

**TEAMSTERS AND
AIR EXPRESS INTERNATIONAL, U.S.A., INC.
("AEI")
MASTER
AGREEMENT**



**For the Period of
January 1, 2025
through
December 31, 2028**

Covering:

operations in, between and over all of the states, territories and possessions of the United States,
and operations into and out of all contiguous territory.

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The AIR EXPRESS INTERNATIONAL U.S.A., INC. (hereinafter referred to as the “EMPLOYER” or “Company” or “AEI”) and the TEAMSTERS NATIONAL UNION NEGOTIATING COMMITTEE representing Local Unions affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, and Local Union Nos. 25, 295, 299, 500, 705, 745, 769, 856, and 986 which Local Union is an affiliate of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, agree to be bound by the terms and conditions of this Agreement.

ARTICLE 1. PARTIES TO THE AGREEMENT

Section 1.1 - Employer Covered

The Employer is signatory to this AEI Master Agreement and Supplemental Agreements as hereinafter set forth.

Section 1.2 - Unions Covered

The Union consists of any Local Union which may become a party to this Agreement and any Supplemental Agreement as hereinafter set forth. Such Local Unions are hereinafter designated as “*Local Union*.” In addition to such Local Unions, the designated national negotiating committee representing Local Unions affiliated with the International Brotherhood of Teamsters, hereinafter referred to as the “*National Union Committee*,” is also a party to this Agreement and the agreements supplemental hereto.

Section 1.3 - Transfer of Company Title or Interest

The Employer’s obligations under this Agreement including Supplements shall be binding upon its successors, administrators, executors and assigns. The Employer agrees that the obligations of this Agreement shall be included in the agreement of sale, transfer or assignment of the business. In the event an entire active or inactive operation, or a portion thereof, or rights only, are sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such operation or use of rights shall continue to be subject to the terms and conditions of this Agreement for the life thereof. Transactions covered by this provision include stock sales or exchanges, mergers, consolidations, spinoffs or any other method by which a business is transferred.

It is understood by this Section that the Employer shall not sell, lease or transfer such run or runs or rights to a third party to evade this Agreement. In the event the Employer fails to require the purchaser, transferee, or lessee to assume the obligations of this Agreement, as set forth above, the Employer (including partners thereof) shall be liable to the Local Union(s) and to the employees covered for all damages sustained as a result of such failure to require the assumption of the terms of this Agreement until its expiration date, but shall not be liable after the purchaser, the transferee or lessee has agreed to assume the obligations of this Agreement. The obligations set forth above shall not apply in the event of the sale, lease or transfer of a portion of the rights comprising less than all of the Employer’s rights to another company unless the purpose is to evade this Agreement. Corporate reorganizations by the Employer, occurring during the term of this Agreement, shall not

relieve the Employer or the reorganized Employer of the obligations of this Agreement during its term.

The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, assignee, or other entity involved in the sale, merger, consolidation, acquisition, transfer, spinoff, lease or other transaction by which the operation covered by this Agreement or any part thereof, including rights only, may be transferred. Such notice shall be in writing, with a copy to the Local Union, at the time the seller, transferor or lessor makes the purchase and sale negotiation known to the public or executes a contract or transaction as herein described, whichever first occurs. The Local Union shall also be advised of the exact nature of the transaction, not including financial details.

ARTICLE 2. SCOPE OF AGREEMENT

Section 2.1 - Master Agreement

The execution of this AEI Master Agreement on the part of the Employer shall apply to all operations of the Employer which are covered by this Agreement and shall have application to the work performed within the classifications defined and set forth in the Agreements supplemental hereto.

Section 2.2 - Supplements to Master Agreement

(a) There are several segments of the air freight industry covered by this Agreement and for this reason Supplemental Agreements are provided for each of the specific types of work performed by the various classifications of employees controlled by this Master Agreement.

All such Supplemental Agreements are subject to and controlled by the terms of this Master Agreement and are sometimes referred to herein as “*Supplemental Agreements*.” However, except as affirmatively and specifically provided elsewhere in this National Agreement that a specific term shall control over any contrary term in a supplement, nothing in this National Agreement shall deprive any employee of any superior benefit or term contained in their Supplement, Rider or Addendum, and superior provisions in this National Agreement shall control over and supersede any lesser conditions set forth in any Supplemental Agreement.

All such Supplemental Agreements are to be clearly limited to the specific classifications of work as enumerated or described in each individual Supplement.

In all cases involving the transfer of work and/or the merger of operations, the applicable terms and conditions of the AEI Master Agreement shall supersede those to the contrary in the Supplemental Agreements, including the resolution of any seniority related grievances that may arise following approval of the involved transfer of work and/or merger of operations.

(b) The jurisdiction covered by the Master Agreement and its various Supplements thereto shall be as described in the applicable Supplemental Agreement. Existing practices, rules and understandings, between the Employer and the Union, with respect to this work shall continue

except to the extent modified by mutual written agreement.

Section 2.3 - Non-covered Units

This Agreement shall not be applicable to those operations of the Employer where the employees are covered by a collective bargaining agreement with a Union not signatory to this Agreement, or to those employees who have not designated a signatory Union as their collective bargaining agent.

Section 2.4 - Card Check Recognition

(a) When a majority of the eligible employees performing work covered by an Agreement designated by the National Negotiating Committee to be Supplemental to the National Master Agreement execute a card authorizing a signatory Local Union to represent them as their collective bargaining agent at the terminal location, then, such employees shall automatically be covered by this Agreement and the applicable Supplemental Agreements. If an Employer refuses to recognize the Union as above set forth and the matter is submitted to the National Labor Relations Board or any mutually agreed upon process for determination, and such determination results in certification or recognition of the Union, all benefits of this Agreement and applicable Supplements shall be retroactive to the date of demand for recognition, unless otherwise agreed.

The parties agree that a constructive bargaining relationship is essential to efficient operations and sound employee relations. The parties recognize that organizational campaigns occur in bargaining relationships and that both parties are free to accurately state their respective positions concerning the organization of certain groups of employees. However, the parties also recognize that campaigns must be waged on the facts only. Accordingly, neither party will engage in the following conduct during the course of any campaign:

- Personal attacks against any past or current Union or Employer representatives
- Misrepresentation of facts
- Attacks against the Union or the Company as an institution
- Use of facts which intentionally cast a bad light on either party relating to improper activity.

Section 2.5 - Single Bargaining Unit

The employees, Unions, and Employer covered under this Master Agreement and the various Supplements thereto shall constitute one (1) bargaining unit and contract. It is understood that the printing of this Master Agreement and the aforesaid Supplements in separate Agreements is for convenience only and is not intended to create separate bargaining units.

Section 2.6 - Riders

(a) Upon the effective date of this Agreement, all existing or previously adopted Riders and/or

Supplements which provide less than the working conditions specifically established by this Agreement shall become null and void. Thereafter, the specific provisions of this Agreement and applicable Supplemental Agreements shall apply without being subject to variance by Riders. This Section shall not be applied or interpreted to eliminate operational, dispatch, or working rules not specifically set forth in this Agreement and Supplemental Agreements.

(b) The parties have agreed to consider the negotiation of Riders, Supplements and/or Addenda to cover certain types of operations, including unionized regional operations. Such Riders, Supplements and/or Addenda shall always be subject to approval by the Union designated committee, the Local Unions involved and, thereafter, must be ratified in a secret ballot by a majority of all of the Employer's Teamster represented employees in its nationwide bargaining unit.

ARTICLE 3. RECOGNITION, UNION SHOP AND CHECKOFF

Section 3.1 - Recognition

(a) The Employer recognizes and acknowledges that the designated National Union Committee and Local Unions affiliated with the International Brotherhood of Teamsters are the exclusive representatives of all employees in the classifications of work covered by this Master Agreement, and those Supplements thereto approved by the National Negotiating Committees for the purpose of collective bargaining as provided by the National Labor Relations Act.

Subject to Section 2.3 - Noncovered Units - this provision shall apply to all present and subsequently acquired operations and terminals of the Employer.

This provision shall not apply to wholly-owned and wholly independently operated subsidiaries which are not under contract with local IBT unions.

Union Shop

(b) All present employees who are members of the Local Union on the effective date of this Subsection or on the date of execution of this Agreement, whichever is the later, shall remain members of the Local Union as a condition of employment. Union membership, for purposes of this Agreement, is required only to the extent that employees must pay either (i) the Union's initiation fees and periodic dues or (ii) service fees which in the case of a regular service fee payer shall be equal to the Union's initiation fees and periodic dues, and in the case of an objecting service fee payer shall be the proportion of the initiation fees and dues corresponding to the portion of the Union's total expenditures that support representational activities. All present employees who are not members of the Local Union and all employees who are hired or added to the bargaining unit hereafter, shall become and remain members of the Local Union as a condition of employment on and after the thirty-first (31st) calendar day following the beginning of their employment in the bargaining unit or on and after the thirty-first (31st) calendar day following the effective date of this Subsection or the date of this Agreement, whichever is the later. An employee who has failed to acquire, or thereafter maintain, membership in the Union as herein provided, shall be terminated seventy-two (72) hours after his/her Employer has received written notice from

an authorized representative of the Local Union, certifying that membership has been, and is continuing to be, offered to such employee on the same basis as all other members and, further, that the employee has had notice and opportunity to make all dues or initiation fee payments. This provision shall be made and become effective as of such time as it may be made and become effective under the provisions of the National Labor Relations Act, but not retroactively.

For purposes of this Article, “present employees” and “employees who are hired hereafter” shall include “casual employees” as defined in Section 3.2 of this Agreement. Such “casual employees” will be required to join the Union on or before the thirty-first (31st) calendar day following their first (1st) day of employment by the Employer.

Hiring

(c) When the Employer needs additional employees, it shall give the Local Union equal opportunity with all other sources to provide suitable applicants, but the Employer shall not be required to hire those referred by the Local Union. Violations of this subsection shall be subject to the Grievance Committee.

Any employment examination for applicants must test skills or physical abilities necessary for performance of the work in the job classification in which the applicant will be employed. Violations of this subsection shall be subject to the Grievance Committee.

State or Federal Law

(d) No provision of this Article shall apply in any state to the extent that it may be prohibited by state or federal law. If under applicable state law additional requirements must be met before any such provisions may become effective, such additional requirements shall be first met.

Agency Shop

(e) If any agency shop clause is permissible in any state where the provisions of this Article relating to the Union Shop cannot apply, the following Agency Clause shall prevail:

(1) Membership in the Local Union is not compulsory. Employees have the right to join, not join, maintain, or drop their membership in the Local Union, as they see fit. Neither party shall exert any pressure on, or discriminate against, an employee as regards such matters.

(2) Membership in the Local Union is separate, apart and distinct from the assumption by one of his/her equal obligation to the extent that he/she receives equal benefits. The Local Union is required under this Agreement to represent all of the employees in the bargaining unit fairly and equally without regard to whether or not an employee is a member of the Local Union. The terms of this Agreement have been made for all employees in the bargaining unit and not only for members in the Local Union, and this Agreement has been executed by the Employer after it has satisfied itself that the Local Union is the choice of a majority of the employees in the bargaining unit. Accordingly, it is fair that each employee in the bargaining unit pay his/her own way and assume his/her fair share of the obligations along with the grant of equal benefits contained in this

Agreement.

(3) In accordance with the policy set forth under subparagraphs (1) and (2) of this subsection (e), all employees shall, as a condition of continued employment, pay to the Local Union, the employee's exclusive collective bargaining representative, an amount of money equal to that paid by other employees in the bargaining unit who are members of the Local Union, which shall be limited to an amount of money equal to the Local Union's regular and usual initiation fees, and its regular and usual dues. For present employees, such payments shall commence thirty-one (31) days following the effective date or on the date of execution of this Agreement, whichever is the later, and for new employees, the payment shall start thirty-one (31) days following the date of employment or transfer into the bargaining unit.

Savings Clause

(f) If any provision of this Article is invalid under applicable law, such provision shall be modified to comply with the requirements of state law or shall be renegotiated for the purpose of adequate replacement. If such negotiations shall not result in mutually satisfactory agreement within sixty (60) days of a written notice requesting such negotiations, or mutually agreed extensions thereof, then the matter shall be promptly submitted to and resolved by the National Grievance Committee, which shall issue a decision implementing one of the parties' final offers. The No Strike/No Lockout provisions of Article 7 shall remain in full force and effect in the event of such negotiations.

Employer Recommendation

(g) In those instances where subsection (b) hereof may not be validly applied, the Employer agrees to recommend to all employees that they become members of the Local Union and maintain such membership during the life of this Agreement, to refer new employees to the Local Union representative, and to recommend to delinquent members that they pay their dues since they are receiving the benefits of this Agreement.

Business agents shall be permitted to attend new employee orientations in right-to-work states. The sole purpose of the business agent's attendance is to encourage employees to join the Union.

No Violation of Law

(h) Nothing contained in this Section shall be construed so as to require the Employer to violate any applicable law.

Section 3.2 – Probationary and Casual Employees

(a) Probationary Employees

(1) A probationary employee shall work under the provisions of this Agreement, but shall be employed on a trial basis for ninety (90) calendar days or as provided for in each Supplement.

(2) During the probationary period, the employee may be terminated without further recourse; provided, however, that the Employer may not terminate the employee for the purpose of evading this Agreement or discriminating against Union members. A probationary employee who is terminated by the Employer during the probationary period and is then worked again at any time during the next full twelve (12) months at any of that Employer's locations within the jurisdiction of the Local Union covering the terminal where he/she first worked, except in those jurisdictions where the Local Union maintains a hiring hall or referral system, shall be added to the regular seniority list with a seniority date as of the date that person is subsequently worked. The rules contained in subsection (a)(2) are subject to provisions in the Supplements to the contrary.

(3) Probationary employees shall be paid at the new hire rate of pay during the probationary period.(4) The Union and the Employer may agree to extend the probationary period for no more than thirty (30) days, but the probationary employee must agree to such extension in writing.

(b) Casual Employees

(1) A casual employee is an individual who is not on the regular seniority list and who is not serving a probationary period. A casual may be either a replacement casual or a supplemental casual as hereinafter provided. Casuals shall not have seniority status. Casuals shall not be discriminated against for future employment.

(2) a. Replacement casuals may be utilized by an Employer to replace regular employees when such regular employees are off due to illness, vacation or other absence, except when an absence of a regular employee continues beyond three (3) consecutive months, a replacement casual shall not thereafter be used to fill such absence, unless the Employer and the Local Union mutually agree to the continued use of a replacement casual.

b. In the event that the Local Union's existing Supplement does not contain procedures for adding employees to the seniority list, the following provisions shall apply (However, if the Supplement contains procedures for adding employees to the seniority list, those existing procedures shall continue in full force and effect.):

Where the Company is using casuals as vacation replacements for regular employees, and the Area Supplemental Agreement does not provide a method to add regular employees based on the use of casuals to replace vacation absence, the vacation schedules shall be broken into yearly quarters beginning January 1st, and subsequent vacation quarters shall begin on April 1st, July 1st, and October 1st thereafter.

Starting with the quarter beginning April, 1991, and continuing each quarter thereafter, the Employer shall add one (1) additional employee to the regular seniority list for each sixty-five (65) vacation replacement days worked by a casual during each vacation quarter.

The application of this formula shall not result in pyramiding.

New employees shall be placed on the respective seniority lists on the first (1st) day of the following quarter unless there are employees in layoff status, in which case such new employees shall be placed on the respective seniority list at the time the laid-off employees are recalled from

layoff status.

Employees shall first be added to the regular seniority list from the preferential list, if applicable. Thereafter, employees to be added to the regular seniority list shall be determined by the respective Supplement and shall be subject to the probationary provisions of that Supplement.

In the application of this formula, employees specifically designated under an appropriate reporting procedure to replace absence other than vacations shall not be included as vacation replacements. It is the intent of the parties, in the application of this formula, to add regular employees to the seniority list to replace employees on vacation where there is regular work opportunity for such additional employees.

The implementation of this provision may raise issues particular to a respective Supplemental Agreement. Failure to resolve the issues, such Supplemental Negotiating Committee may agree to waive this provision, or submit the disputed issues to the National Grievance Committee.

(3) Supplemental casuals may be used to supplement the regular work force as provided for in each respective Supplement. Once the number of new employees to be added as required in the Supplement is determined, the Employer must initiate the processing of the new probationary employees immediately, and complete such processing as provided for in the Supplements.

(4) Unless waived in writing by any Local Union and the Employer, all Supplements shall provide for a preferential casual hiring list and shall provide the qualifications for placement on such list. Casuals on the preferential hiring list shall be offered available extra work and future regular employment in seniority order by classification as among themselves. A preferential casual employee's seniority date shall be the date he/she becomes a regular employee; and such employee shall not be subject to any probationary period.

Casual employees on the preferential hiring list shall have full access to the grievance procedure.

The provisions of Section 3.3 shall apply to casual employees on the preferential hiring list who are paid on the regular payroll.

Local Unions employing an exclusive hiring hall under the terms of the Supplemental Agreement may petition the Employer for approval to waive this subparagraph (4).

(5) Any employment examination for applicants must test skills or physical abilities necessary for performance of the work in the job classification in which the applicant will be employed. Violations of this subsection shall be subject to the grievance procedure.

(6) Fringe benefits will be paid on casuals in accordance with the terms of the Supplemental Agreement. Minimum daily guarantees will be governed by the respective Supplemental Agreement.

(7) A monthly list of all casual and/or probationary employees used during that month shall be submitted to the Local Unions by the tenth (10th) day of the following month. Such list shall

show:

- a. the employee's name, address, and social security number;
- b. the date worked;
- c. the classification of work performed each date, and the hours worked; and,
- d. the name, if applicable, of the employee replaced.

This list shall be compiled on a daily basis and shall be available for inspection by a Union representative and/or job shop steward.

(c) Employment Agency Fees

If employees are hired through an employment agency, the Employer is to pay the employment agency fee. However, if the Local Union was given equal opportunity to furnish employees under Section 3.1(c), and if the employee is retained through the probationary period, the fee need not be paid until completion of the probationary period.

