of his or her becoming employed. At that time, the steward may, for at least thirty minutes during paid time, make a presentation to the new employee(s) regarding their rights and contract benefits as well as provide him or her with union literature.

ARTICLE 4 - PAYROLL DEDUCTIONS OF UNION DUES AND INITIATION FEE

Section 1

The Employer 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.

Section 2

Within one (1) calendar week following the pay day on which the deduction has been made, the Employer shall deliver to the Union treasurer a check for the amount due 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) No deduction has been made because of insufficient earnings available in the current pay period.

Section 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

Should the Employer require any employee to post bond, cash bond shall not be compulsory and any premium involved shall be paid by the Employer. However, if the Employer's regular bonding company refuses to bond any employee and the employee is able to secure a bond elsewhere, said employee shall pay the difference in the premium involved, as compared to the premium paid by the Employer for the other employees in the same classification. The Employer reserves the right to approve the outside bonding agency.

ARTICLE 6 - PICKET LINES

Section 1

It shall not be a violation of this Agreement, and shall not be a cause for discharge or disciplinary action, in the event an employee:

- (a) refuses to enter upon any property of his Employer involved in a lawful primary labor dispute or refuses to go through or work behind any lawful primary picket lines at his Employer's place of business, including picket lines of the Union party to this Agreement; or
- (b) refuses to go through or work behind any picket line, including picket lines of the Union party to this Agreement, at the places of business of any other Employer where the employees of such Employer are engaged in a strike ratified or approved by the Union of such employees whom such employer is legally required to recognize.

Section 2

As a result of individual employees exercising their rights under this Agreement or under Law, the Employer shall, notwithstanding any other provisions in this Agreement, when necessary, handle, use, transport or otherwise deal in such products and continue doing such business by use of other employees (including management representatives), other carriers, or by any other method it deems appropriate.

ARTICLE 7 - ABSENCE

Section 1

Injury and Illness - Employees absent due to illness or injury, including maternity leave, shall maintain their seniority status. Upon an employee's return to work, the Employer may require satisfactory proof of illness or injury and/or a release to return to his/her normal duties from a physician. The Employer may, in addition, require examination and release by a physician of its choice. The Union may, if it believes an injustice has been done an employee, have said employee re-examined at the Union's expense. In the event of disagreement between the doctor selected by the Employer and the doctor selected by the Union, the Employer and Union doctors shall together select a third doctor within seven (7) days, whose opinion shall be final and binding on the Employer, the Union and the employee. Neither the Employer nor the Union nor the employee shall attempt to circumvent the decision. The expense of the third doctor shall be divided equally between the Employer and the Union.

Section 2

Personal Leave - Upon written request setting forth the reason(s) therefore, an employee may, by mutual agreement between the Employer and the Union, be granted a leave of absence for personal reasons not to exceed 60 calendar days. Personal leave shall not be granted to accept employment elsewhere.

Section 3

All employees who worked for the Employer 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.

ARTICLE 8 - BULLETIN BOARDS

The Employer agrees that the Union is entitled to post notices of Union meetings and Union business affecting office personnel on an office employee's section of the company bulletin board.

ARTICLE 9 - NON-DISCRIMINATION

Section 1

There shall be no discrimination, interference, harassment, or restraint against any employee because of membership, non-membership or legitimate activity in the Union by ABF or any of its agents, and the Union likewise agrees that there shall be no discrimination, interference, or coercion against any employees of ABF.

- (a) ABF shall not subject any employee to prejudice, retaliation, or discrimination because of action taken by representatives of the Union in presenting grievances instituted for such employee under the provisions of this Agreement.
- (b) Neither the Union nor its officers, members, representatives, or agents, will intimidate or coerce employees into joining or continuing their membership in the Union.

Section 2

Neither the Union nor ABF shall unlawfully discriminate against any employee because of race, religion, color, sex, age, or national origin, physical or mental disability, sexual orientation, or because he/she is a disabled or special disabled veteran or a veteran of the Vietnam era. The Union and ABF will comply with all legal requirements regarding veterans, persons with disabilities, and those concerning sexual harassment.

ARTICLE 10 - ACCESS OF UNION OFFICIALS TO EMPLOYER PREMISES

Section 1

Representatives of the Union shall have the right to enter the premises of the Employer to investigate working conditions, grievances or disputes. They shall have the right to meet with Stewards, 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 Employer. Such Union Representatives shall report to the designated Employer Representative upon entering such premises

Section 2

Whenever a supervisor places correspondence of a disciplinary nature in the employee's file it will be discussed with the employee. A Union representative will be present if requested by the employee. If any discussion, in the opinion of the employee, may result in disciplinary action, the employee may request Union representation. Copies of disciplinary correspondence will be given to the employee and the Union. In cases where the employee refuses Union representation, a copy will be given to the Union if the employee signs a release.