Section 3.3 - Checkoff

The Employer agrees to deduct from the pay of all employees covered by this Agreement the dues, initiation fees and/or uniform assessments of the Local Union having jurisdiction over such employees and agrees to remit to said Local Union all such deductions. Where laws require written authorization by the employee, the same is to be furnished in the form required. The Local Union shall certify to the Employer in writing each month a list of its members working for the Employer who have furnished to the Employer the required authorization, together with an itemized statement of dues, initiation fees (full or installment), or uniform assessments owed and to be deducted for such month from the pay of such member. The Employer shall deduct such amount within two (2) weeks following receipt of the statement of certification of the member and remit to the Local Union in one (1) lump sum within three (3) weeks following receipt of the statement of certification. The Employer shall add to the list submitted by the Local Union the names and Social Security numbers of all regular new employees hired since the last list was submitted and delete the names of employees who are no longer employed. Checkoff shall be on a monthly or quarterly basis at the option of the Union. The Local Union and Employer may agree to an alternative option to deduct Union dues bi-monthly.

When an Employer actually makes a deduction for dues, initiation fees and assessments, in accordance with the statement of certification received from an appropriate Local Union, the Employer shall remit same no later than three (3) weeks following receipt of the statement of certification and in the event the Employer fails to do so, the Employer shall be assessed ten percent (10%) liquidated damages. All monies required to be checked off shall become the property of the entities for which it was intended at the time that such checkoff is required to be made.

Where an employee who is on checkoff is not on the payroll during the week in which the

deduction is to be made, or has no earnings or insufficient earnings during that week, or is on leave of absence, the employee must make arrangements with the Local Union and/or the Employer to pay such dues in advance.

The Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE. DRIVE shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from his/her paycheck on a weekly basis for all weeks worked. The phrase “weeks worked” excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to DRIVE National Headquarters on a monthly basis, in one (1) check, the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee’s social security number and the amount deducted from that employee’s paycheck. The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer’s actual cost for the expenses incurred in administering the weekly payroll deduction plan.

The Employer will recognize authorization for deductions from wages, if in compliance with state law, to be transmitted to Local Union or to such other organizations as the Union may request if mutually agreed to. No such authorization shall be recognized if in violation of state or federal law. No deduction shall be made which is prohibited by applicable law.

In the event that an Employer has been determined to be in violation of this Article by the decision of an appropriate grievance committee, and if such Employer subsequently is in violation thereof after receipt of seventy-two (72) hours’ written notice of specific delinquencies, the Local Union may strike to enforce this Article. However, such strike shall be terminated upon the delivery thereof.

Errors or inadvertent omissions relating to individual employees shall not constitute a violation.

Upon written request of an employee, the Employer shall make payroll deductions for the purchasing of U. S. Savings Bonds.

The Employer hereby agrees to participate in the Teamsters National 401(k) Savings Plan (the “Plan”) on behalf of all employees represented for purposes of collective bargaining under this agreement. The Employer is not required to participate in the Teamsters National 401(k) if Teamster employees were eligible to participate in an Employer sponsored 401(k) as of January 1, 1998.

The Employer will make or cause to be made payroll deductions from participating employees’ wages, in accordance with each employee’s salary deferral election subject to compliance with ERISA and the relevant tax code provisions. The Employer will forward withheld sum to State Street Bank or its successor at such time, in such form and manner as required pursuant to the Plan and Declaration of Trust (the “Trust”).

The Employer will execute a Participation Agreement with the designated National Union Negotiating Committee and the Trustees of the Plan evidencing Employer participation in the Plan effective prior to any employee deferral being received by the Plan.

Section 3.4 - Work Assignments

The Employer agrees to respect the jurisdictional rules of the Union and shall not direct or require its employees or persons other than the employees in the bargaining units here involved, to perform work which is recognized as the work of the employees in said units, except as understood or provided for in the Supplement. This is not to interfere with bona fide contracts with bona fide unions.

Section 3.5 – Local Union Defined; Multi-Union Unit/Single Contract

The term “Local Union” as used herein refers to the IBT Local Union which represents the employees of the particular Employer for the purpose of collective bargaining at the particular place or places of business to which this Agreement and the Supplements thereto are applicable, unless by agreement of the Local Union involved, or a jurisdictional award under Article 29 herein, jurisdiction over such employees, or any number of them, has been transferred to some other Local Union, in which case the term Local Union as used herein shall refer to such other Local Unions. Nothing herein contained shall be construed to alter the multi-union unit or single contract status of this Agreement.

Section 3.6 – Electronic Funds Transfer

If the Employer institutes an electronic funds transfer (EFT) system, employees may participate. All employees hired after August 6, 2014 shall be required to have their payroll deposited directly into a personal checking or savings account(s) via electronic funds transfer (EFT) system. If an employee is unable to obtain a bank account that will accept direct deposit of paychecks, he/she will be paid electronically using a pay card/debit card. Deposit statements reflecting the balance deposited and withholdings, deductions and other information normally found on one’s pay stub will be made available to employees each pay period.

ARTICLE 4. STEWARDS

The Employer recognizes the right of the Local Union to designate job stewards and alternates from the Employer’s seniority list. The Employer shall be advised in writing of the names of stewards and alternate stewards when this Agreement is executed and any changes thereafter.

The authority of job stewards and alternates so designated by the Local Union shall be limited to, and shall not exceed, the following duties and activities:

- (a) The investigation and presentation of grievances with his/her Employer or the designated company representative in accordance with the provisions of the collective bargaining agreement;
- (b) The collection of dues when authorized by appropriate Local Union action;
- (c) The transmission of such messages and information, which shall originate with and are authorized by the Local Union or its officers, provided such message and information;

(1) have been reduced to writing; or,

(2) if not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods, or any other interference with the Employer's business.

Unless waived in writing, there shall be a steward or available bargaining unit member of the employee's choice present whenever the Employer meets with the employee about grievances or discipline or to conduct investigatory interviews. If a steward is unavailable, the employee may designate a bargaining unit member who is available at the terminal at the time of the meeting to represent him/her. Meetings or interviews shall not begin until the steward or designated bargaining unit member is present. An employee who does not want a Union steward or available bargaining unit member present at any meeting or interview where the employee has a right to Union representation must waive Union representation in writing. If the Union requests a copy of the waiver, the Employer shall promptly furnish it.

Job stewards and alternates have no authority to take strike action, or any other action interrupting the Employer's business, except as authorized by official action of the Local Union. The Employer recognizes these limitations upon the authority of job stewards and their alternates, and shall not hold the Local Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the job steward or his/her designated alternate has taken unauthorized strike action, slowdown or work stoppage in violation of this Agreement.

The job steward, or his/her designated alternate, shall be permitted reasonable time to investigate, present and process grievances on the company property without loss of time or pay during his/her regular working hours without interruption of the Employer's operation by calling group meetings; and where mutually agreed to by the Local Union and the Employer, off the property or other than during his/her regular schedule without loss of time or pay. Such time spent in handling grievances during the job steward's or his/her designated alternate's regular working hours shall be considered working hours in computing daily and/or weekly overtime if within the regular schedule of the "job steward."

The job steward, or his/her designated alternate, shall be permitted reasonable time off without pay to attend Union meetings called by the Local Union. The Employer shall be given twenty-four (24) hours' prior notice by the Local Union.

ARTICLE 5. SENIORITY, LAYOFF AND RECALL

Section 5.1 – Seniority Rights

(a) The application of seniority which has been accrued herein shall be established in the Supplemental Agreements.

(b) Seniority shall be broken only by discharge, voluntary quit, retirement, or more than a five-(5)

year layoff.

(c) This Section shall apply to all Supplemental Agreements.

Section 5.2 – Mergers of Companies - General

(a) In the event the Employer is a party to a merger of lines, seniority of the employees who are affected thereby shall be determined by mutual agreement between the Employer and the Local Unions involved.

In the application of this Section, it is immaterial whether the transaction is called a merger, purchase, acquisition, sale, etc. Further, it is also immaterial whether the transaction involves merely the purchase of stock of one (1) corporation by another, with two (2) separate corporations continuing in existence.

Combining of Terminals or Operations as a Result of Merger of Companies

(b) In the application of this Section, when terminals or operations of two (2) or more companies are combined, the following general rules shall be applied by the Employer and the Local Unions, which general rules are subject to modification pursuant to the provisions of Section 5.3 of this Article:

Active Seniority List

(1) The active employee seniority rosters (excluding those employees on letter of layoff) shall be “dovetailed” by appropriate classification in the order of each employee’s full continuous classification seniority date that the employee is currently exercising. (The term “continuous classification seniority” as used herein is defined as that seniority which the employee is currently exercising and has not been broken in the manner provided in Section 5.1 of this Article or by voluntary changes in domicile.) The active “dovetailed” seniority roster shall be utilized first and until exhausted to provide employment at such combined terminal or operational location.

Layoff Seniority List

(2) In addition, the inactive seniority rosters (employees who are on letter of layoff) shall be similarly “dovetailed” by appropriate classification. If additional employees are required after the active list is exhausted, they shall be recalled from such inactive seniority roster and after recall such employees shall be “dovetailed” into the active seniority roster with their continuous classification seniority dates they are currently exercising which shall then be exercised for all purposes. Seniority rosters previously combining job classifications shall be continued unless otherwise agreed.

Temporary Authority

(c) Where only temporary authority is granted in connection with any of the transactions described above, then separate seniority lists shall continue only when terminals or operations are not

merged, unless otherwise agreed. The Employer which is to survive will assume the obligations of both collective bargaining agreements during the period of the temporary authority.

In the event of temporary merger of operations which are contingent upon approval by regulatory agencies or on other stated conditions, the seniority of the involved employees shall continue to accrue with their original Employer during the period of temporary merger, so that if there is no final consummation of the merger, the seniority of such employees shall be continued with their respective employers. However, if, on the failure of final consummation and dissolution of the merger, one of the parties to the proposed merger discontinues the operations which were subject to such merger, the employees of such Employer shall be granted seniority rights for all purposes with the other Employer only for the period of time they were employed in such temporary merged operations.

Exclusive Cartage Operations

(d) If in connection with the transactions described in these rules the successor Employer determines to discontinue the use of a local cartage company, the employees of that local cartage company who have worked exclusively on the pickup and delivery service which is retained by the successor Employer shall be given the opportunity to continue to perform such service as an employee of such successor Employer, and shall have their seniority “dovetailed” as described in the above rules.

Section 5.3 – Intent of Parties

(a) The parties acknowledge that the above rules are intended solely as general standards and further that many factual situations will be presented which necessitate different application, modification or amendment. Accordingly, the parties acknowledge that questions of the application of seniority rights may arise which require different treatment and it is anticipated and understood that the Employers and Unions jointly involved and/or the respective grievance committees may mutually agree to such disposition of questions of seniority which in their judgment is appropriate under the circumstances.

(b) In all instances, the disposition of questions involving the application of seniority rights made by the parties pursuant to this Section may be presented to the appropriate grievance committees provided herein whose decisions shall be final and binding.

Section 5.4 – Equipment Purchases

(a) The Employer shall not require as a condition of continued employment, that an employee purchase any equipment, or that any employees purchase or assume any proprietary interest or other obligation in the business. The requirements of this provision shall be maintained during the renegotiation of this Agreement unless either party has terminated the Agreement in the manner provided.

Section 5.5 - Posting Seniority List

(b) The Employer shall give the Local Union a seniority list at least every six (6) months, upon request. The Employer shall also post a seniority list at least once every six (6) months and shall maintain a current seniority roster at the terminal. Protest of any employee's seniority date or position on such list must be made in writing to the Employer within thirty (30) days after such seniority date or position first appears, and if no protests are timely made the dates and positions posted shall be deemed correct. Any such protest which is timely made may be submitted to the grievance procedure.

ARTICLE 6. MAINTENANCE OF STANDARDS

Section 6.1 – Maintenance of Standards

The Employer agrees, subject to the following provisions, that all conditions of employment in his/her individual operation relating to wages, hours of work, overtime differentials and general working conditions shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement, except as affirmatively and specifically provided elsewhere in this National agreement that a specific term shall control over any contrary term in any local supplement and/or prior practice and the conditions of employment shall be improved whenever specific provisions for improvement are made elsewhere in this Agreement.

Local Standards

(a) The Local Unions and the Employer shall, within one hundred eighty (180) days following ratification of this Agreement, identify and reduce to writing, and submit to the appropriate Regional Joint Area Committee, those local standards and conditions practiced under this Article. Such standards and conditions when submitted in accordance with this Section shall be currently dated. Those local standards and conditions previously practiced hereunder which are not so submitted shall be deemed to have expired.

The appropriate Regional Joint Area Committee shall, not later than ninety (90) days following ratification, adopt a procedure to consider the disposition of the local standards and conditions submitted including the right to appoint a subcommittee to make recommendations. The Regional Joint Area Committee shall provide to the parties the opportunity to present their views. The Regional Joint Area Committee shall have the sole discretion to determine the disposition of the submitted local standards and conditions which determination shall be final and binding.

(b) The Employer may during the life of this Agreement file with the appropriate Regional Joint Area Committee and request review of those individual standards and conditions claimed or practiced under this Article which exceed the provisions of this Agreement and Supplemental Agreements.

The Regional Joint Area Committee shall develop a procedure to review the filing including the right to appoint a subcommittee to make recommendations. The Committee shall make every effort to adjust the matter. If the Committee reaches agreement concerning the disposition of the individual standards or conditions, the decision of the Committee shall be final and binding. In the event of deadlock, the submitted standards and/or conditions shall continue as practiced.

General

(c) It is agreed that the provisions of this Article shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying the terms and conditions of this Agreement. Such bona fide errors may be corrected at any time.

Any disagreement between the Local Union and the Employer with respect to this matter shall be subject to the grievance procedure.

This provision does not give the Employer the right to impose or continue wages, hours and working conditions less than those contained in this Agreement.

Section 6.2 – Workweek Reduction

If either the Fair Labor Standards Act or the Hours of Service Regulations are subsequently amended so as to result in substantial penalties to either the employees or the Employer, a written notice shall be sent by either party requesting negotiations to amend those provisions which are affected.

Thereafter, the parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory solution. In the event the parties cannot agree on a solution within sixty (60) days, or mutually agreed extensions thereof, after receipt of the stated written notice, then the matter shall be promptly submitted to and resolved by the National Grievance Committee which shall issue a decision implementing one of the parties' final offers. The No Strike/No Lockout provisions of Article 7 shall remain in full force and effect in the event of such negotiations.

Section 6.3 – New Equipment

Where new types of equipment and/or operations for which rates of pay are not established by this Agreement are put into use after April 1, 2003, within operations covered by this Agreement, rates governing such operations shall be subject to negotiations between the parties.

In the event agreement cannot be reached within sixty (60) days after date such equipment is put into use, the matter may be submitted to the National Grievance Committee for final disposition. Rates agreed upon or awarded shall be effective as of the date equipment is put into use unless mutually agreed otherwise.

Employees expected to use new equipment, technology and related work flow processes will be trained to use them and will be paid for all training time. Employees expected to use new equipment, technology and related work flow processes will be given sufficient time to learn to use them.

ARTICLE 7. GRIEVANCE AND ARBITRATION PROCEDURE

Section 7.1 – Definition

A “grievance” is defined as any complaint or dispute arising under and during the term of this Agreement raised by the employee or Union against the Employer involving an alleged violation, misinterpretation or misapplication of a provision of this Agreement. All such disputes shall be adjusted and settled solely and exclusively in accordance with the procedures set forth in this Article.

Section 7.2 – Procedure

Step 1 – With regard to disciplinary matter, a grievance must be filed within ten (10) calendar days of the receipt of discipline. With regard to all other matters, a grievance must be filed within thirty (30) calendar days of when the Union or affected employee(s) should have become aware of the event(s) giving rise to the dispute. The grievance shall be reduced to writing and presented to the District Manager or designee. The Steward, employee(s) involved and the District Manager or designee(s) shall meet within ten (10) calendar days after the grievance is presented to attempt to resolve it. The District Manager or designee shall provide a written answer to the Steward within ten (10) calendar days of such meeting.

Step 2 – If the grievance is not resolved at Step 1, then the grievance automatically moves to Step 2. The District Manager or designee and a Business Agent of the Local Union shall meet and attempt to resolve the grievance. The District Manager or designee shall provide a written answer to the Business Agent within ten (10) calendar days of such meeting.

Step 3 (RGC) – Any grievance unresolved at Step 2 will be docketed to the appropriate Regional Joint Grievance Committee within ten (10) calendar days of receipt of the Step 2 answer. However, Local Unions shall have the option of electing to have a state panel. Such election shall be binding on the Local Union for the duration of this Agreement. In staffing any state panel under this provision, the Employer shall have the option of utilizing MCLAC or AEI management from outside the local operation involved in the dispute for its side of the panel. The Regional Joint Grievance Committee shall be composed of two members designated by the Company and two members designated by the Union, which shall not include any Union designee or representative from the Local Union involved in the dispute or Company designee or representative from the local operations involved in the dispute. Each party shall be entitled to one postponement by right; any additional postponements shall be only with the mutual agreement of the parties. The Regional Joint Grievance Committee shall consider all grievances at its next quarterly meeting which are docketed at least ten (10) calendar days prior to the next quarterly meeting. Grievances may be resolved at the Regional Joint Grievance Committee level only by a majority of the members of the committee, and the resolution of any grievance by the Regional Joint Grievance Committee shall be final and binding on the Company, Union and employees. Decisions of the Regional Joint Grievance Committee shall be rendered at the time of the meeting, reduced to writing and signed by members of the Committee who participated in the deliberations and decision-making, and issued within ten (10) calendar days following the meeting at which the grievance was considered. If a majority of the members of the Regional Joint Grievance Committee are unable to reach agreement on the resolution of the grievance, it shall be considered deadlocked. Regional Joint Grievance Committee meetings shall be heard in the same locations and days where the Freight hearings are held unless mutually agreed otherwise. Records of the Regional Joint Grievance

Committee hearings shall be comprised of a written transcript and exhibits. The Rules and Procedures of the Regional Joint Grievance Committee will be established by the National Grievance Committee within 120 days of the effective execution date of this agreement.