ARTICLE 11 - PAYMENT OF WAGES

Employees shall be paid on a weekly basis with no more than two (2) weeks' pay to be held back by the Employer. Friday of each week shall be the payday.

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

Employees shall be permitted to take two (2) ten (10) minute rest periods to be scheduled by the Employer 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.

Any shop employee may volunteer to work straight eight with no lunch prior to any bid award. During the bid period the shop employee may return to the normal lunch schedule providing they give one week's written notice of their desire to return to the normal lunch schedule.

The shop employee choosing straight eight with no lunch will be allowed to combine their two (2) fifteen minute breaks and take them at the time other shop employees take their lunch breaks. An employee may elect to combine his breaks (to be taken as a lunch period) or he may take them as separate fifteen minute rest periods. Once he elects one method or the other he must remain on that schedule until he provides at least one week's written notice that he wants to change his rest period breaks.

ARTICLE 13 - HEALTH CARE

Effective with this agreement the employer will continue to participant in Teamcare "Plan TA". The current contribution rate is \$299.20 per week for each qualifying employee.

Effective January 1, 2019, the Employer shall contribute the sum of \$311.20 per week for each qualifying employee.

Effective January 1, 2020, the Employer shall contribute the sum not to exceed 106% of the rate in effect for the previous year, per week, for each qualifying employee.

Effective January 1, 2021, the Employer shall contribute the sum not to exceed 106% of the rate in effect for the previous year, per week, for each qualifying employee.

Effective January 1, 2022, the Employer shall contribute the sum not to exceed 108% of the rate in effect for the previous year, per week, for each qualifying employee.

The Trust Agreement of the Central States, Southeast and Southwest Areas Health & Welfare Fund is incorporated by reference into this agreement and the Employer agrees to be bound by that agreement.

Contributions shall be paid on each full-time employee covered by this agreement who has been on the payroll for 30 calendar days. With respect to casual employees, the parties agree that Contributions shall not be owed on casual employees.

The trigger for qualifying for a weekly Health Welfare contribution will be three days (punches) of compensation. Contributions shall be paid for each contribution period an employee is entitled to receive compensation, including regular and overtime pay, holiday pay, vacation pay, sick pay or back pay. In addition, if an employee is absent and receiving no wages due to an absence caused by an illness or off the job injury, and they notify the employer of such absence, the first full week following the absence, the Employer shall continue to pay contributions for a period of 4 full weeks. If an employee is receiving no compensation due to an absence caused by an on the job injury, the first full week following the absence, the Employer shall continue to pay contributions until such time as the employee returns to work; however, such contributions shall not be paid for a period of more than 52 weeks. When the employee is off due to illness or on-the-job injury and company is otherwise obligated to make contributions under the provisions of this agreement, the employer obligation to contribute will cease absent the employee's timely payment of the employee's premium cost sharing amount to the employer.

Health & Welfare Plan

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 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 if necessary to maintain the Health and Welfare benefit, the Employer shall increase its contribution to the Teamcare Plan TA Health & Welfare Plan, as follows:

<u>Effective Dates</u>	<u>Increases in Employer Contributions</u>
January 1, 2019	up to an additional \$.50 per hour
January 1, 2020	up to an additional \$.50 per hour
January 1, 2021	up to an additional \$.50 per hour
January 1, 2022	up to an additional \$.50 per hour

Employee Premium Cost Sharing – Based on the above the employee agrees to premium cost sharing of the monthly contribution rates of \$45.00 in the amount of \$ 10.39 to be deducted from the employee's pay on a weekly basis.

Monthly, daily and/or hourly contributions shall be converted from the hourly contributions in accordance with past practice. The employer shall only be required to pay those portions of the "up to" \$.50 per hour increases that are necessary to maintain the benefits as described above.

Note: If the employee is responsible for a portion of the contribution amount, the employee may reimburse the Employer for their portion of the contribution amount through payroll deductions or other means; however, the agreement shall state: The Employer agrees to bear the responsibility for the full contribution regardless of whether the Employer can collect co-pays from employees.

ARTICLE 14 - PENSION PLAN

For full time employees (not laid off) on the seniority roster, the Employer agrees, effective on the dates and in the amounts per hour indicated below, to make a contribution on behalf of each employee to the Western States Office Employees Pension Fund.

Effective Date: October 1, 2018	Rate Per Hour: \$4.45
Effective Date: October 1, 2019	Rate Per Hour: \$4.45
Effective Date: October 1, 2020	Rate Per Hour: \$4.45
Effective Date: October 1, 2021	Rate Per Hour: \$4.45
Effective Date: October 1, 2022	Rate Per Hour: \$4.45

RED CIRCLED Denver Employees will be frozen for the five years as stated above at \$6.76

- (a) Subject to a maximum of two thousand eighty (2,080) hours per calendar year and subsection (c) below, contributions shall be made for each compensable hour.
- (b) If an employee is injured on the job, the Employer shall continue to make the required contributions not to exceed forty (40) times the hourly contribution rate per week, until the employee returns to work, but not to exceed six (6) months.
- (c) This section shall not apply to employees with less than eighty-one (81) compensable hours per month.

Pension Legislation

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 NMFA as it relates to the pension contribution rates. If the parties do not agree on a mutually satisfactory resolution to negotiations over such issue 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.

401(k) Retirement Savings Plan

The Employer has executed and will abide by the Teamster National 401(k) Plan Participation Agreement. The Plan offers both Pre-tax Contributions and Elective Deferral Roth Contributions

OPEIU employees are eligible to participate in the Teamster National 401(k) plan under this agreement. The Employer will make or cause to be made, payroll deductions from the participating employee's wages, in accordance with each employee's salary deferral election subject to compliance with ERISA, Section 401(k) of the Internal Revenue Code and any other relevant provisions of the tax code. The_employer shall also authorize the Plan to allow for a participating employee, upon their request, to take out loans on their contributions to the Plan.

ARTICLE 15 - SENIORITY

Section 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 Section 3(a) 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, Section 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 casual hourly wage rate when put to work.

Section 2

Seniority shall prevail for layoff, recall, transfer and job assignment provided the employee is qualified to perform the job.

- (a) There shall be one bargaining unit consisting of two separate seniority rosters, namely office and shop.
- (b) Seniority rights and privileges may not be exercised alternately between the two rosters.
- (c) Seniority shall be continuous from the date on which the employee acquires seniority under this Agreement.

Section 3

(a) Newly hired employees may acquire seniority rights and privileges by working as a supplemental employee for thirty (30) working days out of any ninety (90) calendar day period. Days or hours worked replacing regular employees absent for any reason shall not be counted. Upon acquiring seniority under this provision, the employee will be subject to a probationary period of thirty (30) calendar days during which time he/she may be terminated without recourse. Upon successful completion of the probationary period, the employee shall be added to the seniority roster with a date to coincide with the beginning date of the probationary period. Prior to gaining seniority rights as described herein, new employees shall not be entitled to any of the benefits or guarantees of this Agreement except the applicable hourly rates when put to work.

(b) Temporary agency employees utilized as supplemental employees in excess of 35 hours per week during a consecutive 90 calendar day period will require the Company to add a regular employee to the seniority roster. The Company is not obligated to add the temporary agency employee but may add an individual of its choosing that meets the hiring requirements of the Company.

Upon acquiring seniority under this provision, the employee will be subject to a probationary period of thirty (30) calendar days during which time he/she may be terminated without recourse. Upon successful completion of the probationary period, the employee shall be added to the seniority roster with a date to coincide with the beginning date of the probationary period. Prior to gaining seniority rights as described herein, new employees shall not be entitled to any of the benefits or guarantees of this Agreement except the applicable hourly rates when put to work.

(c) The addition of such probationary employees, from (a) and (b) above, must be completed within sixty (60) days upon mutual agreement with the local union that such probationary employees should be added to the roster. In the event of a layoff of regular employees during this hiring period, the sixty (60) day hiring period will

be suspended. Upon recall of the last regular employee on layoff the balance of the sixty (60) day hiring period shall resume.

Section 4

An employee taking a leave of absence pursuant to the provisions of Article 7, Section 2, for the purpose of accepting employment with the Union or with the Employer in a capacity outside the bargaining unit shall accumulate no further seniority beyond the date the leave begins. If the employee does not return to a job classification covered by this Agreement upon expiration of the leave of absence, he/she 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, his/her seniority shall resume from the time it was stopped, eliminating the period of time worked outside the classification.