Step 4 (NGC)– If a grievance is deadlocked at Step 3, it will be advanced to the National Grievance Committee. The National Grievance Committee shall consist of an equal number, but no more than four (4), representatives from each party. The National Grievance Committee shall meet quarterly. Any grievance referred to the National Grievance Committee at least ten (10) calendar days before the next quarterly meeting will be considered at such meeting. The deadline for the National Grievance Committee to issue a written decision shall be thirty (30) calendar days after it meets on a case. Grievances can be resolved at Step 4 only by majority decision of the National Grievance Committee in a written decision signed by members of the National Grievance Committee. A decision of the National Grievance Committee shall be final and binding on the Company and Union.

Section 7.3 – Arbitration

A mutually agreed upon arbitrator shall be present with the National Grievance Committee when it considers its cases. If the National Grievance Committee cannot reach a decision, either party may immediately refer the matter to the neutral arbitrator who shall make the decision. The arbitrator shall issue a concise decision on the underlying grievance by bench decision on the date on which the National Grievance Committee considered the matter. The record before the National Grievance Committee shall consist only of the transcript and exhibits from earlier Steps. The fees and expenses of the arbitrator, as well as hearing room and transcript costs, shall be borne equally by the parties. Each party shall be responsible for any costs associated with their representatives.

The parties shall agree to a panel of three (3) permanent arbitrators, who will rotate quarterly in the hearing of cases arising under this Agreement. Prior to the first meeting the National Grievance Committee shall agree upon the list of standing arbitrators, as well as the procedure for replacing an arbitrator who is no longer available during the term of this Agreement.

Attorneys, other than full-time employees of the Union or Company and who are not employed in their capacities as attorneys, will not be permitted to attend or participate in any step of the grievance/arbitration procedure.

Section 7.4 – Advance Level Filing in the Case of National Disputes

If the parties agree that a timely-filed grievance involves a dispute over the interpretation or application of this National Agreement or any of its Operational Supplements that is not simply local in nature, but involves or could involve more than one facility or Local Union, then the parties may mutually agree to advance the grievance directly to Step 3 so that the appropriate record can be made. Upon completion of the record, the matter will proceed directly to Step 4 (including arbitration if necessary). The Parties agree that the grievance will be presented at the Joint Regional Grievance Committee solely for the purpose of developing the record and a transcript for the National Grievance Committee.

Section 7.5 – Grievant’s Bill of Rights

All employees who file grievances are entitled to have their cases decided fairly and promptly. In order to satisfy these objectives and promote confidence in the integrity of the grievance procedures, all employees who file grievances are entitled to the following rights:

1. A Grievant may attend a Step 1 and 2 meeting without loss of pay if it is held during the Grievant's regularly scheduled work hours.
2. Grievants and local stewards shall be informed by their Local Union of the time and place of any Step 3 Regional Joint Grievance Committee hearings in which they are involved.
3. Grievants and local stewards are permitted to attend, at their own expense and on their own time, the hearing at Step 3 before the Regional Joint Grievance Committee in cases in which they are involved.
4. The Employer shall provide any information relevant to a grievance containing specific factual allegations within fifteen (15) calendar days of receipt of a written request by the Local Union, steward or grievant. The Local Union or grievant shall provide any information relevant to such a grievance within fifteen (15) calendar days of receipt of a written request by the Employer.
5. All cases heard at Step 3 before the Regional Joint Grievance Committee (or at the National Grievance Committee under Section 4 of this Article) shall be transcribed by a certified court reporter or otherwise reliably recorded, except for executive sessions. Transcriptions of those proceedings shall be prepared in response to a written request by the Local Union at the reasonable cost of transcription. No recording devices shall be used in any Regional Joint Grievance Committee hearing except as specifically authorized under the Rules of Procedure of the Regional Joint Grievance Committee or by mutual consent of the co-chairpersons.
6. A grievant or steward may request permission to present evidence or argument in support of their case to the Regional Joint Grievance Committee in addition to the evidence or argument presented by the Local Union.
7. The Regional Joint Grievance Committee shall, upon request, issue a copy of the grievance decision or transcript pages containing the hearing proceedings and the decision to the grievant and/or a Local Union.
8. A copy of the Rules of Procedure of the Regional Joint Grievance Committee, including the Grievant's Bill of Rights, shall be provided, upon request, to the grievant prior to the commencement of the grievance hearing before the Regional Joint Grievance Committee.

Section 7.6 – Time Limit for Filing

A grievance shall be considered waived if not filed within the time limits set forth in this Agreement. The parties may by mutual written agreement extend any of the time limits set forth in this Article.

Section 7.7 – Authority of Arbitrator

The decision of the arbitrator on any matter which shall have been submitted in accordance with the provisions of this Agreement shall be final and binding on the Employer, Union and the employees, and the decision of the Union not to proceed to arbitration shall also be binding on the employees. The arbitrator shall have no authority to add to, subtract from or otherwise alter the provisions of this Agreement.

In the event the Employer fails to comply with a written decision rendered by a grievance committee, the Local Union shall give the Employer a seventy-two (72) hour (excluding Saturday, Sunday and holidays) prior written notice of the Local Union's authorization of strike action, which notice shall specify the basis for the compliance failure. If the Employer believes that it is in compliance or that there is a clarification needed in order to comply, the matter of compliance and/or clarification shall be submitted to the grievance committee or arbitrator that decided the case. The question of compliance or clarification shall be determined by the grievance committee or arbitrator within forty-eight (48) hours after receipt of the Employer request. The forty-eight (48) hour period for the grievance committee or arbitrator to determine the question of compliance or clarification shall run concurrently with the seventy-two (72) hour notice prior to a strike. The grievance committee or arbitrator may meet telephonically to consider and decide questions of compliance or clarification.

Section 7.8 – Timely Payment of Grievances

All monetary grievances that have been resolved either by decision or through settlement shall be paid within fourteen (14) calendar days of formal notification of the decision or date of settlement. If the Employer fails to pay a monetary grievance in accordance with this Section, the Employer shall pay as liquidated damages to each affected grievant eight (8) hours straight time pay for each day the Employer delays payment, commencing the date the grievant(s) notified the Employer of such non-payment.

Section 7.9 – No Strike/No Lockout

As a corollary to the national dispute resolution procedure, and unless specifically set forth otherwise in this Agreement (including Section 7 and Section 12 of this Article) or any Supplements or Riders hereto, the Local Union agrees that it shall not call, institute, or authorize any strikes, walkouts, sit-downs, slowdowns or other concerted refusals to work, and the Employer will not lockout, over any matter that can be resolved through the national grievance procedure during the life of this Agreement.

Section 7.10 – Union Responsibility in the Event of Unauthorized Strike

The Local Union shall not authorize any work stoppages, slowdown, walkout, or cessation of work in violation of this Agreement. It is further agreed that in all cases of an unauthorized strike, slowdown, walkout, or any unauthorized cessation of work which is in violation of this Agreement the Union shall not be liable for damages resulting from such unauthorized acts of its members.

In the event of a work stoppage, slowdown, walkout or cessation of work, the Employer shall immediately send a wire or fax to the Chairman of the designated National Union Negotiating Committee to determine if such strike, etc., is authorized. No strike, slowdown, walkout or cessation of work alleged to be in violation of this Agreement shall be deemed to be authorized unless notification thereof by facsimile has been received by the Employer and the Local Union from the Chairman of the designated National Union Negotiating Committee. If no response is received by the Employer within twenty-four (24) hours after request, excluding Saturdays, Sundays, and holidays, such strike, etc., shall be deemed to be unauthorized for the purpose of this Agreement.

In the event of such unauthorized work stoppage or picket line, etc., in violation of this Agreement, the Local Union shall immediately make every effort to persuade the employees to commence the full performance of their duties and shall immediately inform the employees that the work stoppage and/or picket line is unauthorized and in violation of this Agreement.

The designated National Union Negotiating Committee, and Local Unions shall make immediate efforts to terminate any strike or stoppage of work as aforesaid which is not authorized by such organizations, without assuming liability therefore. For and in consideration of the agreement of the designated National Union Negotiating Committee and Local Unions affiliated with the International Brotherhood of Teamsters to make the aforesaid efforts to require Local Unions and their members to comply with the law or the provisions of this Agreement, including the provisions limiting strikes or work stoppages, the Employer agrees that it will not hold the International Brotherhood of Teamsters, designated National Union Negotiating Committee and Local Unions liable or sue them in any court or before any administrative tribunal for undertaking such efforts to terminate unauthorized strikes or stoppages of work as aforesaid or for undertaking such efforts to require Local Unions and their members to comply with the law or the provisions of this Agreement. It is further agreed that the Employer will not hold the International Brotherhood of Teamsters, designated National Union Negotiating Committee or Local Unions liable or sue them in any court or before any administrative tribunal for such unauthorized work stoppages alleging condonation, ratification or assumption of liability for undertaking such efforts to terminate strikes or stoppages of work, or requiring Local Unions and their members to comply with the law or the provisions of this Agreement.

It is understood and agreed that failure by the International Brotherhood of Teamsters, and/or designated National Union Negotiating Committee to authorize a strike by a Local Union shall not relieve such Local Union of liability for a strike authorized by it and which is in violation of this Agreement.

The question of whether the International Union, designated National Union Negotiating Committee, Joint Council or Local Union have met its obligation set forth in the immediately preceding paragraphs, or the question of whether the International Union, designated National Union Negotiating Committee, and Joint Council or the Local Union, separately or jointly, participated in an unauthorized work stoppage, slowdown, walkout or cessation of work in violation of this Agreement by calling, encouraging, assisting or aiding such work stoppage, etc., in violation of this Agreement, or the question of whether an authorized strike is in violation of

this Agreement, or whether an Employer engaged in a lockout in violation of this Agreement, shall be submitted to the grievance procedure at the national level, prior to the institution of any damage suit action. When requested, the co-chairpersons of the National Grievance Committee shall immediately appoint a subcommittee to develop a record by collecting evidence and hearing testimony, if any, on the questions of whether the International Union, designated National Union Negotiating Committee, Joint Council or Local Union have met its obligations as aforesaid, or of Union Participation or Employer lockout in violation of this Agreement. The record shall be immediately forwarded to the National Grievance Committee for decision.

A majority decision of the National Grievance Committee on the questions presented as aforesaid shall be final and binding on all parties. If such majority decision is rendered in favor of one (1) or more of the Union entities, or the Employer, in the case of lockout, no damage suit proceedings on the issues set forth in this Article shall be instituted against such Union entity or such Employer. If the National Grievance Committee decides that a strike was unlawful, it shall not have the authority to assess damages. Except as provided in this subsection, agreement to utilize this procedure shall not thereafter in any way limit or constitute a waiver of the right of the Employer or Union to commence damage suit action. However, the use of evidence in this procedure shall not waive the right of the Employer or Union to use such evidence in any litigation relating to the strike or lockout, etc., in violation of this Agreement.

Section 7.11 – Disciplinary Penalties for Violation of No Strike Clause

It is specifically understood and agreed that the Employer during the first twenty-four (24)-hour period of such unauthorized work stoppage in violation of this Agreement, shall have the sole and complete right of reasonable discipline, including suspension from employment, up to and including thirty (30) days, but short of discharge, and such employees shall not be entitled to or have any recourse to the grievance procedure. In addition, it is agreed between the parties that if any employee repeats any such unauthorized strike, etc., in violation of this Agreement, during the term of this Agreement, the Employer shall have the right to further discipline or discharge such employee without recourse for such repetition. After the first twenty-four (24) - hour period of an unauthorized stoppage in violation of this Agreement, and if such stoppage continues, the Employer shall have the sole and complete right to immediately further discipline or discharge any employee participating in any unauthorized strike, slowdown, walkout, or any other cessation of work in violation of this Agreement, and such employees shall not be entitled to or have any recourse to the grievance procedure. The suspension or discharge herein referred to shall be uniformly applied to all employees participating in such unauthorized activity. The Employer shall have the sole right to schedule the employee's period of suspension.

Section 7.12 – Delinquent Health & Welfare and Pension Obligations

In the event the Employer is delinquent in its health & welfare or pension payments in the manner required by this agreement or applicable supplements and/or riders, the Local Union shall have the right to take whatever action it deems necessary until such delinquent payments are made. The Local Union shall give the Employer a seventy-two (72) hour, (excluding Saturday, Sunday and holidays) prior written notice of the Local Union's authorization of strike action which notice shall specify the failure to make health & welfare or pension payments providing the basis for such

strike authorization. In no event shall the Union have the right to strike over a dispute concerning eligibility and/or a payment of health & welfare or pension contributions by the Employer on behalf of specific individuals, and such disputes shall be subject to the grievance procedure. Such notice shall be provided in writing by confirmed delivery to the AEI Vice President of Human Resources.

ARTICLE 8. MANAGEMENT RIGHTS

The management of the business, its operations and employees is vested exclusively in the Company, except as specifically limited by this Agreement (including supplements), and then only to the extent of those limitations. If now or hereafter a Supplement contains management rights language such Supplemental language shall continue in full force or effect.

ARTICLE 9. PROTECTION OF RIGHTS

Section 9.1 - Picket Lines: Sympathetic Action

It shall not be a violation of this Agreement, and it shall not be cause for discharge, disciplinary action or permanent replacement in the event an employee refuses to enter upon any property involved in a labor dispute, or refuses to go through or work behind any picket line, including the picket line of Unions party to this Agreement, and including picket lines at the Employer's places of business.

Section 9.2 - Struck Goods

It shall not be a violation of this Agreement and it shall not be cause for discharge, disciplinary action or permanent replacement if any employee refuses to perform any service which his/her Employer undertakes to perform as an ally of an Employer or person whose employees are on strike and which service, but for such strikes, would be performed by the employees of the Employer or person on strike.

Section 9.3 – Continuance of Service

Subject to Article 31 - Subcontracting, hereof, the Employer agrees that it will not cease or refrain from handling, using, transporting, or otherwise dealing in any of the products of any other Employer or cease doing business with any other person, or fail in any obligation imposed by the Motor Carriers Act or other applicable law, as a result of individual employees exercising their rights under this Agreement or under law, but the Employer shall, notwithstanding any other provision in this Agreement, when necessary, continue doing such business, including pickup or delivery to or from the Employer's terminal and to or from the premises of a shipper or consignee.

ARTICLE 10. LOSS OR DAMAGE

In the event loss, damage or theft of freight, equipment, materials, or supplies is incurred as a direct result of a willful gross negligent act by an employee in the performance of assigned work, when such act knowingly may result in such loss, damage or theft, the employee may be held responsible for such acts and may be required to assume liability for any such loss, damage or theft, in whole or in part. The term “willful, gross negligent acts” is intended to describe independent actions of any employee who knowingly violates established rules or policies that, when adhered to, clearly prevent loss, damage or theft described herein. Employees shall not be held responsible or required to assume liability for loss or damage or theft unless clear proof of willful, gross negligence is shown. In no event will an employee be held responsible for, or required to assume any liability for any loss, damage or theft when performing assigned work in a manner as specifically instructed by a supervisor. This Article shall not be utilized in any manner to hold an employee liable for any loss or damage of equipment under any conditions or for any damage to cargo as a result of a vehicular accident.

Prior to an employee being charged with the responsibility and liability for any loss, damage or theft because of willful gross negligent acts on the part of the employee, a hearing shall be held with the Local Union, the employee and the Employer. Employees who are found to be liable and required to make restitution for such liability, shall not then be subject to any further disciplinary action. Any disputes between the parties may be referred to the grievance procedure of the applicable Area Supplemental Agreement and the National Master Agreement.

ARTICLE 11. BONDS AND INSURANCE

Should the Employer require any employee to give bond, cash bond shall not be compulsory, and any premium involved shall be paid by the Employer. The primary obligation to procure the bonds shall be on the Employer. If the Employer cannot arrange for a bond within ninety (90) days, it must so notify the employee in writing. Failure to so notify shall relieve the employee of the bonding requirement. If proper notice is given, the employee shall be allowed thirty (30) days from the date of such notice to make his/her own bonding requirements, standard premiums only on said bond to be paid by the Employer. A standard premium shall be that premium paid by the Employer for bonds applicable to all other of its employees in similar classifications. Any excess premium is to be paid by the employee. Cancellation of a bond after once issued shall not be cause for discharge unless the bond is cancelled for cause which occurs during working hours, or due to the employee having given a fraudulent statement in obtaining said bond.

Every driver must maintain a valid CDL/chauffeur’s license and be covered by insurance. If an Employer cannot cover a driver under an existing fleet policy, the Employer will promptly apply to the state assigned riskpool to provide any comparable coverage. During the pendency of the application and until insurance is obtained, the driver will not be terminated, but will be taken out of driving service. When any comparable insurance is obtained, the employee will be responsible for paying any excess over the standard charges.

ARTICLE 12. UNIFORMS

The Employer agrees that if any employee is required to wear any kind of uniform as a condition of his/her continued employment, such uniform shall be furnished and maintained by the

Employer, free of charge, at the standard required by the Employer. Said uniforms shall be made in the United States by union vendors, if possible. However, all uniforms will have the Teamster emblem applied.

The Employer shall replace all clothing, glasses, hearing aids and/or dentures not covered by company insurance or worker's compensation which are destroyed or damaged in a wreck or fire with company equipment.

The Employer has the right to establish and maintain reasonable standards for wearing apparel and personal grooming.

The following provisions shall govern the wearing of shorts, unless the Employer and Local Union have a prior existing practice:

During the period May 1 through September 30, employees shall be allowed to wear appropriate shorts, subject to the guidelines set forth herein. Appropriate shorts shall be defined as walking or bermuda style shorts with at least two (2) pockets and belt loops and which cannot be shorter than two (2) inches above the knee, properly hemmed at the bottom and of a conservative basic solid color, (black, blue, brown or green). Socks and appropriate foot- wear must be worn at all times.

Short shorts, cut offs, un-hemmed, athletic, gym, biking, spandex and calf length shorts shall not be allowed.

The Employer agrees to supply company identification to minimize the problem of having to use their personal identification.