Section 5

An employee's seniority shall be broken for any of the following reasons:

- (a) Voluntary quit.
- (b) Discharge for just cause. The Employer may, without prior warning, discipline or discharge any employee for just cause and simultaneous notification must be given to the local union. Just cause shall include but not be limited to the following:
 - (1) Possession, drinking of or being under the influence of alcoholic beverages or narcotics while on duty or while on company property.
 - (2) Disorderly conduct or fighting while on duty or while on company property.
 - (3) Excessive absenteeism.
 - (4) Dishonesty.
 - (5) Unprovoked physical assault upon a supervisory employee.
 - (6) Failure to submit to a determinative test upon request if an employee appears to be under the influence of alcoholic beverages or narcotics.
- (c) More than three (3) years layoff.
- (d) Failure to return to work from layoff within five (5) work days following delivery or attempted delivery of the Employer's notice of recall mailed to the employee's last known address by certified mail, return receipt requested. A copy of the Employer'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 in the armed services.
- (g) Failure to return on the first work day following the end of an authorized leave of absence without an authorized extension by both the Employer and the Union or without other Employer authorization to be absent. Proven illness shall be considered authorized absence as provided in Article 7.

Section 6

All newly created jobs or vacancies shall be posted on the bulletin board for four (4) consecutive working days with a copy to the local union. Each posting shall specify the job group and the qualifications required to perform the job duties. Employees desiring to bid on posted jobs must submit a written bid to the Employer with a copy to the Union Steward prior to the close of the four (4) day posting period. Within five (5) days after the close of bidding, the Employer shall award the posted job(s) to the senior qualified bidder(s). If there are no bids on a

posted job, the Employer may assign the junior qualified employee, if any, to the job.

Section 7

The Employer shall allow a ten (10) day on-the-job training period to any employee the Employer feels is unqualified for the job on which the employee has exercised seniority. Such employee will be allowed an additional five (5) days to demonstrate the ability to perform the job after the Employer has notified the employee of any specific performance deficiencies. If the employee is unable to demonstrate the ability to perform the job he shall be disqualified and may exercise seniority on any job held by a junior employee for which he may be qualified. Employees off duty on account of vacation, temporary sickness or accident for a period not to exceed ninety (90) days may bid on any job vacancy by giving notice to the Employer and the Union Steward of their desire to be considered for any job vacancies which may occur while absent from work.

Section 8

If an employee's job is abolished or otherwise disturbed, he/she may exercise seniority on any job held by a junior employee for which he may be qualified.

Section 9

If an employee becomes physically incapacitated and/or fails to demonstrate ability to perform the job, the Employer and Union may mutually agree to a "special circumstance" assignment and/or rate of pay for such employee.

Section 10

When it becomes necessary to reduce the working force, the last employee hired shall be laid off first and when the force is again increased, employees are to be returned to work in the reverse order in which they were laid off. Employees so laid off shall be given three (3) days' notice or three (3) days' pay in lieu of such notice unless the layoff is due to emergency, catastrophe, work stoppage or other event beyond the control of the Employer.

Section 11

The steward shall have super-seniority only to maintain employment with the Employer provided he/she is qualified. The Union agrees to advise the Employer in writing the name of the employee selected as steward.

Section 12

A list of employees arranged in the order of their seniority shall be posted in a conspicuous place in the Employer's office with a copy to the Local 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 and final. Controversies regarding seniority shall be settled by the Employer and the Union. Failing settlement by these parties, the controversy shall be processed under the grievance procedure outlined in Article 26 of this Agreement. Errors made in the process of transcribing when preparing a new seniority roster may be corrected at any time.

Section 13

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 purpose 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.

ARTICLE 16 - SUPERVISORS PERFORMING WORK

Supervisory employees shall not perform work on the jobs covered by this Agreement except as follows:

- (a) In the instruction or training of employees.
- (b) In the investigation or experimentation of new procedures necessary to the performance of supervisory duties.
- (c) In the event of an emergency.

No employees, whether from other unions or non-union employees, will be allowed to perform OPEIU work that is traditionally performed by OPEIU employees.

ARTICLE 17 - HOLIDAYS

Section 1

The following holidays will be observed: New Year's Day, Memorial Day, July Fourth, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve Day, and Christmas Day, 2 Personal Holidays, Employee's Anniversary Date and Employee's Birthday .

Section 2

Should any of the holidays herein fall on a non-scheduled workday, except Sunday, the Employer may, at its option, designate as the holiday the last work day 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.