Where the Employer requires a specific color or general style of footwear, the Employer shall provide the affected employee a minimum of one hundred (\$100) per year to purchase such footwear unless the applicable supplemental provides for a greater amount.

ARTICLE 13. PASSENGERS

No driver shall allow anyone, other than employees of the Employer who are on duty, to ride on his truck except by written authorization of the Employer, or except in cases of emergency arising out of disabled commercial equipment or an Act of God. No more than two (2) people shall ride in the cab of a tractor unless required by government agencies or the necessity of checking of equipment. This shall not prohibit drivers from picking up other drivers, helpers or others in wrecked or broken down motor equipment and transporting them to the first (1st) available point of communication, repair, lodging or available medical attention. Nor shall this prohibit the transportation of other drivers from the driver's own company at a delivery point or terminal to a restaurant for meals.

ARTICLE 14. COMPENSATION CLAIMS

Section 14.1 – Compensation Claims

(a) The Employer agrees to cooperate toward the prompt disposition of employee on-the-job injury claims. The Employer shall provide worker's compensation protection for all employees even though not required by state law, or the equivalent thereof, if the injury arose out of or in the course of employment. No employee will be disciplined or threatened with discipline as a result of filing an on-the-job injury report. The Employer or its designee shall not visit an injured worker at his/her home without his/her consent.

(b) At the time an injury report is turned in, the Employer shall provide the injured employee with an information sheet briefly outlining the procedure for submitting a worker's compensation claim to include the name, address and phone number of the company's worker's compensation representative and other pertinent information relative to claim payment.

(c) An employee who is injured on the job, and is sent home, or to a hospital, or who must obtain medical attention, shall receive pay at the applicable hourly rate for the balance of his/her regular shift on that day. An employee who has returned to his/her regular duties after sustaining a compensable injury who is required by the worker's compensation doctor to receive additional medical treatment during his/her regularly scheduled working hours shall receive his/her regular hourly rate of pay for such time. Where not prohibited by state law, employees who sustain occupational injury or illness shall be allowed to select a physician of their own choice and shall notify the Employer in writing of such physician.

(d) The Employer may publish reasonable safety rules and procedures and provide the Local Union with a copy. Failure to observe such reasonable rules and/or procedures shall subject the employee to disciplinary action in accordance with the disciplinary procedures in the applicable Supplemental Agreement. However, the time limitation relative to prior offenses shall be waived to permit consideration of the employee's entire record of failure to observe reasonable safety rules and/or procedures resulting in lost time personal injuries. This provision does not apply to vehicular accidents.

When issuing progressive discipline under the terms and conditions of Article 14, Section 1 (d), it is understood that the time limitation relative to prior offenses of failure to observe reasonable safety rules and/or procedures resulting in lost time injuries is waived and may be included in the disciplinary process. However, it is also understood that when the Employer issues progressive discipline, the Employer shall not utilize prior discipline that is in excess of three (3) years old when issuing additional progressive discipline, unless the employee has shown a pattern of failure to observe reasonable safety rules and/or procedures resulting in lost time injuries.

Section 14.2 – Modified Work

(a) The Employer may establish a modified work program designed to provide temporary opportunity to those employees who are unable to perform their normal work assignments due to a disabling injury. Recognizing that a transitional return-to-work program offering both physical and mental therapeutic benefits will accelerate the rehabilitative process of an injured employee, modified work programs are intended to enhance workers compensation benefits. They are not to be utilized as a method to take advantage of an employee who has an industrial injury, nor are they intended to be a permanent replacement for regular employment.

An active employee, who is injured on the job, qualifies for worker's compensation benefits and is subsequently laid off, will continue to receive compensation payments and benefits for the period provided by his/her supplement.

(b) Implementation of a modified work program shall be at the Employer's option and shall be in strict compliance with applicable federal and state worker's compensation statutes. Modified work assignments will be for a period up to eight (8) weeks; however, the Employer may extend such assignments for up to an additional four (4) weeks if the employee's condition is improving and the employee has a return to work expectation within twelve (12) weeks from the beginning of the modified work assignment. In no event shall a modified duty assignment exceed twelve (12) weeks, unless otherwise required by applicable disability law. Acceptance of modified work shall be on a voluntary basis at the option of the injured employee. However, refusal to accept modified work by an employee, otherwise entitled to worker's compensation benefits, may result in a loss or reduction of such benefits as specifically provided by the provisions of applicable federal or state worker's compensation statutes. Employees who accept modified work shall continue to be eligible to receive "temporary partial" worker's compensation benefits as well as all other entitlements as provided by applicable federal or state worker's compensation statutes. Employees who need additional medical and/or physical therapy, may go for such treatments during scheduled hours for modified work whenever practical and reasonable.

c) At facilities where the Employer has a modified work program in place, temporary modified assignments shall be offered in seniority order to those regular full time employees who are temporarily disabled due to a compensable worker's compensation injury and who have received a detailed medical release from the attending physician clearly setting forth the limitations under which the employee may perform such modified assignments. Once a modified work assignment is made and another person is injured, the second person must wait until a modified work opening occurs, regardless of seniority. All modified work assignments must be made in strict compliance with the physical restrictions as outlined by the attending physician. All modified work program candidates must be released for eight (8) hours per day, five (5) days per week or for ten (10) hours per day, four (4) days per week. The 4/10 modified workweek is only available to those workers on a 4/10 schedule. The Employer at its option, may make a modified work offer of less than eight (8) hours per day where such work is expected to accelerate the rehabilitative process and the attending physician recommends that the employee works back to regular status or up to ten (10) hours per day by progressively increasing daily hours. A copy of any release for modified work must be given to the employee before the modified work assignment begins.

It is understood and agreed that those employees who, consistent with professional medical evaluations and opinion, may not be expected to receive an unrestricted medical release, or whose injury has been medically determined to be permanent and stationary, shall not be eligible to participate in a modified work program.

In the event of a dispute related to conflicting medical opinion, such dispute shall be resolved pursuant to established worker's compensation law and/or the method of resolving such matters as outlined in the applicable Supplemental Agreement. In the absence of a provision in the Supplemental Agreement, the following shall apply:

When there is a dispute between two (2) physicians concerning the release of an employee for modified work, such two (2) physicians shall immediately select a third (3rd) neutral physician within seven (7) days, who shall possess the same qualifications as the most qualified of the two selecting physicians, whose opinion shall be final and binding on the Employer, the Union and the employee. In the event the availability of a qualified physician is in question, the Local Union and the Employer shall resolve the matter by selecting the third (3rd) physician whose opinion shall be final and binding. The expense of the third (3rd) physician shall be equally divided between the Employer and the Union. Disputes concerning the selection of the neutral physician or back wages shall be subject to the grievance procedure.

For locations where the Employer intends to implement a modified work program or has a modified work program in place, the Local Union shall be provided with a copy of the current form(s) being used for employee evaluation for release and general job descriptions. This information shall be general in nature, not employee specific.

When a modified work assignment is made, the employee shall be provided with the hours and days he/she is scheduled to work as well as the nature of the work to be performed in writing. A copy of this notice shall also be submitted to the Local Union.

An employee who is placed in a modified work position may be subject to medical evaluation(s) by a physician selected by the Employer to determine if the modified work being performed is accelerating the rehabilitative process as anticipated by Section 2 above. In the event such medical evaluation(s) determine that the rehabilitative process is not being accelerated, the employee shall have the right to seek a second opinion from a physician of his choosing. Any disputes regarding conflicting medical claims shall be resolved in accordance with the provisions outlined above. The employee may be removed from the modified work program based upon final medical findings under this procedure. Employees so removed shall not have their workers compensation benefits affected because of such removal. In the event the employee's temporary disability workers compensation benefit is subject to reduction by virtue of an applicable Federal or State statute, the Employer shall pay the difference between the amount of the reduced temporary workers compensation benefit and the amount of the full temporary workers' compensation benefit to which the employee would be entitled.

(d) Modified work shall be restricted to the type of work that is not expected to result in a re-injury and which can be performed within the medical limitations set forth by the attending physician. In the event the employee, in his/her judgment, is physically unable to perform the modified work assigned, he/she shall be either reassigned modified work within his/her physical capabilities or returned to full "temporary total" worker's compensation benefits. In the event a third (3rd) party insurance carrier refuses to reinstate such employee to full temporary total disability benefits, the Employer shall be required to pay the difference between the amount of the benefit paid by such third (3rd) party insurer and full temporary disability benefits. Determination of physical capabilities shall be based on the attending physician's medical evaluation. Under no conditions will the injured employee be required to perform work at that location subject to the terms and conditions of the National Master Agreement or its Area Supplemental Agreements. Prior to acceptance of modified work, the affected employee shall be furnished a written job description

of the type of work to be performed.

(e) The modified workday and workweek shall be established by the Employer within the limitations set forth by the attending physician. However, the workday shall not exceed eight (8) hours or ten (10) hours if previously on a 4/10 workweek, inclusive of coffee breaks where applicable and exclusive of a one-half (1/2) hour meal period and the workweek shall not exceed forty (40) hours, Monday through Friday, or Tuesday through Saturday, unless the nature of the modified work assignment requires a scheduled workweek to include Sunday. Whenever possible, the Employer will schedule modified work during daylight hours, Monday through Friday, or during the same general working hours and on the same workweek that the employee enjoyed before he/she became injured. In the case of an employee whose workdays and/or hours routinely varied, the Employer will schedule the employee based on the availability of the modified assignment being offered. Any alleged abuse of the assignment of workdays and workhours shall be subject to the grievance procedure.

(f) Modified work time shall be considered as time worked when necessary to satisfy vacation and sick leave eligibility requirements as set forth in the National Master Agreement and/or its applicable Area Supplemental Agreements. In addition to earned vacation pay as set forth in the applicable Area Supplemental Agreements, employees accepting modified work shall receive prorated vacation pay for modified work performed based on the weekly average modified work pay. The only time modified work is used in prorating vacation is when the employee did not qualify under the applicable Supplemental Agreement.

Holiday pay shall first be paid in accordance with the provisions of the applicable Supplemental Agreement as it relates to on-the-job injuries. Once such contractual provisions have been satisfied, holidays will be paid at the modified work rate which is the modified work wage plus the temporary partial disability benefit.

Sick leave and funeral leave taken while an employee is performing modified work will be paid at the modified work rate, which is the modified work wage plus the temporary partial disability benefit. Unused sick leave will be paid at the applicable contract rate where the employee performed modified work and qualified for the sick leave during the contract year.

(g) The Employer shall continue to remit contributions to the appropriate health & welfare and pension trusts during the entire time period employees are performing modified work. The payment of health & welfare and pension contributions while the employee is on modified work is not included in the health & welfare and pension contributions required by the Supplement when an employee is off work on workers' compensation. Continuation of such contributions beyond the period of time specified in the Supplemental Agreement for on-the-job injury shall be required. Provisions of this Section shall not be utilized as a reason to disqualify or remove an employee from the modified work program.

(h) Employees accepting modified work shall receive temporary partial benefits as determined by each respective state workers' compensation law, plus a modified work wage when added to such temporary partial benefit, shall equal not less than eighty-five percent (85%) of forty (40) hours' pay he/she would otherwise be entitled to under the provisions of the applicable Area

Supplemental Agreement. Modified work assignments beginning or ending within a workweek shall be paid on a prorated basis; one (1) day equals one-fifth (1/5th).

(i) Employees accepting modified work shall not be subject to disciplinary action provisions of the Supplemental Agreements unless such violation involves an offense for which no prior warning notice is required under the applicable Supplemental Agreement (Cardinal Sins). Additionally, the provisions of Article 35, Section 3(a), shall apply.

(j) Alleged abuses of the modified work program by the Employer and any factual grievance or request for interpretation concerning this Article shall be submitted directly to the Regional Joint Area Committee for the making of a record only, after which it shall be immediately referred to the National Grievance Committee. Proven abuses may result in a determination by the National Grievance Committee that would withdraw the benefits of this Article from that Employer, in whole or in part, in which case affected employees shall immediately revert to full worker's compensation benefits.

Section 14.3 – Americans with Disabilities Act

The Union and the Employer recognize their obligations under the Americans with Disabilities Act. It is agreed that the Employer shall determine whether an employee is a qualified individual with a disability under the ADA and, if so, what reasonable accommodation, if any, should be provided. In the event that the Employer determines that a reasonable accommodation is necessary, the Employer shall notify the Local Union before providing the reasonable accommodation to a qualified bargaining unit employee to ensure that the reasonable accommodation selected by the Employer does not impact another employee's seniority or other contract rights.

Any dispute over whether the Employer complied with its duty to notify the Local Union before implementing a proposed reasonable accommodation or whether providing the reasonable accommodation violates any employee's rights under any other provision of this Master Agreement shall be subject to the grievance procedure. Disputes over whether the Employer has complied with its legal requirements under the ADA, including the ADA requirement to provide a reasonable accommodation, however, shall not be subject to the grievance procedure.

Section 14.4 – Pandemic

In the event of a pandemic, the Company and the Union shall mutually agree on how best to implement the applicable recommendations of the Center for Disease Control or comparable state agency. The agreed path forward shall be memorialized in a Letter of Agreement signed by the designated representative of the Company, and the TNUNC.

ARTICLE 15. MILITARY CLAUSE

Employees in service in the uniformed services of the United States, as defined by the provisions of the Uniform Services Employment and Reemployment Rights Act (USERRA), Title 38, U.S. Code Chapter 43, shall be granted all rights and privileges provided by USERRA and/or other

applicable State and Federal laws. This shall include continuation of health coverage to the extent required by USERRA, and continuation of pension contributions for the employee's period of service as provided by USERRA. Employees shall be subject to all obligations contained in USERRA which must be satisfied for the employees to be covered by the statute.

In addition to any contribution required under USERRA, the Employer shall continue to pay health & welfare contributions for regular active employees involuntarily called to active duty status from the military reserves or the National Guard for military-related service, excluding civil domestic disturbances or emergencies. Such contributions shall only be paid for the maximum period provided by applicable law, but no less than eighteen (18) months.

Furthermore, an employee shall remain on the seniority list. The employee's service in the uniformed services of the United States shall count towards seniority based benefits such as: progression in the applicable wage progression, the vacation schedule.

ARTICLE 16. EQUIPMENT AND SAFETY

Preamble

It is agreed that all parties covered by this Agreement shall comply with all applicable Federal, State and local regulations pertaining to worker safety and health and subjects covered by Article 16. Failure to do so shall be subject to the grievance procedure, in accordance with Article 7 of this Master Agreement, and any other remedies prescribed by law after the procedures contained in this Agreement are exhausted.

Section 16.1 – Safe Equipment

The Employer shall not require employees to take out on the streets or highways any vehicle that is not in a safe operating condition, including, but not limited to, equipment which is acknowledged as overweight or not equipped with the safety appliances prescribed by law. It shall not be a violation of this Agreement or basis for discipline where employees refuse to operate such equipment unless such refusal is unjustified.

It shall also not be a violation of this Agreement or considered an unjustified refusal where employees refuse to operate a vehicle when such operation constitutes a violation of any federal rules, regulations, standards, or orders applicable to commercial motor vehicle safety or health, or because of the employee's reasonable apprehension of serious injury to himself/herself or the public due to the unsafe condition of such equipment. The unsafe conditions causing the employee's apprehension of injury must be of such nature that a reasonable person, under the circumstances then confronting the employee, would conclude that there is a bona fide danger of an accident, injury, or serious impairment of health, resulting from the unsafe condition. In order to qualify for protection under this provision, the employee must have sought from the Employer, and have been unable to obtain, correction of the unsafe condition.

All equipment which is refused because it is not mechanically sound or properly equipped shall be appropriately tagged so that it cannot be used by other employees until the maintenance department

has adjusted the complaint. After such equipment is repaired, the Employer shall place on such equipment an “OK” in a conspicuous place so the employee can see the same.

Section 16.2 – Dangerous Conditions and Unsafe Acts

Under no circumstances will an employee be required or assigned to engage in any activity involving dangerous conditions of work, or danger to person or property or in violation of any applicable statute or court order, or in violation of a government regulation relating to safety of person or equipment.

The term “dangerous conditions of work” does not relate to the type of cargo which is hauled or handled.

Section 16.3 – Accident Reports

Any employee involved in any accident or cargo spill incident, involving any hazardous or potentially polluting product, shall immediately report said accident or spill incident and any physical injury sustained. When required by his/her Employer, the employee, before starting his/her next shift, shall make out an accident or incident report in writing on forms furnished by the Employer and shall turn in all available names and addresses of witnesses to the accident or incident. The employee shall receive a copy of the accident or incident report that he/she submits to his/her Employer. Failure to comply with this provision shall subject such employee to disciplinary action by the Employer.

Section 16.4 – Equipment Reports

Employees shall immediately, or at the end of their shift, report all defects of equipment.

(a) Such reports shall be made on a suitable form furnished by the Employer and shall be made in multiple copies, one (1) copy to be retained by the employee and one (1) copy to be made available for inspection by the next driver operating the unit. Such copy will remain in the truck. Any alleged violation of the above shall not be cause for refusal of the equipment, but shall be subject to the grievance procedure. The Employer shall not ask or require any employee to take out equipment that has been reported by any other employee as being in an unsafe operating condition until the same has been repaired or is certified by a mechanical department that no repairs are needed and the unit is safe to drive.

(b) When the occasion arises where an employee gives written report on forms in use by the Employer of a vehicle being in an unsafe working or operating condition and receives no consideration from the Employer, he/she shall take the matter up with the officers of the Union who will take the matter up with the Employer. However, in no event shall an employee be required to take out on the streets or highways a vehicle that is not in a safe operating condition or in violation of any federal rules, regulations, standards, or orders applicable to commercial motor vehicle safety as provided in Section 1 of this Article.

Section 16.5 – Qualifications on Equipment

If the Employer or government agency requests a regular employee to qualify on equipment requiring a classified or special license, or in the event an employee is required to qualify (recognizing seniority) on such equipment in order to obtain a better job opportunity with his/her Employer, the Employer shall allow such regular employee the use of the equipment so required in order to take the examination on the employee's own time. The use of such equipment shall be on the Employer's property or as otherwise specifically permitted by the Employer, consistent with the Employer's insurance policies.

Costs of such license required by a government agency will be paid for by the employee. If the employer requires (senior may, junior must) that an employee obtain a commercial drivers' license or additional endorsements, the employee shall be required to pay for such CDL and endorsements, and the employer shall, upon completion of certification, pay that employee the one time sum of \$350.00. This lump sum shall not be paid a second time if the employee loses the CDL certification and has to requalify or for periodic activities required to maintain the CDL license.

An employee unable to successfully pass the DOT Commercial Driver's License (CDL) examination will be allowed to take a leave of absence for a period not to exceed one (1) year provided the employee makes a bona fide effort to pass the test each time the opportunity presents itself. Once obtained, an employee must maintain his/her commercial driver's license with required endorsements unless disqualified by regulatory mandate or documented medical disability.

Section 16.6 – Equipment Requirements

(a) All tractors must be equipped as necessary to allow the driver to safely enter and exit the cab, and hook and unhook the air hoses. All equipment used as city peddle trucks, and equipment regularly assigned to peddle runs, must have steps or other similar device to enable drivers to get in and out of the body. All trailers used in LTL pick-up and delivery operation with roll up doors shall be equipped with a hand hold and a DOT bumper which may serve as a step. Any vehicles will, at a minimum, comply with applicable state and federal standards.

(b) The Employer shall install heaters and defrosters on all trucks and tractors.

(c) There shall be first-line tires on the steering axle of all road and local pickup and delivery power units.

(d) All road equipment regularly assigned to the fleet shall be equipped with an air-ride seat on the driver's side. Such equipment shall be maintained in reasonable operating condition. All new air ride seats shall oscillate and have an adjustable lumbar support, height, backrest and seat tilt.

(e) All company trailers shall be marked for height.

(f) No driver shall be required to drive a tractor designed with the cab under the trailer.

(g) All road and city equipment shall have a speedometer operating with reasonable accuracy.

(h) The following minimum measurements for fuel tank placement shall apply to tractors added to the fleet after March 1, 1981, with the understanding that there shall be no retrofit of equipment currently in use: (1) front of fuel tank to rear of front tire—not less than 4 inches; (2) rear of fuel tank to front of duals—not less than 4 inches; (3) bottom of fuel tank to ground—provide clearance not less than 7.5 inches, measured on a flat surface; and (4) all fuel tank measurements as stated herein include brackets, return lines, etc. in determining clearance.

Any alleged violation of the above requirements shall not be cause for refusal of the equipment, but shall be subject to the grievance procedure as a safety and health issue.

(i) The following shall apply to shock absorbers on tractor front axles with the purchase of newly manufactured tractors which are placed in service after March 1, 1981, and with the understanding that there shall be no retrofit of equipment currently in use:

Where the manufacturer recommends and provides shock absorbers as standard equipment with the tractor front suspension assembly, properly maintained shocks on such new equipment shall be considered as a necessary and integral part of that assembly. Where the manufacturer does not recommend and provide shock absorbers as standard equipment with the tractor front suspension assembly, shocks shall not be considered as a necessary or integral part of that suspension system.

Any alleged violation of the above, including maintenance of existing equipment, shall not be cause for refusal of equipment but shall be subject to the grievance procedure as a safety and health issue.

(j)(1) There will be a moratorium on the purchase of diesel powered forklifts and sweepers.

a.. Should the National Institute for Occupational Safety and Health (NIOSH) conclude that diesel is or can be made as safe and healthy as alternative combustible fuels, the Employer reserves the right to resume purchasing diesel powered forklifts.

(2) It shall be standard work practice that every diesel-powered sweeper shall be shut off whenever the operator leaves the seat. Under no circumstances shall diesel-powered sweepers be allowed to idle when not attended.

(3) Diesel-powered sweepers shall be tuned and maintained in accordance with schedules recommended by their manufacturers. The Employer shall provide copies of such recommendations to the Union upon request.

(4) Improperly maintained diesel-powered sweepers may produce visible emissions after start-up. Therefore, any such diesel-powered sweeper that is found to be smoking shall be taken out of service as soon as possible until repairs are made and that condition corrected.

(5) The Employer agrees to cooperate with those government and/or mutually agreed private agencies in such surveys or studies designed to analyze the use and operation of diesel-powered sweepers and diesel-powered sweeper emissions.

(k) As new equipment is ordered or existing equipment requires brake lining replacement, all brake linings shall be of non-asbestos material where available and certifiable.

(1) All new diesel tractors and new yard equipment shall be equipped with vertical exhaust stacks.

(2) All road and city tractors shall be equipped with large spot mirrors (6" minimum) on both sides of the tractor or other devices (such as cameras) that provide equal or better rear-view and side vision.

(3) All road tractors and switching equipment shall be equipped with an operable light of sufficient wattage on the back of the cab.

(4) All new road and city equipment shall have operable sun visors.

(5) Seats on forklifts and sweepers shall be maintained in good repair.

(1) All newly manufactured city tractors regularly assigned to the city pickup and delivery operation shall be equipped with power steering and an air-ride seat on the driver's side.

(1) All new road and yard equipment shall have power steering.

(2) All new forklifts and sweepers shall be equipped with power steering.

(m) All hand trucks and pallet jacks shall be maintained in good repair.

(n) All portable and mechanical dock plates shall be maintained in good working condition.

(o) Employees will not be required to climb on unguarded trailer roofs for snow removal.

Section 16.7 – National Safety and Health Committee

The Employer and the Union shall continue the AEI Master Safety and Health Committee. Such Committee shall be comprised of qualified representatives to consider safety, health and equipment issues. The Committee shall consult among themselves and/or with appropriate government agencies, state and federal, on matters involving all aspects of safety and health issues related to the operations of the Employer. Such Committee shall convene on a regular basis, with an agenda to be agreed to by the respective chairmen.

Any grievance arising under this Article shall be processed through the Joint Area level in accordance with rules and procedures agreed to by the Master Safety and Health Committee and approved by the National Grievance Committee.

Section 16.8 – Hazardous Materials Program

The parties have written the "Hazardous Materials Program" and it is hereby incorporated by

reference in this Agreement. The parties must update the Hazardous Materials Program guidelines with the understanding that the Union and the Employer will revise the hazardous materials program and address only the mandated requirements. The Program will be printed and distributed to all members/employees in line with regulatory guidelines. The parties further agree that as new federally mandated changes occur, they too will become part of this Agreement. The Guidelines contained in the printed Program are minimums, and are not intended to prevent the Employer from providing additional training or protection which would enhance safety and health to the employees. All regular employees shall be paid for such training at their regular straight time hourly rate.

Section 16.9 – Union Liability

Nothing in this Agreement or its Supplements relating to health, safety or training rules or regulations shall create or be construed to create any liability or responsibility on behalf of the Union for any injury or accident to any employee or any other person, nor does the Union assume any such liability or responsibility.

The Employer will not commence legal action against the Union, on a subrogation theory, contribution theory, or otherwise, as a result of the Union's negotiation of safety standards contained in this Agreement or failure to properly investigate or follow-up Employer compliance with those safety standards.

Section 16.10 – Government Required Safety & Health Reports

The Employer shall provide, upon written request by the Local Union, a copy of any occupational incident report that is required to be filed with a federal government agency on safety and health subjects addressed by Article 16 only. Such reports shall be free of charge for one (1) copy.

Employees and authorized Union representatives shall have access to written occupational safety and health programs. Upon request, the Employer shall provide one copy of the programs to the authorized Union representative free of charge.

Section 16.11 – Facilities

Dock floors shall be maintained in good repair and reasonably free from potholes.

Yards shall be maintained reasonably free from potholes and reasonably effective dust control measures shall be implemented as necessary.

Break rooms and restrooms shall be maintained in a sanitary condition.

ARTICLE 17. PAY PERIOD

The National Grievance Committee and the Employer may, by mutual agreement, waive the provisions of Local Supplements dealing with pay periods upon a satisfactory showing of necessity by the Employer, provided such waiver is not a violation of a state or federal law or regulation.

ARTICLE 18. OTHER SERVICES

In the event the Employer may require the services of employees coming under the jurisdiction of this Agreement in a manner and under conditions not provided for in this Agreement, then and in such instances the Local Union and the Employer concerned may negotiate such matters for such specific purposes, subject to the approval of the Joint Area Committee and then ratified by the affected members.

ARTICLE 19. POSTING

Section 19.1 – Posting of Agreement

A copy of this Agreement shall be available at each facility that is a reporting location for bargaining unit employees.

Section 19.2 – Union Bulletin Boards

The Employer agrees to provide suitable space for the union bulletin board in each facility where bargaining unit employees report to work. Postings by the Union on such boards are to be confined to official business of the Union. All Union bulletin boards must be glass encased and the steward and Business Agent given a key.

ARTICLE 20. UNION AND EMPLOYER COOPERATION

Section 20.1 – Fair Day’s Work for Fair Day’s Pay

The parties agree at all times as fully as it may be within their power to cooperate so as to protect the long-range interests of the employees, the Employer signatory to this Agreement, the Union and the general public served by the members of the air freight industry party to this Agreement.

The Union and the Employer recognize the principle of a fair day’s work for a fair day’s pay; that jobs and job security of employees working under this Agreement are best protected through efficient and productive operations of the Employer and the air freight industry; and that this principle shall be recognized in the administration of this Agreement and its Supplements and the resolution of all grievances thereunder.

Section 20.2 – TeamstersAEI Joint Development Committee

The parties recognize that the unionized air freight industry is losing market share and jobs to competitors. The parties recognize that it is in the interest of the Union and the Employers to return the air freight industry to health and to foster its growth. Only if the industry prospers and grows will the industry’s employees, whom the Union represents, achieve true job and economic security. Only if the industry prospers and grows will the industry have access to the resources it needs to capitalize and be competitive.

Recognizing that returning the industry to health should be a cooperative, long-term effort, the designated national union negotiating committee and the Employer agree to establish a Joint Industry Development Committee to serve as a vehicle for this effort. The purpose of the Committee will be to perform the following tasks: address the principles of the air freight industry as a means of creating new jobs; develop data to evaluate and monitor industry and competitor productivity, costs and operations; catalogue, compare and evaluate work rules, practices and procedures among the various AEI supplements; make joint recommendations to the parties about any changes in the Master Agreement and its supplements that the Committee believes should be considered in the next round of negotiations for the new AEI Master Agreement; solicit grants for joint activities that benefit the industry and its bargaining unit employees, such as driver training schools; and monitor pending legislation and executive action on the national, state and local level that may affect the welfare of the industry and, where appropriate, jointly recommend actions that further the interests of the industry and its bargaining unit employees and jointly present the views of the Joint Committee to legislative and executive bodies.

The Committee shall operate as a labor-management committee within the meaning of Section 302(c)(9) of the LMRA, as amended, established and functioning so as to fulfill one or more of the purposes set forth in Section 6(c)(2) of the Labor Management Cooperation Act of 1978. The Committee shall have the full support of both the International Brotherhood of Teamsters and the Employer in the Committee's efforts to identify problems, formulate plans to solve those problems and, where appropriate, conduct joint activities designed to implement the plans.

The Chairman of the designated national union committee will appoint five (5) Union representatives to the Joint Committee. The Employer will appoint five (5) Employer representatives to the Joint Committee. Appointments to the Joint Committee will be made in a manner to assure that there are persons serving who are familiar with the full range of operations undertaken by the Employer under all supplemental agreements. The Joint Committee shall meet at least quarterly and may appoint continuing subcommittees to carry out specific tasks. The Union and Employer representatives to the Joint Committee will establish procedures for the operation of this Committee.

Section 20.3 – Benefits Joint Committee

The Union and the Employer will establish a Benefits Joint Committee to review the provision of health & welfare and pension benefits to employees covered by this Agreement. This Committee is charged with the critical responsibility of ensuring that employee health & welfare and pension benefits are made available to employees covered by the terms of the Master Agreement in a secure and cost efficient manner. It is anticipated that this Committee shall serve as a source of continuing study regarding the most efficient manner of providing benefits to covered employees. The Union and the Employer will establish procedures for the operation of this Committee. The Committee will make periodic reports and recommendations to the designated National Union Negotiating Committee.

ARTICLE 21. UNION ACTIVITIES

Any employee, member of the Union, acting in any official capacity whatsoever shall not be

discriminated against for his/her acts as such officer of the Union so long as such acts do not interfere with the conduct of the Employer's business, nor shall there be any discrimination against any employee because of Union membership or activities.

A Union member elected or appointed to serve as a Union official shall be granted a leave of absence during the period of such employment, without discrimination or loss of seniority rights, and without pay.

ARTICLE 22. OWNER OPERATORS

In the event the Employer employs employee owner-operators, the Employer will negotiate the wages, benefits and working conditions for these owner-operators with the designated National Union Negotiating Committee.

ARTICLE 23. SEPARATION OF EMPLOYMENT

Upon discharge, the Employer shall pay earned wages due to the employee in accordance with the provisions of the Supplement. Vacation pay for which the discharged employee is qualified shall be paid no later than the next payroll following final determination of the discharge unless otherwise required by state law.

Upon a permanent facility closing and/or cessation of operations, the Employer shall pay all money due to the employee during the first (1st) payroll department working day following the date of the facility closing and/or cessation of operations.

Failure to comply shall subject the Employer to pay liquidated damages in the amount of eight (8) hours' pay for each day of delay. Upon quitting, the Employer shall pay all money due to the employee on the next regular payday for the week in which the resignation occurs.

ARTICLE 24. INSPECTION PRIVILEGES AND EMPLOYER IDENTIFICATION

Authorized agents of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions, collection of dues, and ascertaining that the Agreement is being adhered to; provided, however, there is no interruption of the firm's working schedule. In all circumstances, the authorized agent of the Union will comply with all applicable TSA and other regulatory requirements with regard to security and facility access, including mandatory sign-in provisions when visiting the premises.

Company representatives, if not known to the employee, shall identify themselves to employees prior to taking disciplinary action.

Safety or other company vehicles shall be identified when stopping company equipment.

The employer will execute and pay for all non-CDL related identification, documents, proof of citizenship or any other means, including time spent, required by the Employer and/or the Employer's customer(s) to ensure that the employee shall have access to any job location he/she

is being dispatched to. This paragraph does not apply to any citizenship, immigration papers or other documents that are required as a condition of hire.

No employee will be required to have their driver's license reproduced in any manner except by their employer, law enforcement agencies, government facilities and facilities operating under government contracts that require such identification to enter the facility.

ARTICLE 25. SEPARABILITY AND SAVINGS CLAUSE

If any article or section of this Agreement or of any Supplements thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement and of any Supplements thereto, or the application of such article or section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

In the event that any article or section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations after receipt of written notice of the desired amendments by either Employer or Union for the purpose of arriving at a mutually satisfactory replacement for such article or section during the period of invalidity or restraint. There shall be no limitation of time for such written notice. If the parties do not agree on a mutually satisfactory replacement within sixty (60) days after receipt of the stated written notice, then the matter shall be promptly submitted to and resolved by the National Grievance Committee which shall issue a decision implementing one of the parties' final offers. The No Strike/No Lockout provisions of Article 7 shall remain in full force and effect in the event of such negotiations.

ARTICLE 26. TIME SHEETS, TIME CLOCKS, AND VIDEO CAMERAS

Section 26.1 – Time Sheets and Time Clocks

A daily time record shall be maintained by the Employer at its place of business. All stations shall have time clocks or other time recording devices.

Employees shall clock in/out their own time.

The Employer may substitute updated time recording equipment for time cards and time sheets. However, a paper trail shall be maintained.

The Employer may computerize the sign-in and sign-out records. However, at all times, the Union shall have reasonable access to a paper record of the sign-in and sign-out records.

Section 26.2 – Use of Video Cameras for Discipline and Discharge

The Employer shall not install inward facing video cameras/recorders, audio recorders or body

sensing technology in any vehicle. The Employer may not use video cameras to discipline or discharge an employee for reasons other than theft of property, willful destruction of property, dishonesty or willful gross negligent act. If the information on the video tape is to be used to discipline or discharge an employee, the Employer must provide the Local Union, prior to the hearing, an opportunity to review the video tape used by the Employer to support the discipline or discharge. Where a Supplement imposes more restrictive conditions upon use of video cameras for discipline or discharge, such restrictions shall prevail. The Employer shall not install or use video cameras in areas of the Employer's premises that violate the employee's right to privacy such as in bathrooms or places where employees change clothes or provide drug or alcohol testing specimens.

Section 26.3 – Computer Tracking Devices

GPS, RFID, and similar devices that are used by the Employer to manage, direct and monitor the Employer's work force, to direct the work in the most efficient manner, to support safety initiatives, and for other legitimate business purposes, may also be used to support disciplinary action (but may not be used as the sole basis for disciplinary action).

ARTICLE 27. EMERGENCY REOPENING

In the event of war, declaration of emergency, imposition of mandatory economic controls, the adoption of national health care or any congressional or federal agency action which has a significantly adverse effect on the financial structure of the air freight industry or adverse impact on the wages, benefits or job security of the employees, during the life of this Agreement, either party may reopen the same upon sixty (60) days' prior written notice and request renegotiation of the provisions of this Agreement directly affected by such action.

Upon the failure of the parties to agree in such negotiations within the subsequent sixty (60) day period, then the matter shall be promptly submitted to and resolved by the National Grievance Committee which shall issue a decision implementing one of the parties' final offers. If governmental approval of revisions should become necessary, all parties will cooperate to the utmost to attain such approval. The No Strike/No Lockout provisions of Article 7 shall remain in full force and effect in the event of such negotiations.

ARTICLE 28. DISCIPLINE AND DISCHARGE

The Company and Union agree that there shall be no "innocent until proven guilty" clauses in the national Agreement or any Local Supplement, except to the extent that such provisions were agreed to prior to the effective date of this 2008 National Master Agreement. All warning notices will be automatically protested.