Section 3

Holiday pay, when no work is performed, shall be paid at eight (8) hours of the applicable straight time hourly rate of pay. When an employee is required to work on a holiday, the pay for such work shall be twice the applicable hourly rate for all time actually worked in addition to the holiday pay except for work performed on Day after Thanksgiving and December 24th.

Section 4

Employees shall not be eligible for holiday pay while in layoff status unless the layoff occurred fifteen (15) or less calendar days prior to the holiday. If an employee has been in layoff more than fifteen (15) days prior to the holiday, he/she may be eligible for holiday pay by working both the work days immediately preceding and following the holiday, if requested to do so by the Employer.

Section 5

An employee absent due to illness or injury for thirty (30) or more consecutive days shall not be entitled to holiday pay for a holiday occurring after the first thirty (30) days of absence due to illness or after the first six (6) months of absence due to occupational injury.

Section 6

Part-time employees are eligible for four (4) hours holiday pay provided the part-time employee works a minimum of twenty (20) hours in the week preceding the holiday week. Casual employees are not eligible for holiday pay.

ARTICLE 18 - VACATIONS

Section 1

Bargaining unit employees may qualify for vacation upon completion of a minimum number of years as follows:

<u>Earned Vacation Days</u>	
One (1) year	5
Two (2) years	10
Eight (8) years	15
Fifteen (15) years	20
Twenty (20) years	25
Thirty (30) years or more	30

At the Employer's option, employees who have earned twenty-five (25) days vacation may be granted either the last five (5) days off or pay in lieu thereof, likewise, employees who have earned thirty (30) days vacation may be granted either the last ten (10) days off or pay in lieu thereof.

Section 2

- a. The rate of pay for each day of earned vacation shall be nine (9) times the applicable straight time hourly rate.
- b. Upon request, employees may receive vacation pay when earned or defer vacation pay until the first segment of vacation is taken. The rate shall not be affected.

Employees shall be allowed to split earned vacation in full week increments, other than as herein provided, and the number of times an employee is allowed to split vacation time shall be restricted only by the amount of vacation the employee has accrued. In addition, employees may elect to schedule all of accrued vacation in increments of one (1) day or more in accordance with (1) and (2) below.

- 1. Employees must notify the Employer at the time of the annual bid of his/her election to schedule one (1) week of vacation in one (1) day increments.
- 2. Employees must give the Employer written notification of one (1) day vacation schedule at least fifteen (15) days prior to the date of the requested vacation day. The day shall be granted by the Employer if operationally possible. In the event there is an excessive number of employees who select the same day, granting of this day shall be on a seniority basis and the number of employees allowed to schedule this day shall not be unreasonable.

- c. Employees electing to split their vacations will be paid for all vacation weeks earned at the time the first segment is taken or, at the employee's option, vacation may be paid as used.
- d. Employees must bid all segments. Bids will be posted and those electing to split vacations will bid the first segment with those who do not or are not entitled to split vacations. Thereafter, another bid will be posted for those employees who split vacations to bid subsequent segments.

Section 3

Vacations may be selected by seniority. However, the Employer may determine the number of employees to be on vacation at any one time based on the needs of the business.

Section 4

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 Employer, an additional day of pay at eight (8) times the applicable straight time hourly rate.

Section 5

- a. Pro rata earned vacation shall be paid to employees with more than one (1) year seniority upon layoff, when requested, or termination for any reason.
- b. Pro rata vacation pay shall be computed on the ratio of days worked to 260. Days worked shall include days absent for jury duty, required military service not exceeding 30 work days, paid vacation days and paid holidays. A pro rata vacation payment for which such absent days are counted must include an equal number of days worked before any payment is earned.

Section 6

Part-time employees are eligible for a pro rata vacation based upon the average weekly hours worked in the preceding anniversary year. The pro rata vacation pay for a part-time employee is based upon a maximum of forty (40) hours per week. Casual employees are not eligible for vacation pay.

ARTICLE 19 - WORK DAY, WORK WEEK

Section 1

The guaranteed work week shall be five (5) consecutive days in seven days. The guaranteed work day shall be eight (8) hours per day. Holidays which fall on a scheduled work day shall be considered time worked in making up the weekly guarantee. The weekly guarantee shall not apply in the event of a work stoppage which may occur anywhere in the Employer's scope of operations which may affect the workload of employees covered by this Agreement, civil commotion, act of God or any other occurrence beyond the control of the Employer which may affect work performed under this Agreement. The weekly guarantee shall not apply to employees who have been placed in layoff status by proper written notice. The Employer 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.