ARTICLE 29. JURISDICTIONAL DISPUTES

In the event that any dispute should arise between any Local Unions, parties to this Agreement or Supplements thereto, or between any Local Union, party to this Agreement or Supplements thereto and any other Union, relating to jurisdiction over employees or operations covered by such

Agreements, the Employer and the Local Unions agree to accept and comply with the decision or settlement of the Unions or Union bodies which have the authority to determine such dispute, and such disputes shall not be submitted to arbitration under this Agreement or Supplements thereto or to legal or administrative agency proceedings. Pending such determination, the Employer shall not be precluded from seeking appropriate legal or administrative relief against work stoppages or picketing in furtherance of such dispute.

ARTICLE 30. WAGES

Wage rates in effect for full time employees shall be increased as set forth below:

SEE NATIONAL ECONOMIC SETTLEMENT

The increases apply to all wage rates (including part-time, casual, etc). No employee shall suffer a reduction in wage rate as a result of this agreement.

The new entry rates will be governed by the terms of the applicable Supplemental Agreement.

Section 30.1 – Holidays

SEE NATIONAL ECONOMIC SETTLEMENT

All supplements and riders shall maintain the same holidays contained in those labor agreements in effect prior to December 31, 2021 unless otherwise set forth in the 2021 negotiated Operational Supplements, Supplements and/or Riders.

Effective January 1, 2022, all eligible employees will also earn the following annual holiday in addition to the current schedule in the applicable Supplement: Dr. Martin Luther King Day.

ARTICLE 31. SUBCONTRACTING

Section 31.1 – Work Preservation

The protection and preservation of bargaining unit work is central to this Agreement.

The Company shall not permit any affiliated companies (including but not limited to DHL Supply Chain Solutions) to divert or move work traditionally handled by bargaining unit employees.

For the purpose of preserving work and job opportunities for the employees covered by this Agreement, the signatory Employer agrees that, unless specifically provided for by the Supplemental Agreement, no operation, work or services of the kind, nature or type covered by, or presently performed by, or hereafter assigned to, the collective bargaining unit by the signatory Employer will be subcontracted, transferred, leased, diverted, assigned or conveyed in full or in part (hereinafter referred to as “divert” or “subcontract”), by the Employer to any other plant, business, person, or non-unit employees, or to any other mode of operation, unless specifically provided and permitted in this Agreement.

In addition, the signatory Employer agrees that, unless specifically provided for by the Supplemental Agreement, it will not, as hereinafter set forth, subcontract or divert the work presently performed by, or hereafter assigned to, its employees to non-employee owner-operators or other business entities owned and/or controlled by the signatory Employer, or its parent, subsidiaries or affiliates.

In addition, the Company agrees that the function of a supervisor is to supervise employees and not to perform the work of the supervised employees. Therefore, supervisors shall not perform bargaining unit work all reasonable efforts have been exhausted to use bargaining unit employees to perform such work.

While recognizing that shippers may consign freight within their control to/from Mexico at any point in the United States, Article 31 prohibits the Employer from subcontracting work under its control to be performed in the United States of the kind, nature, or type currently or previously performed by the bargaining unit to employees employed by Mexican companies.

The Company agrees that absent express agreement with the Union, it shall not make any technological change. For purposes of this Article, “technological change” shall be defined as any change in equipment, processes, or materials, including the introduction of artificial intelligence, that results in a significant change in the work performed by any bargaining unit employee.

Section 31.2 – Diversion of Work Parent or Subsidiary Companies

The parties agree that for purposes of this Article it shall be presumed that, unless specifically provided for by the Supplemental Agreement, a diversion of work in violation of this Agreement occurs when work presently and regularly performed by, or hereafter assigned to, employees of the signatory Employer has been lost and the lost work is being performed in the same manner (including transportation by owner-operators and independent contractors) by an entity owned and/or controlled by the signatory Employer, its parent, AEI, Inc., or a subsidiary, including logistics companies, within one hundred and twenty (120) days of the loss of the work. The burden of overcoming such presumption in the grievance procedure shall be upon the Employer.

Section 31.3 – Subcontracting

Unless otherwise specifically provided for by the Supplemental Agreement, the Employer may subcontract work when all of his/her regular employees are working. No work shall be farmed out except for existing situations established by agreed-to past practices. Loads may also be delivered by other agreed-to methods or as presently agreed to. Other persons performing subcontracted work, which is permitted herein shall receive no less than the equivalent of the economic terms and conditions of this Agreement and the applicable Supplement.

The Employer shall maintain records identifying persons performing subcontracted work permitted by this Agreement. Said records shall be made available for inspection by the Local Union(s) in the locality affected by such subcontract work.

The normal, orderly interlining of freight for peddle on occasional basis, where there are parallel

rights, and when not for the purpose of evading this Agreement, may be continued as has been permitted by past practice provided it is not being done to defeat the provisions of this Agreement.

Section 31.4 – Expansion of Operations

New Pick-Up and Delivery Adjoining Current Operations

It shall not, however, be a violation of this Article if, during the term of this Agreement, an Employer commences pick-up and delivery operations which adjoin and are controlled and utilized as part of such current operations with other than its own employees when there is insufficient business to economically justify the establishment of its own employer-operated pick-up and delivery service. However, the above exception shall thereafter terminate when sufficient economic justification develops so as to warrant the establishment and maintenance of the terminal operation by such Employer, in which event, the Employer shall institute a pick-up and delivery operation or continue such operations with companies which maintain wage standards established by this Agreement in the area where the work is conducted. This exception shall not apply in any circumstance where an Employer is presently engaged in pick-up and delivery operations either through his/her own terminal or through companies which maintain such wage standards.

Section 31.5 – Special Circumstances

For the purpose of preserving work and job opportunities, the National Grievance Committee may define the circumstances and adopt procedures by which an Employer and a Local Union, parties to this Agreement, may in compliance therewith enter into a Special Circumstance Agreement which does not meet the standards provided herein.

Section 31.6 – Access to Grievance Procedure

Grievances arising under this Article shall be processed on an expedited basis pursuant to the procedures contained in Article 7 Section 4.

ARTICLE 32. COST-OF-LIVING (COLA)

SEE NATIONAL ECONOMIC SETTLEMENT

All wages rates 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 April 1, , and every April 1 thereafter during the life of the agreement (with the final adjustment being the last April 1 of this Agreement), a cost-of-living allowance will be calculated on the basis of the difference between the Index for January, (published February) and the Index

for January, (published February) 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 3.0%, there will be a 1 cent increase in the hourly wage rates payable on April 1, , and every April 1 thereafter. These increases shall only be payable if they equal a minimum of five cents (\$.05) in a year. .Each year will be evaluated independently and on a stand-alone basis under the formula set forth above.

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.

This Article 32 expressly supersedes and overrides any COLA provision in any local supplement unless such supplemental provisions provide for a greater increase.

ARTICLE 33. BAIL AND LICENSING

Section 33.1 – Employee's Bail

Employees will be bailed out of jail if accused of any offense in connection with the faithful discharge of their duties, and any employee forced to spend time in jail or in courts shall be compensated at his/her regular rate of pay. In addition, he/she shall be entitled to reimbursement for his/her meals, transportation, court costs, etc.; provided, however, that faithful discharge of duties shall in no case include compliance with any order involving commission of a felony. In case an employee shall be subpoenaed as a company witness, he/she shall be reimbursed for all time lost and expenses incurred.

Section 33.2 – Suspension or Revocation of License

In the event an employee receives a traffic citation for a moving violation which would contribute to a suspension or revocation or suffers a suspension or revocation of his/her right to drive the company's equipment for any reason, he/she must promptly notify his/her Employer in writing. Failure to comply will subject the employee to disciplinary action up to and including discharge. If such suspension or revocation comes as a result of his/her complying with the Employer's instruction, which results in a succession of size and weight penalties or because he/she complied with his/her Employer's instruction to drive company equipment which is in violation of DOT regulations relating to equipment or because the company equipment did not have either a speedometer or a tachometer in proper working order and if the employee has notified the Employer of the citation for such violation as above mentioned, the Employer shall provide employment to such employee at not less than his/her regular earnings at the time of such suspension for the entire period thereof.

When an employee in any job classification requiring driving has his/her operating privilege or license suspended or revoked for reasons other than those for which the employee can be discharged by the Employer, a leave of absence, not to exceed three (3) years, shall be granted for such time as the employee's operating privilege or license has been suspended or revoked.

ARTICLE 34. DRUG AND ALCOHOL TESTING

In order to eliminate the safety risks which result from alcohol and drug use, the parties have agreed to a Drug and Alcohol Testing Program as set forth in *Appendix A* and incorporated herein by reference. It is the intent of the parties that the provisions of Appendix A be updated as necessary during the term of this Agreement to comply with any changes in the minimum federal DOT drug and alcohol testing regulations.

ARTICLE 35. NON-DISCRIMINATION

The Employer and the Union agree not to discriminate against any individual with respect to hiring, compensation, terms or conditions of employment because of such individual's race, color, religion, sex, age, or national origin nor will they limit, segregate or classify employees in any way to deprive any individual employee of employment opportunities because of race, color, religion, sex, age, or national origin or engage in any other discriminatory acts prohibited by law. This Article also covers employees with a qualified disability under the Americans with Disabilities Act, although whether the Employer has complied with the ADA's statutory requirements shall not be subject to the grievance procedure.

ARTICLE 36. LEAVES OF ABSENCE

Section 36.1 - Sick Leave

Effective April 1, 2022 and thereafter, all employees will be provided at least seven (7) days of sick leave per contract year, unless the Supplemental Agreement provides additional sick leave, and/or a different sick leave application.

Sick leave not used by March 31 of any contract year will be paid on March 31 at the applicable hourly rate in existence on that date. Each day of sick leave will be paid for on the basis of eight (8) hours' straight-time pay at the applicable hourly rate.

Sick leave will be paid to eligible employees beginning on the first (1st) working day of absence due to sickness or accident except where the employee is hospitalized prior to that date when it will be paid beginning on the date of hospitalization.

The additional sick leave days referred to above shall also be included in those Supplements containing sick leave provisions prior to April 1, 1976. The National Negotiating Committees may develop rules and regulations to apply to sick leave provisions negotiated in the 1976 Agreement and amended in this Agreement uniformly to the Supplements. The Committee shall not establish rules and regulations for sick leave programs in existence on March 31, 1976.

Section 36.2 – Jury Duty

Subject to contrary provisions in the Supplemental Agreement, all regular employees called for jury duty will receive eight (8) hours pay at the applicable hourly wage for jury service for each day of jury duty. Employees working a four-day workweek at ten (10) hours per day will receive ten hours pay for each day of jury duty on a scheduled workday.

When such employees report for jury service on a scheduled workday, they will not unreasonably be required to report for work that particular day.

Time spent on jury service will be considered time worked for purposes of Employer contributions to health & welfare and pension plans, vacation eligibility and payment, holidays and seniority, in accordance with the applicable provisions of the Supplemental Agreements.

Section 36.3 – Family and Medical Leave Act

SEE NATIONAL ECONOMIC SETTLEMENT

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.

Eligible employees are entitled to up to a total of 12 weeks of unpaid leave during any twelve (12) month period for the following reasons:

1. Birth or adoption of a child or the placement of a child for foster care;
2. To care for a spouse, child or parent of the employee due to a serious health condition;
3. A serious health condition of the employee.

The employee's seniority rights shall continue as if the employee had not taken leave under this Section, and the Employer will maintain health insurance coverage during the period of the leave.

The Employer may require the employee to substitute accrued paid vacation or other paid leave for part of the twelve (12) week leave period, except for the last three (3) weeks of vacation in any year.

The employee is required to provide the Employer with at least thirty (30) days advance notice before FMLA leave begins if the need for leave is foreseeable. If the leave is not foreseeable, the employee is required to give notice as soon as practicable. The Employer has the right to require medical certification of a need for leave under this Act. In addition, the Employer has the right to require a second (2nd) opinion at the Employer's expense. If the second opinion conflicts with the initial certification, a third opinion from a health care provider selected by the first and second opinion health care providers, at the Employer's expense may be sought, which shall be final and binding. Failure to provide certification shall cause any leave taken to be treated as an unexcused absence.

As a condition of returning to work, an employee who has taken leave due to his/her own serious health condition must be medically qualified to perform the functions of his/her job. In cases where employees fail to return to work, the provisions of the applicable Supplemental Agreement will apply.

It is specifically understood that an employee will not be required to repay any of the contributions for his/her health insurance during FMLA leave. No employee will be disciplined for requesting or taking FMLA leave under the contract absent fraud, misrepresentation, or dishonesty.

Disputes arising under this provision shall be subject to the grievance procedure.

The provisions of this Section are in response to the federal FMLA and shall not supersede any state or local law which provides for greater employee rights.

The Employer may not force an employee to use pre-scheduled vacation time as FMLA leave, provided the vacation involved was prescheduled in accordance with the applicable supplemental agreement.

The Employer may not force an employee who has taken separate hours of unpaid leave for medical reasons to substitute those hours as accrued leave under the FMLA.

The Employer may not force an employee to substitute accrued leave for FMLA leave if the employee is receiving supplemental loss-of-time disability benefits from a benefit plan under this agreement.

Section 36.4 – Maternity Leave & Parental Leave

Employees are eligible for the Company's Maternity and Paternity Leave programs. Any improvements to these programs during the term of this Agreement will be applicable to the employees covered by the Master Agreement.

ARTICLE 37. HEALTH & WELFARE & PENSION

SEE NATIONAL ECONOMIC SETTLEMENT

Except as changed through local negotiations, the Company shall continue to participate in all Health, Welfare and Pension (and/or other Retirement) Plans in accordance with the rules and regulations of each Fund. The Company shall pay annual contribution increases above the rates in effect at the expiration of the prior agreement in the following amounts:

Contributions to such plans for eligible employees shall be based on monthly, weekly, daily and/or hourly contribution formulas in accordance with plan documents and past practice.

In making such allocation, the Union and the Company agree that a sufficient portion of the increase shall be allocated to fully cover additional contributions required by reason of the Pension Protection Act. If for any reason the increase per hour is insufficient to cover additional

contributions required for a given pension plan in a given year , then the Union and the Employer shall promptly meet to negotiate changes in this Agreement to generate sufficient savings to cover the cost of such increased contributions. Agreement shall not be unreasonably withheld. Such negotiation shall be treated as an Emergency Reopening under Article 27. If such negotiations result in a revised schedule of benefits, the applicable Fund shall be obligated to accept the schedule as if it was the beginning of the term of a new labor agreement.

ARTICLE 38. DURATION

SEE NATIONAL ECONOMIC SETTLEMENT

Section 38.1 – Duration and Notice of Termination

This Agreement shall be in full force and effect from January 1, 2025 to and including December 31, 2028 and shall continue from year to year thereafter unless written notice of desire to cancel or terminate this Agreement is served by either party upon the other at least sixty (60) days prior to date of expiration.

When notice of cancellation or termination is given under this Section, the Employer and the Union shall continue to observe all terms of this Agreement until impasse is reached in negotiations or until either the Employer or the Union exercise their rights under Section 38.3 of this Article.

Section 38.2 – Notice of Modifications

Where no such cancellation or termination notice is served and the parties desire to continue said Agreement but also desire to negotiate changes or revisions in this Agreement, either party may serve upon the other a notice at least sixty (60) days prior to December 31, 2028 or December 31st of any subsequent contract year, advising that such party desires to revise or change terms or conditions of such Agreement.

Section 38.3 – Economic Recourse

The designated National Union Negotiating Committee as representative of the Local Unions or the Employer shall each have the right to unilaterally determine when to engage in economic recourse (strike or lockout) on or after January 1, 2029 unless agreed to the contrary.

Section 38.4 – Effective Date of Successor Agreement

Revisions agreed upon or ordered shall be effective as of January 1, 2025 or January 1st of any subsequent contract year.

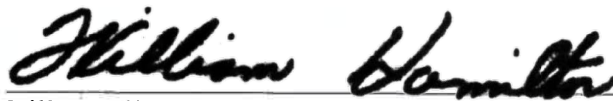
Section 38.5 – Inadvertent Failure to Give Notice

In the event of an inadvertent failure by either party to give the notice set forth in Sections 38.1 and 38.2 of this Article, such party may give such notice at any time prior to the termination or automatic renewal date of this Agreement. If a notice is given in accordance with the provisions

of this Section, the expiration date of this Agreement shall be the sixty-first (61st) day following such notice.

IN WITNESS WHEREOF the parties hereto have set their hands and seals, this 11 day of April, 2025, , to be effective January 1,2025 , except as to those areas where it has been otherwise agreed between the parties.

For TNUNC:



Bill Hamilton, Co-Chairman, Teamsters National Union
Negotiating Committee, Director, Express Division

For the Employer:



Matthew Wilim, Senior Director of Labor Relations

APPENDIX A. DRUG AND ALCOHOL TESTING & DISCIPLINE

PREAMBLE

While abuse of alcohol and drugs among our members/employees is the exception rather than the rule, the Teamsters National Negotiating Committee and the Employer to this Agreement share the concern expressed by many over the growth of substance abuse in American society. In addition to the drug and alcohol testing provided by this Master Agreement, all employees may be subject to such testing, if specifically provided by the Supplemental Agreement, for probable suspicion, after any accident or upon returning to work following an extended lay-off or extended absence.

The parties have agreed that the Drug and Alcohol Abuse Program will be modified in the event that further federal legislation or Department of Transportation regulations provide for revised testing methodologies or requirements. The parties have incorporated the appropriate changes required by the applicable DOT drug testing rules under 49 CFR Parts 40 and 382, and agree that if new federally mandated changes are brought about, they too will become part of this Agreement. The drug testing procedure, agreed to by labor and management, incorporates state-of-the-art employee protections during specimen collection and laboratory testing to protect the innocent and ensures the Employer complies with all applicable DOT drug and alcohol testing regulations.

[NOTE: Emphasize that the above language reflects joint employer and employee desire to “incorporate state-of-the-art employee protections during specimen collection and laboratory testing to protect the innocent.” DOT is incorporating oral fluid testing. Once certified laboratories are available, expect AEI to offer this state-of-the-art testing option should cost be similar or less than current option.]

In order to eliminate the safety risks which result from alcohol or drugs, the parties have agreed to the following procedures:

UNIFORM TESTING PROCEDURE

A. Probable Suspicion Testing

In cases in which an employee is acting in an abnormal manner and at least one (1) supervisor, two (2) if available, have probable suspicion to believe that the employee is under the influence of controlled substances and/or alcohol, the Employer may require the employee (in the presence of a union shop steward, if possible) to undergo a urine specimen collection and a breath alcohol analysis as provided in Section 4(b). If available, an oral fluid option will be offered. The supervisor(s) must have received training in the signs of drug intoxication or alcohol misuse in a prescribed training program which is endorsed by the Employer. Probable suspicion means suspicion based on specific personal observations that the Employer representative(s) can describe concerning the appearance, behavior, speech or breath odor of the employee. The observations may include the indications of chronic and withdrawal effects of controlled substances. The supervisor(s) must make a written statement of these observations within

twenty-four (24) hours. A copy must be provided to the shop steward or other union official after the employee is discharged. Suspicion is not probable and thus not a basis for testing if it is based solely on third (3rd) party observation and reports. If requested, the employee will sign a consent form authorizing the urine collection and breath analysis and releasing the results of the urine laboratory testing to his/her Employer's Medical Review Officer and the breath testing results to the Employer. The employee shall not be required to waive any claim or cause of action under the law. For all purposes herein, the parties agree that the terms "probable suspicion" and "reasonable cause" shall be synonymous.

The following collection procedures shall apply to all types of testing:

A refusal to provide a urine specimen or oral fluid, or undertake a breath analysis will constitute a presumption of intoxication and the employee will be subject to discharge without the receipt of a prior warning letter. If the employee is unable to produce 45 mL of urine, he/she shall be offered up to 40 ounces of fluids to drink and shall remain at the collection site under observation until able to produce a 45 mL specimen, for a period of up to three (3) hours from the first unsuccessful attempt to provide the urine specimen. If the employee is still unable to produce a 45 mL specimen, the Employer shall direct the employee to undergo an evaluation which shall occur within five business days, by a licensed physician, acceptable to the MRO who has the expertise in the medical issues concerning the employee's inability to provide an adequate amount of urine. If the physician and MRO conclude that there is no medical condition that would preclude the employee from providing an adequate amount of urine, the MRO will issue a ruling that the employee refused the test. If an employee is unable to provide a sufficient breath sample for analysis, the procedures outlined in the DOT regulations shall be followed for all employees. Such employees shall be evaluated by a licensed physician, acceptable to the Employer who has the expertise in the medical issues concerning the employee's failure to provide an adequate amount of breath. Absent a medical condition, as determined by a licensed physician, said employee will be regarded as having refused to take the test. The Employer will adhere to DOT regulations for employees who are unable to provide a urine or breath specimen due to a permanent or long-term medical condition. Contractual time limits for disciplinary action, as set forth in the appropriate Supplemental Agreement, shall begin on the day on which specimens are taken. In the event the Employer alleges only that the employee is intoxicated on alcohol and not drugs, previously agreed-to procedures under the appropriate Supplemental Agreement for determining alcohol intoxication shall apply.

In the event the Employer is unable to determine whether the abnormal behavior is due to drugs or alcohol, the drug testing procedure contained herein and the breath alcohol testing procedure contained in Section 4(b) shall be used. If the laboratory results are not known prior to the expiration of the contractual time period for disciplinary action, the cause for disciplinary action shall specify that the basis for such disciplinary action is for "alcohol and/or drug intoxication."

B. DOT Random Testing

It is agreed by the parties that random urine drug testing will be implemented only in accordance with the DOT rules under 49 CFR Part 382, Section C.

The method of selection for random urine drug testing will be neutral so that all employees subject to testing will have an equal chance to be randomly selected.

The term “employees subject to testing” under this Agreement is meant to include any employee required to have a Commercial Drivers License (CDL) under the Department of Transportation regulations .

Employees out on long term injury or disability for any reason shall not be tested.

The provisions of Appendix A, Section 3(f)(3) (Split Sample Procedures), and Appendix A, Section 3(j)(1) (One-Time Rehabilitation), shall apply to random urine drug testing.

C. Non-Suspicion-Based Post-Accident Testing

(1) DOT Post-Accident Testing

Non-suspicion-based DOT post-accident testing is defined as urine drug testing as a result of an accident which meets the definition of an accident as outlined in the Federal Motor Carrier Safety Regulations. Urine drug testing will be required after accidents meeting the following conditions and drivers are required to remain readily available for testing for thirty-two (32) hours following the accident or until tested.

Employees subject to non-suspicion-based post-accident drug testing shall be subject to DOT drug testing, who are involved in an accident where there is:

- (i) a fatality, or;
- (ii) a citation under State or local law is issued to the driver for a moving traffic violation arising from the accident in which
 - (a) bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident, or
 - (b) one or more motor vehicles incurring disabling damage as a result of the accident, requires the vehicle(s) to be transported away from the scene by a tow truck or other vehicle.

The driver has the responsibility to make himself/herself available for urine drug testing within the thirty-two (32) hour period in accordance with the procedures outlined in this Subsection. The driver is responsible to notify the Employer upon receipt of a citation and to note receipt thereof on the accident report. Failure to so notify the Employer shall subject the driver to disciplinary action.

If a driver receives a citation for a moving violation more than thirty-two (32) hours after a reportable accident, he/she shall not be required to submit to post-accident urine drug testing.

The Employer shall make available a urine drug testing kit and an appropriate collection site for the driver to provide specimens.

The provisions of this Appendix A, Section 3(f)(3) (Split Sample Procedures), and Appendix A, Section 3(j)(1) (One-Time Rehabilitation), shall apply to non-suspicion-based post-accident urine drug testing.

D. Chain of Custody Procedures

Any specimens collected for drug testing shall follow the DHHS/DOT (Department of Health and Human Services/ Department of Transportation) specimen collection procedures. At the time specimens are collected for any drug testing, the employee shall be given a copy of the specimen collection procedures. In the presence of the employee, the specimens are to be sealed and labeled. As per DOT regulations, it is the employee's responsibility to initial the seals on the specimens bottles, additionally ensuring that the specimens tested by the laboratory are those of the employee. The required procedure follows:

(1) When urine specimens are to be provided, at least 45mL of specimen shall be collected. At least 30 mL shall be placed in one (1) self-sealing screw-capped or snap-capped container. A urine specimen of at least 15 mL shall be placed in a second such container. They shall be sealed and labeled by the collector, and initialed by the employee without the containers leaving the employee's presence. The employee has the responsibility to identify each container and initial same. Following collection, the specimens shall be placed in the transportation container together with the appropriate copies of the chain of custody form. The transportation container shall then be sealed in the employee's presence. The employee has the responsibility to initial the outside of the container. The container shall be sent to the designated testing laboratory at the earliest possible time by the fastest available means.

In this urine collection procedure, the donor shall urinate into a collection container capable of holding at least 55 mL, which shall remain in full view of the employee until transferred to tamper-resistant urine bottles, and sealed and labeled, and the employee has initialed the bottles.

It is recognized that the Specimen Collector is required to check for sufficiency of specimen, acceptable temperature range, and signs of tampering, provided that the employee's right to privacy is guaranteed and in no circumstances may observation take place while the employee is producing the urine specimens, unless required by DOT regulations. If it is established that the employee's specimen is outside of the acceptable temperature range or has been intentionally tampered with or substituted by the employee, the employee will be required to immediately submit an additional specimen under direct observation. Also, if it is established that the employee's specimen has been intentionally tampered with or substituted by the employee, the employee is subject to discipline as if the specimen tested positive. In order to deter adulteration of the urine specimen during the collection process, physiologic determinations for creatinine, specific gravity, pH, and any substances that may be used to adulterate the specimen shall be performed by the laboratory. If the laboratory suspects the presence of an interfering substance/adulterant that could make a test result invalid, but the initial laboratory is unable to identify it, the specimen must be sent to another HHS certified laboratory that has the capability of doing so.

Any findings by the laboratory that indicate that a specimen is adulterated as a result of the fact that it contains a substance that is not expected to be present in human urine; a substance that is expected to be present is identified at a concentration so high that it is not consistent with human urine; or has physical characteristics which are outside the normal expected range for human urine shall be immediately reported to the Company's Medical Review Officer (MRO). The parties recognize that the key to chain of custody integrity is the immediate sealing and labeling of the specimen bottles in the presence of the tested employee. If each container is received undamaged at the laboratory properly sealed, labeled and initialed, consistent with DOT regulations as certified by the laboratory, the Employer may take disciplinary action based upon the MRO's ruling.

E. Urine Collection Kits and Forms

The contents of the urine collection kit shall be as follows:

1. The kit shall include a specimen collection container capable of holding at least fifty-five (55) mL of urine and contains a temperature reading device capable of registering the urine temperature specified in the DOT regulations.
2. Two (2) plastic bottles that are capable of holding at least thirty-five (35) mL, have screw-on or snap-on caps, and markings clearly indicating the appropriate levels for the primary (30 mL) and split (15 mL) specimens.
3. A uniquely numbered (i.e. Specimen Identification Number) DOT approved chain of custody form with similarly numbered Bottle Custody Seals, and a transportation kit seal (e.g., Box Seal) shall be utilized during the urine collection process and completed by the collection site person. In the case of probable suspicion or other contractually required testing, a Non-DOT chain of custody form will be used for the testing of Non-DOT employees. The appropriate laboratory copies are to be placed into the transportation container with the urine specimens. The exterior of the transportation kit shall then be secured, e.g., by placing the tamper-proof Box Seal over the outlined area.
4. Shrink-wrapped or similarly protected kits shall be used in all instances.

F. Laboratory Requirements

(1) Urine Testing

In testing urine samples, the testing laboratory shall test specifically for those drugs and classes of drugs and adulterants employing the test methodologies and cutoff levels covered in the DOT Regulations 49 CFR Part 40.

(2) Specimen Retention

All specimens deemed positive, adulterated, substituted, or invalid by the laboratory, according to the prescribed guidelines, must be retained at the laboratory for a period of one (1) year.

(3) Split Sample Procedure

The split sample procedure is required for all employees selected for urine drug testing. When any test kit is received by the laboratory, the “primary” sealed urine specimen bottle shall be immediately removed for testing, and the remaining “split” sealed specimen bottle shall be placed in secured storage. Such specimen shall be placed in refrigerated storage if it is to be tested outside of the DOT mandated period of time.

The employee will be given a shrink-wrapped or similarly protected urine collection kit. After receiving the specimen, the collector shall pour at least 30 mL of urine into the specimen bottle and at least 15 mL into the second split specimen bottle. Both bottles shall be sealed in the employee’s presence, initialed by the employee, then forwarded to an accredited laboratory for testing. If the employee is advised by the MRO that the first (1st) urine sample tested positive, adulterated, or substituted, in a random, return to duty, follow-up, probable suspicion, or post-accident urine drug test, the employee may, within seventy-two (72) hours of receipt of the actual notice, request from the MRO that the second (2nd) urine specimen be forwarded by the first laboratory to another independent and unrelated accredited laboratory of the parties’ choice for GC/MS confirmatory testing for the presence of the drug, or other confirmatory testing for adulterants, or to confirm that the specimen has been substituted as defined in 49 CFR Part 40. If the employee chooses to have the second (2nd) sample analyzed, he/she shall at that time execute a special check-off authorization form to ensure payment by the employee. Split specimen testing will conform to the regulations as defined in 40 CFR Part 40. If the employee chooses the optional split sample procedure, and so notifies his Employer, disciplinary action can only take place after the MRO reports a positive, adulterated, or substituted result on the primary test and the MRO reports that the testing of the split specimen confirmed the result. However, the employee may be taken out of service once the MRO reports a positive, adulterated, substituted result based on the testing of the primary specimen while the testing of the split sample specimen is being performed. If the second (2nd) test confirms the findings of the first laboratory and the employee wishes to use the rehabilitation options of this Section, the employee shall reimburse the Employer for the cost of the second (2nd) sample’s analysis before entering the rehabilitation program. If the second (2nd) laboratory report is negative for drugs, adulterants, or substitution, the employee will be reimbursed for the cost of the second (2nd) test and for all lost time. It is also understood that if an employee opts for the split sample procedure, contractual time limits on disciplinary action in the Supplements are waived.

(4) Laboratory Accreditation

All laboratories used to perform urine drug testing pursuant to this Agreement must be certified by the Health and Human Services under the National Laboratory Certification Program (NLCP).

G. Laboratory Testing Methodology

(1) Urine Testing

The initial testing shall be by immunoassay which meets the requirements of the Food and Drug Administration for commercial distribution. The initial cutoff levels used when screening urine specimens to determine whether they are negative or positive for various classes of drugs shall be those contained in the Scientific and Technical Guidelines for Federal Drug Testing Programs (subject to revision in accordance with subsequent amendments to the HHS Guidelines).

All specimens identified as positive on the initial test shall be confirmed using gas chromatography/mass spectrometry (GC/MS) techniques. Quantitative GC/MS confirmatory procedures for drugs and confirmatory procedures for specimens that are initially identified as being adulterated or substituted shall comply with the testing protocols mandated by the Scientific and Technical Guidelines for Federal Drug Testing Programs (subject to revision in accordance with subsequent amendments to the HHS Guidelines).

Validity testing shall be conducted on all specimens, pursuant to HHS requirements, to determine whether they have been adulterated or substituted. All specimens which test negative on either the initial test or the GC/MS confirmation test shall be reported as only negative, unless they are confirmed to be adulterated, substituted, or invalid. Only specimens which test positive on both the initial test and the GC/MS confirmation test shall be reported as positive. Specimens that are confirmed to be adulterated or substituted shall be reported as such.

When a grievance is filed as a result of a drug test that is ruled positive, adulterated, or substituted, the Employer shall provide a copy of the MRO ruling to the Union.

Where Schedule I and II drugs are detected, the laboratory is to report a positive test based on a forensically acceptable positive quantum of proof. All positive test results must be reviewed by the certifying scientist and certified as accurate.

(2) Prescription and Non-Prescription Medications

If an employee is taking a prescription or non-prescription medication in the appropriate described manner, he/she will not be disciplined. Medications prescribed for another individual, not the employee, shall be considered to be illegally used and subject the employee to discipline.

(3) Medical Review Officer (MRO)

The Medical Review Officer (MRO) shall be a licensed physician with the knowledge of substance abuse disorders, issues relating to adulterated and substituted specimens, possible medical causes of specimens having an invalid result, and applicable DOT agency regulations. In addition, the MRO shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing education requirements. The MRO shall review and shall examine alternate medical explanations for tests reported as positive, adulterated, or substituted, as well as those results reported as invalid. Prior to the final decision to verify a positive urine drug test result, all employees shall have the opportunity to discuss the results with the MRO. If the employee declines to speak with the MRO, or the employee fails to contact the MRO within 72 hours of being notified to do so by the Employer, or if the MRO is unable to contact the employee within ten (10) days of the receipt of the drug test result being reported to

him by the laboratory, then the MRO may report the result to the Employer. has not discussed the results of the positive urine drug test with the MRO within five (5) days after being contacted, or refused the opportunity to do so, the MRO shall proceed with the positive verification.

(4) Substance Abuse Professional (SAP)

1) The Substance Abuse Professional (SAP), as provided in the regulations, means a licensed physician (Medical Doctor or Doctor of Osteopathy), or a licensed or certified psychologist, social worker, or employee assistance professional, or a drug and alcohol counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission or by the International Certification Reciprocity Consortium/Alcohol & Other Drug Abuse). All must have knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substance-related disorders and be knowledgeable of the SAP function as it relates to employer interest in safety-sensitive functions, and applicable DOT agency regulations. In addition, the SAP shall comply with the DOT qualification training and continuing education requirements.

H. Leave of Absence Prior to Testing

(1) An employee shall be permitted to take leave of absence in accordance with the FMLA, the ADA or applicable State leave or disability laws for the purpose of undergoing rehabilitation or treatment pursuant to an approved rehabilitation or treatment program for alcoholism or drug use. The leave of absence must be requested prior to the commission of any act subject to disciplinary action.

(2) Employees requesting to return to work from a voluntary leave of absence for drug use or alcoholism shall be required to submit to testing as provided for in Part (j) of this Section. Failure to do so will subject the employee to discipline including discharge without the receipt of a prior warning letter.

The provisions of this Section shall not apply to probationary employees.

I. Disciplinary Action Based on Positive, Adulterated, or Substituted Test Results

Consistent with past practice under this Agreement, and notwithstanding any other language in any Supplement, the Employer may take disciplinary action based on the test results as follows:

(1) If the MRO reports that a urine drug test is positive, adulterated, or substituted, the employee shall be subject to discharge except as provided in Part (j).

(2) The following actions shall apply in probable suspicion testing based on DOT and contractual mandates.

a. If the urine drug test is positive, adulterated, or substituted, according to the procedures described in Part (g), the employee shall be subject to discharge.

b. If the breath alcohol test results shows an alcohol concentration equal to or above the level previously determined by the appropriate Supplemental Agreement for alcohol intoxication, the employee shall be subject to discharge pursuant to the Supplemental Agreement.

c. If the breath alcohol test is negative and the urine drug test is negative, the employee shall be immediately returned to work and made whole for all lost earnings.

J. Return to Employment After a Positive Urine Drug Test

(1) Any employee with a positive, adulterated, or substituted urine drug test result (other than under probable suspicion testing), thereby subjecting the employee to discipline, shall be granted reinstatement on a one (1) time lifetime basis if the employee successfully completes a course of education and/or treatment program as recommended by the Substance Abuse Professional (SAP). The SAP will recommend a course of education and/or treatment with which the employee must demonstrate successful compliance prior to returning to DOT safety-sensitive duty. The SAP will refer him/her to a treatment program which has been approved by the applicable Health and Welfare Fund, where such is the practice. Any cost of evaluation, education and/or treatment over and above that paid for by the applicable Health and Welfare Fund must be borne by the employee.