Section 2

Twenty percent (20%) of the active (not on layoff) seniority roster (at least one (1) employee) shall not be entitled to the guarantees herein except the eight (8) hour guarantee when called to work and shall be unassigned as to days of the week and starting times. Employees on the seniority roster as of April 30, 1985 shall not be required

to work unassigned under this provision. It is agreed between the parties that in the application of this provision, the Employer is entitled to five (5) straight time work days from an unassigned employee, Sunday through Saturday, inclusive. Therefore, any paid time off in addition to five (5) straight time days shall not trigger premium pay.

Section 3

The Employer shall have no further daily obligation to a part-time or casual employee who has completed four (4) straight time hours. The weekly guarantee shall not apply to part-time and casual employees.

Section 4

For Shop employees only, any shifts starting on or after 06:00 hours and before 09:00 hours shall be considered day shifts, any shifts starting on or after 09:00 hours and before 17:30 hours shall be considered swing shifts, any shifts starting on or after 17:30 hours and before 06:00 hours shall be considered graveyard shifts. A Shop employee's starting time shall not be changed prior to the completion of his/her workweek.

Section 5

A bid employee who misses a bid workday due to unexcused absence or unpaid sick day (no sick leave available) breaks his/her weekly guarantee and may not make up the missed workday except as noted in (5) below. The following shall set forth the order of work and rates of pay.

(1) Bid employees working their regular bid day. **Straight Time**

(2) Twenty percent (20%) employees who have not been offered five (5) workdays in the Sunday through Saturday workweek, including the replacement of guaranteed employees absent from work on a day-to-day basis, including long-term disabilities. This provision shall not have application to the replacement of a regular employee who failed to notify the Employer he would be absent from a scheduled workday prior to his bid start time (no-call/no-show), in which event the Employer may use a casual to replace such absence. **Straight Time**

(3) Once the provisions of (1) and (2) have been exhausted, the Employer may then use replacement casuals to fill the absence of any regular employee, including twenty percent (20%) employees. **Straight Time.**

(4) Bid people who worked their five (5) consecutive days, and twenty percent (20%) employees who worked the first five (5) days offered. **Premium Time.**

(5) Bid people who did not work their five (5) consecutive days, and twenty percent (20%) employees offered and not reporting for five (5) workdays in the workweek. **Straight Time**

(6) Supplemental Casuals. **Straight Time**

Section 6

When an employee needs to take time for pre-scheduled medical appointments, with supervisor approval, they will be allowed to work early or late to make up the time at straight time within the same bid week. A week's notice will be given when possible. This is not to be substituted for overtime work. All of the above subject to approval by supervision.

ARTICLE 20 - OVERTIME

Section 1

All time worked in excess of eight (8) hours in a regularly scheduled work day and all time worked in excess of forty (40) hours in a regularly scheduled work week shall be paid at one and one-half times the applicable straight time hourly rate.

Section 2

(a) Employees drafted to work hours outside of their normal scheduled shift shall be paid the premium rate of one and one-half (1 ½) times their regular rate for such hours provided the employee works such hours in addition to his/her normal scheduled shift, otherwise, such hours will be at the regular rate.

(b) An employee recalled to work after completing eight (8) hours and leaving the Employer's premises shall be guaranteed four (4) hours at one and one-half (1 ½) times the applicable straight time hourly rate of pay.

Section 3

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.

Section 4

If the Employer elects to offer work opportunity to regular employees on a non-scheduled workday, and the rate of pay for such work is at a premium rate, such work opportunity will, as a rule, be offered to the senior qualified employee. If briefing or training of any extent would not be required of a junior employee to obtain the most expedient results, the senior employee may be bypassed for such work opportunity.

ARTICLE 21 - SHIFT PREMIUMS

Shift premiums being paid to individual employees as of the effective date of this Agreement will continue to be paid to such employees as long as they remain on the shifts for which the premium was established. When employees presently on premium shifts elect to come off such shifts or if such shifts are discontinued, there will be no further premium shifts established.

Shop employees working shifts other than Day shifts shall be paid twenty (20) cents per hour above the Day shift rate for Swing shift and twenty-five (25) cents per hour above the Day shift rate for working Graveyard shifts.

Shift premium to start at the beginning of the shift.

ARTICLE 22 - WAGE RATES AND CLASSIFICATIONS

Wage rates and classifications for employees covered by this Agreement as set forth in Appendix "A" are attached hereto and by reference constitute a part of this Agreement.

Ratification Payment:

Active full-time employees as of the date of ratification will receive a \$1,000.00 lump sum payment, less applicable taxes. Inactive full-time employees, including those on approved leave of absence, worker's compensation and disability leave, shall receive the lump sum payment upon recall or return to active full-time status between date of ratification and December 31, 2018. Casual employees, as of the date of ratification, who have worked at least 300 hours between January 1, 2018 and June 31, 2018 will receive a \$500.00 lump sum payment. Payment of the lump sum will be made by separate check and within thirty days of ratification.

General Wage Adjustment

Effective payroll period following ratification October 1, 2018	+\$0.30 per hour
Effective October 1, 2019	+\$0.35 per hour
Effective October 1, 2020	+\$0.40 per hour
Effective October 1, 2021	+\$0.45 per hour
Effective October 1, 2022	+\$0.50 per hour

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

ARTICLE 23 - SICK LEAVE

Section 1

Sick leave is available after one year of service for full-time regular employees. It is to be used for the illness of the employee only. Six (6) paid sick days are provided on the employee's anniversary date and may be accumulated up to a maximum of twenty days.

Section 2

The Employer may require an employee to submit proof of illness prior to payment of sick leave benefits. Fraudulent use of sick leave shall be considered just cause for termination of employment.

ARTICLE 24 - TEMPORARY ASSIGNMENTS

An employee temporarily assigned to work in a lower paying classification shall not be paid the lower rate for such temporary assignment. An employee temporarily assigned to work in a higher paying classification shall receive the higher rate for each hour or fraction thereof in the temporary assignment.

ARTICLE 25 - TECHNOLOGICAL CHANGES

Section 1

In the event the Employer introduces automated procedures or office equipment, the Employer agrees to discuss any changes with the Union before they are made.

Section 2

The Employer agrees to offer employment in any newly created automated job to the present employees before hiring from the outside market.

Section 3

Should any new automated equipment or procedures require special training or instruction, the Employer agrees to allow present employees an opportunity to secure training or instruction to become qualified prior to going to the outside labor market.

ARTICLE 26 - GRIEVANCE PROCEDURE

Section 1

The Employer and the Union agree that grievances or disputes arising under this Agreement shall be settled as provided in this Article and in Article 27, Arbitration. A grievance shall also 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.

Section 2

A grievance must be presented to the Employer by the Union, the Union Steward or an employee, in writing, within 30 days following the act or incident which provoked the grievance or such grievance shall be deemed untimely and waived by the Union, Union Steward and employee.

In the event the Union fails to present a grievance within any of the applicable time limits prescribed in this Article and the parties fail to agree on an extension of such time limit, the grievance shall be barred from further processing without prejudice to the Union's right to present other grievances thereafter even though they involve the same subject matter.

In the event the Employer fails to reply within any of the applicable time limits prescribed in this Article and the parties fail to agree upon an extension of such time limit, the Union may present the grievance at the next step.

Section 3

Grievances shall be processed as follows:

Step 1. A grievance shall first be taken up with the office manager or shop supervisor. Failing settlement within five (5) days, the grievant shall have two (2) days to proceed to Step 2 or the grievance is barred from further processing.

Step 2. The grievance may be submitted to the Branch Manager or Regional Maintenance Supervisor. If the matter is not resolved within five (5) working days, the grievant shall have five (5) working days to proceed to Step 3 or the grievance shall be barred from further processing.

Step 3. The grievance may be presented by an officer of the Union to the Employer labor relations representative. If the matter is not resolved within thirty (30) calendar days from receipt of the grievance by the Employer labor relations representative, the Union shall have forty-five (45) days to initiate arbitration proceedings pursuant to Article 27, Arbitration. If such proceedings are not initiated within forty-five (45) days the grievance shall be deemed to have been withdrawn and there is no recourse to the provisions of Article 27. The time limits in this step may be extended by mutual agreement.

Section 4

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 Employer 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.

Section 5

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 at Step 2 within five (5) working days after attempted delivery or receipt of notification at 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 27, Arbitration.

ARTICLE 27 - ARBITRATION

Section 1

Grievances or disputes not resolved under the provisions of Article 26 may be submitted to arbitration by either the Employer or the Union. The time limitations specified in Article 26, Section 3 shall apply to the decision to seek arbitration. Within five (5) working days following receipt of the 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 Employer may select one arbitrator by mutual agreement or, failing mutual agreement, 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.

Section 2

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 Employer may mutually agree on additional specific limitations of the arbitrator's authority. The arbitrator shall not have jurisdiction or authority to alter, extend, modify or in any way change the provisions of this Agreement.

Section 3

The decision of the arbitrator shall be final and binding upon all parties to the arbitration.

Section 4

Fees and expenses of the arbitrator shall be borne equally by both parties.

ARTICLE 28 - FUNERAL LEAVE

Employees on the seniority roster shall be granted funeral leave resulting from death in the immediate family. Conditions applying to funeral leave are as follows:

- (a) Immediate family is defined as wife, husband, son, daughter, mother, father, mother-in-law, father-in-law, sister or brother.
- (b) Employee must attend the funeral.
- (c) The employee will be compensated for a maximum of three (3) days at the applicable straight time hourly rate for regularly scheduled work days missed during the period from and including the date of death to and including the date of the funeral.

ARTICLE 29 - JURY DUTY

Section 1

Regular seniority employees reporting for jury duty on a regularly scheduled work day and serving on a jury shall receive jury duty pay in the amount of the difference between eight (8) hours straight time pay and the total amount of monies received for jury service for each day of jury duty to a maximum of fifteen (15) days of jury duty service compensation per contract year.

Regular employees reporting for jury duty and not selected for jury service shall be required to report for work, if by reasonable efforts, such employee can complete four (4) or more hours of his/her normally scheduled work day. In such event, the employee shall be paid eight (8) hours straight time pay for the completion of the scheduled shift less total monies received for jury service.

The employee must present proof of jury duty and time of release to the employer including jury duty pay amounts and the employer shall pay jury duty pay the next regular pay period after receipt of the required information.

Section 2

Jury duty pay does not apply to jury duty served when an employee is on sick leave, funeral leave, vacation, holiday, worker's compensation, leave of absence or personal time off.

Employees shall inform the employer upon receipt of jury duty notice. Failure to so notify the employer will result in the disqualification of jury duty pay. When notified, the employee and the employer shall, by mutual agreement, reschedule any vacation which may occur during the period of jury service.

An employee on layoff status will not receive jury duty pay.

Section 3

Time spent on jury service will be considered time worked for purposes of employer contributions to pension plans, vacation eligibility, holidays and seniority in accordance with the agreement to a maximum of fifteen (15) days for each contract year.

ARTICLE 30 - TRANSFER OF TITLE OR INTEREST

The Employer agrees that this Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns. The Employer 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 31 – COST OF LIVING ADJUSTMENT

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 45 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”.

Annual COLA payable on October 1, 2018, October 1, 2019, October 1, 2020, and October 1, 2021 and October 1, 2022, if the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), U.S., all items, (1982-84=100) increases by more than 3.5% in relevant annual time periods.

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 1 cent increase in the hourly wage rates payable on October 1, 2018 and every October 1 thereafter. 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.

ARTICLE 32 - DURATION

This Agreement shall continue in full force and effect from October 1, 2018 to and including December 31, 2023 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) days prior to the expiration date of the Agreement or any year in which notice of change or termination is given.

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

ABF FREIGHT SYSTEM

**OFFICE & PROFESSIONAL EMPLOYEES
INTERNATIONAL UNION LOCAL #251
AFL-CIO**

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

**ABF FREIGHT SYSTEM & OPEIU LOCAL 251
2013 - 2018**

APPENDIX "A" - RATES OF PAY

1. The hourly rates of pay subject to Item 2 below shall be as follows:

	<u>10/1/18</u>	<u>10/1/19</u>	<u>10/1/20</u>	<u>10/1/21</u>	<u>10/1/22</u>
Office	\$24.09	\$24.44	\$24.84	\$25.29	\$25.79
(Red Circle 110)	\$24.70	\$25.05	\$25.45	\$25.90	\$26.40
Partsman	\$24.20	\$24.55	\$24.95	\$25.40	\$25.90

2. The casual rates of pay shall be as follows:

	<u>10/1/18</u>	<u>10/1/19</u>	<u>10/1/20</u>	<u>10/1/21</u>	<u>10/1/22</u>
	\$14.00	\$14.25	\$14.50	\$14.75	\$15.00

3. Part-time and casual employees are not subject to shift differential rates.

4. New Hire Rates will be as follows:

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

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:

<u>ABF Published Annual Operating Ratio</u>	<u>Bonus Amount</u>
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.

3. 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.