(2) Employees electing the one-time lifetime evaluation and/or rehabilitation must notify the Company within ten (10) days of being notified by the Company of a positive, adulterated, or substituted urine drug test. The evaluation process, education and/or treatment program must take a minimum of ten (10) days. The employee must begin the evaluation process and education and/or treatment program within fifteen (15) days after notifying the Company. The employee must request reinstatement promptly after successful completion of the education and/or treatment program. After the minimum ten (10) day period and re-evaluation by the SAP, the employee may request reinstatement, but must first provide a negative return to duty urine drug test, to be conducted by a clinic and laboratory of the Employer's choice, before the employee can be reinstated. Any employee choosing to protest the discharge must file a protest under the applicable Supplement. After the discharge is sustained, the employee must notify the Company within ten (10) days of the date of the decision, of the desire to enter the evaluation process and education and/or treatment program.

(3) While undergoing treatment, the employee shall not receive any of the benefits provided by this Agreement or Supplements thereto except the continued accrual of seniority.

(4) Before reinstatement after the minimum ten (10) day period, the employee must be re-evaluated by the Substance Abuse Professional to determine successful compliance with any recommended education and/or treatment program. The employee must then submit to the Employer's return-to-duty urine drug test (and alcohol test if so prescribed by the SAP) with a negative result. The employee will be subject to at least six (6) unannounced follow-up urine drug tests in the first year, as determined by the SAP. If, at any time, the employee tests positive, provides an adulterated or substituted specimen, or refuses to submit to a test, the employee shall be subject to discharge.

(a) A return-to-duty drug test is a urine drug test which an employee must complete with a negative result, after having been reevaluated by a SAP to determine successful compliance with recommended education and/or treatment.

(b) Follow-up drug testing shall mean those unannounced urine drug tests required (minimum of six (6) in a twelve (12) month period) when an employee tests positive, provides an adulterated or substituted specimen, or refused to be tested and has been evaluated by the SAP, completed education and/or treatment, been re-evaluated by the SAP and returned to work. The requirements of follow-up testing follow the employee through breaks in service (i.e. layoff, on-the-job injury, personal illness/injury, leave of absence, etc.). In addition, the requirements of follow-up testing follow the employee to subsequent employers. The SAP has the authority to order any number of follow-up urine drug tests and/or alcohol and to extend the twelve (12) month period up to sixty (60) months.

K. Special Grievance Procedure

(1) The parties shall together create a Special Region Joint Area Committee consisting of an equal number of employer and union representatives to hear drug-related discipline disputes. All such disputes arising after the establishment of the Special Region Joint Area Committee shall be taken up between the Employer and Local Union involved. Failing adjustment by these parties, the dispute shall be heard by the Special Region Joint Area Committee within ninety (90) days of the Committee's receipt of the dispute. Where the Special Region Joint Area Committee, by majority vote, settles a dispute, such decision shall be final and binding on both parties with no further appeal. Where the Special Region Joint Area Committee is unable to agree on or come to a decision on a dispute, the dispute will be referred to the National Grievance Committee.

(2) The procedures set forth herein may be invoked only by the authorized Union Representative or the Employer.

L. Paid-for Time

(1) Training

Employees undergoing substance abuse training as required by the DOT will be paid for such time and the training will be scheduled in connection with the employee's normal work shift, where possible.

(2) Testing

Employees subject to testing and selected by the random selection process for urine drug testing shall be compensated at the regular straight time hourly rate of pay in the following manner provided that the test is negative:

(a) Random Drug Tests

1. for all time at the collection site.
2. (a) for travel time one way if the collection site is reasonably en route between the employee's home and the terminal, and the employee is going to or from work; or

(b) for travel time both ways between the terminal and the collection side, only if the collection site is not reasonably en route between the employee's home and the terminal.
3. When an employee is on the clock and a random drug test is taken any time during the employee's shift, and the shift ends after eight (8) hours, the employee is paid time and one-half for all time past the eight (8) hours.
4. The Employer will not require the city employee to go for urine drug testing before the city employee's shift, provided the collection site is open during or immediately following the employee's shift.
5. During an employee's shift, an employee will not be required to use his/her personal vehicle from the terminal to and from the collection site to take a random drug test.
6. If a road driver is called at home to take a random drug test at a time when the road driver is not en route to or from work, the driver shall be paid, in addition to all time at the collection site, travel time both ways between the driver's home and the collection site with no minimum guarantee.

(b) Non-Suspicion-Based Post-Accident Testing

1. In the event of a non-suspicion-based post-accident testing situation, where the employee has advised the Employer of the issuance of a citation for a moving violation, but the Employer does not direct the employee to be tested immediately, but sends the employee for testing at some later time [during the thirty-two (32) hour period], the employee shall be paid for all time involved in testing, from the time the employee leaves home until the employee returns home after the test.
2. When the Employer takes a road driver out of service and directs the employee to be tested immediately, the Employer will make arrangements for the road driver to return to his/her home terminal in accordance with the Supplemental Agreement.

Section 4. Alcohol Testing

Alcohol testing provisions of this Appendix are in compliance with United States Department of Transportation (DOT) – Federal Motor Carrier Safety Administration and the Federal Highway Administration (FHWA) regulations.

The parties agree that in the event of further federal legislation or DOT regulations providing for revised methodologies or requirements, those revisions shall, to the extent they impact this Agreement, unless mandated, be subject to mutual agreement by the parties.

A. Employees Who Must be Tested

There shall be random, non-suspicion-based post-accident and probable suspicion alcohol testing of all employees subject to DOT mandated alcohol testing. This includes all employees who, as a condition of their employment, are required to have a DOT physical, a CDL and are subject to testing for drugs under Appendix A, Section 3(b).

Employees covered by this Collective Bargaining Agreement who are not subject to DOT mandated alcohol testing are only subject to probable suspicion testing as provided in this Appendix A or the appropriate article of the applicable Supplemental Agreement. The alcohol breath testing methodology outlined in this Section will be utilized for all employees required to undergo probable suspicion testing. (For test results and discipline, refer to Appendix A, Section 3(i)(2).)

B. Alcohol Testing Procedure

All alcohol testing under this Section will be conducted in accordance with applicable DOT/FMCSA regulations. All equipment used for alcohol testing must be on the NHTSA conforming Products List and be used and maintained in compliance with DOT requirements. Breath samples will be collected by a Breath Alcohol Technician (BAT), who has successfully completed the necessary training course and who is knowledgeable of the alcohol testing procedures set forth in 49 CFR Part 40 and any current DOT Guidance. Law enforcement officers who have been certified by state or local governments to conduct breath alcohol testing are deemed to be qualified as Breath Alcohol Technicians. The training shall be specific to the type of Evidential Breath Testing (EBT) device being used for testing. The Employer shall provide the employees with material containing the information required by Section 382.601 of the Federal Motor Carrier Safety Regulations.

(1) Screening Test

The initial screening test uses an Evidential Breath Testing (EBT) device, unless other testing methodologies or devices are mandated or agreed upon, to determine levels of alcohol. The following initial cutoff levels shall be used when screening breath samples to determine whether they are negative or positive for alcohol.

Breath Alcohol Levels:

Less than 0.02% BAC - Negative

0.02% BAC and above - Positive (Requires Confirmation Test)

(2) Confirmatory Test

All samples identified as positive on the initial screening test, indicating an alcohol concentration of 0.02% BAC or higher, shall be confirmed using an EBT device that is capable of providing a

printed result in triplicate; is capable of assigning a unique sequential number to each test; and is capable of printing out, on each copy of the printed test result, the manufacturer's name for the device, the device's serial number and the time of the test, unless other testing methodologies or devices are mandated or mutually agreed upon.

A confirmation test must be performed a minimum of fifteen (15) minutes after the screening test, but not more than thirty (30) minutes after the screening test, unless otherwise provided by conditions set forth and defined in 49 CFR Part 40.

The following cutoff levels shall be used to confirm a positive test for alcohol:

Breath Alcohol Levels:

Less than 0.02% BAC - Negative

0.02% BAC to 0.039% BAC - Positive*

0.04% BAC and above - Positive*

*Refer to Section 4(l) for Discipline Based on a Positive Test

(c) Notification

All employees subject to DOT mandated random alcohol testing will be notified of testing by the Employer, in person or by direct phone contact.

(d) Pre-Qualification Testing for Non-DOT Personnel

This section has been deleted.

(e) Random Testing

The method used to randomly select employees for alcohol testing shall be neutral, scientifically valid and in compliance with DOT regulations.

The annual random testing rate for alcohol use shall be the rate established by the Administrator of the FHWA.

In the event of a grievance or litigation, the Employer shall, upon written request from the employee, release to the employee and the Union (in its capacity as representative of the grievant and as a decision maker in the grievance process), information required to be maintained under the DOT alcohol testing regulations and arising from the results of an alcohol test which is subject to release under the regulations.

The parties agree that no effort will be made to cause the system and method of selection to be anything but a true random selection procedure ensuring that all affected employees are treated fairly and equally.

Employees subject to random alcohol testing shall be tested within one (1) hour prior to starting the tour of duty, during the tour of duty, or immediately after completing the tour of duty.

Employees who are on long-term illness or injury leave of absence, disability or vacation shall not be subject to testing during the period of time they are away from work.

(f) Non-Suspicion-Based Post-Accident Testing

Employees subject to non-suspicion-based post-accident alcohol testing shall be limited to those employees subject to DOT alcohol testing, who are involved in an accident where there is:

(i) a fatality, or;

(ii) a citation under State or local law is issued to the driver for a moving traffic violation arising from the accident in which

(a) bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident, or

(b) one or more motor vehicles incurring disabling damage as a result of the accident, requires the vehicle(s) to be transported away from the scene by a tow truck or other vehicle.

Alcohol testing will be required under the above conditions and employees are required to submit to such testing as soon as practicable. Under no circumstances shall this type of testing be conducted after eight (8) hours from the time of the accident.

It shall be the responsibility of the driver to remain readily available for testing after the occurrence of a commercial motor vehicle accident. It is also the responsibility of the employee to not use alcohol for eight (8) hours or until a DOT post-accident alcohol test is performed, whichever occurs first. It is not the intention of this language to require the delay of necessary medical attention or to prohibit the driver from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or necessary medical attention.

Prior to the effective date of the DOT alcohol testing regulations, the Employer agrees to give each employee subject to DOT non-suspicion-based post-accident testing written notification of the procedures required by the DOT regulations in the event of an accident as defined by the DOT.

(g) Substance Abuse Professional (SAP)

1) The Substance Abuse Professional (SAP), as provided in the regulations, means a licensed physician (Medical Doctor or Doctor of Osteopathy), or a licensed or certified psychologist, social worker, or employee assistance professional, or a drug and alcohol counselor (certified by

the National Association of Alcoholism and Drug Abuse Counselors Certification Commission or by the International Certification Reciprocity Consortium/Alcohol & Other Drug Abuse). All must have knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substance-related disorders, be knowledgeable of the SAP function as it relates to employer interest in safety-sensitive functions, and applicable DOT regulations. In addition, the SAP shall comply with the DOT qualification training and continuing education requirements.

2) The Employer will provide the employee with a list of resources available to the driver in evaluating and resolving problems with the misuse of alcohol as soon as practicable but no later than thirty-six (36) hours after the Employer's receipt of notice from the BAT that the employee has a BAC of 0.04% or higher, exclusive of holidays and weekends. The SAP will be responsible for recommending the appropriate course of education and/or treatment required prior to the employee returning to work and is the only person responsible for determining, during the evaluation process, whether an employee will be directed to a rehabilitation program, and if so, for how long.

3) Follow-up and return-to-duty tests need not be confined to the substance involved in the violation. If the SAP determines that a driver needs assistance with an alcohol and drug abuse problem, the SAP may require drug tests to be performed along with any required alcohol follow-up and/or return-to-duty tests, if it has been determined that a driver has violated the drug testing prohibition.

4) Any cost of evaluation by the SAP and/or rehabilitation recommended by the SAP associated with the abuse of alcohol while performing or available to perform safety-sensitive functions under this Agreement, over and above that paid for by the applicable Health and Welfare Fund, must be borne by the employee. The Employer shall pay for pre-qualification alcohol testing for employees who transfer from a non-DOT covered position to a safety-sensitive position requiring DOT-mandated alcohol testing provided the employee tests negative. The Employer will also pay for random, non-suspicion-based post-accident and probable suspicion alcohol testing. Return-to-duty and follow-up alcohol testing that is prescribed by the SAP, will be paid for by the Employer, provided the employee tests negative.

(h) Probable Suspicion Testing

Employees subject to DOT probable suspicion alcohol testing under this Section shall be tested in accordance with current, applicable DOT regulations.

For all purposes herein, the parties agree that the terms "probable suspicion" and "reasonable cause" shall be synonymous.

Probable suspicion is defined as an employee's specific observable appearance, behavior, speech or body odor that clearly indicates the need for probable suspicion alcohol testing.

In the event the Employer is unable to determine whether the abnormal behavior or appearance is due to alcohol or drugs, the Employer shall specify that the basis for any disciplinary action

or testing is for “alcohol and/or drug intoxication.” In such cases, the employee shall be tested in accordance with Appendix A, Section 3(a), and applicable DOT alcohol testing regulations.

In cases where an employee has specific, observable, abnormal indicators regarding appearance, behavior, speech or body odor, and at least one (1) supervisor, two (2) if available, have probable suspicion to believe that the employee is under the influence of alcohol, the Employer may require the employee, in the presence of a union shop steward or other employee requested by the employee under observation, to submit to a breath alcohol test. Suspicion is not probable and thus not a basis for testing if it is based solely on third (3rd) party observation and reports.

The supervisor(s) must make a written statement of these observations within twenty-four (24) hours. Upon request, a copy must be provided to the shop steward or other union official after the employee is discharged or suspended or taken out of service.

All supervisors and Employer representatives designated to determine whether probable suspicion exists to require an employee to undergo alcohol testing shall receive specific training on the physical, behavioral, speech and performance indicators of how to detect probable suspicion alcohol misuse and use of controlled substances as required by DOT regulations.

In the event the Employer requires a probable suspicion test, the Employer shall provide transportation to and from the testing location.

(i) Preparation for Testing

All alcohol testing shall be conducted in conformity with the DOT alcohol regulations. Any alleged abuse by the Employer, such as proven harassment of any employee or deliberate violation of the regulations or the contract shall be subject to the grievance procedure to provide a reasonable remedy for the alleged violation.

Upon arrival at the testing site, an employee must provide the Breath Alcohol Technician (BAT) with proper identification. The employee shall not be required to waive any claim or cause of action under the law.

A standard DOT approved alcohol testing form will be used by all testing facilities. In the case of probable suspicion or other contractually required testing, a Non-DOT chain of custody form will be used for the testing of Non-DOT employees.

(j) Specimen Testing Procedures

All procedures for alcohol testing will comply with Department of Transportation regulations.

No unauthorized personnel will be allowed in any area of the testing site. Only one alcohol testing procedure will be conducted by a BAT at the same time.

The employee will provide his or her breath sample in a location that allows for privacy. The Employer agrees to recognize all employees’ rights to privacy while being subjected to the

testing process at all times and at all testing sites. Further, the Employer agrees that in all circumstances the employee's dignity will be considered and all necessary steps will be taken to ensure that the entire process does nothing to demean, embarrass or offend the employee unnecessarily. Testing will be under the direct observation of a Breath Alcohol Technician (BAT). All procedures shall be conducted in a professional, discreet and objective manner.

Direct observation will be necessary in all cases.

The employee shall provide an adequate amount of breath for the Evidential Breath Testing device. If the individual is unable to provide a sufficient amount of breath, the BAT shall direct the individual to again attempt to provide a complete sample.

If an employee is unsuccessful in providing the requisite amount of breath, the Employer then must have the employee obtain, within five (5) days, an evaluation from a licensed physician selected by the Employer and the Local Union and who has the expertise in the medical issues concerning the employee's medical inability to provide an adequate amount of breath. If the physician is unable to determine that a medical condition has, or with a high degree of probability could have, precluded the employee from providing an adequate amount of breath, the employee's failure to provide an adequate amount of breath will be regarded as a refusal to take the test and subject the employee to discharge.

(k) Leave of Absence Prior to Testing

An employee shall be permitted to take leave of absence in accordance with the FMLA, ADA or applicable State leave and disability laws for the purpose of undergoing treatment or rehabilitation pursuant to an approved treatment or rehabilitation program for alcoholism or drug use. The leave of absence must be requested prior to the commission of any act subject to disciplinary action. This provision does not alter or amend the disciplinary provision (Appendix A, Section 4(l)) of this Section.

Before returning to work from a voluntary leave of absence, the employee must have completed any recommended treatment and taken a return to duty test, with a result of less than 0.02% BAC, and further be subject to six (6) un-announced follow-up alcohol tests in the first twelve (12) months following the employee's return to duty.

The Supplemental Agreements shall address the issue of an extra board driver who, while at his home terminal, has consumed alcohol, is then called for dispatch and requests additional time off. Requesting time off under this provision shall not be used as a subterfuge to avoid taking a random alcohol (and/or drug) test.

(l) Disciplinary Action Based on Positive Test Results

(i) First Positive Test

0.02% BAC-0.039% BAC

Out of Service for 24 hours

0.04% BAC-Less than State DWI/DUI Limit

Out of Service for the length of time determined by the SAP with a minimum of twenty-four (24) hours

State DWI/DUI Limit and Above

Subject to discharge

(ii) Second Positive Test

0.02% BAC-0.039% BAC

Out of Service for a five (5) calendar day suspension

0.04% BAC-Less than State DWI/DUI Limit

Out of Service for the length of time determined by the SAP with a minimum of a twenty (20) calendar day suspension

State DWI/DUI Limit and Above

Subject to discharge

(iii) Third Positive Test

0.02% BAC-0.039% BAC

Out of Service for a fifteen (15) calendar day suspension

0.04% BAC-Less than State DWI/DUI Limit

Out of Service for the length of time determined by the SAP with a minimum of a thirty (30) calendar day suspension

State DWI/DUI Limit and Above

Subject to discharge

(iv) Fourth Positive Test

0.02% BAC-0.039% BAC

Subject to discharge

0.04% BAC-Less than State DWI/DUI Limit

Subject to discharge

State DWI/DUI Limit and Above

Subject to discharge

(v) An employee who is tested positive in a non-suspicion-based post-accident alcohol testing situation shall be subject to the following discipline for the positive alcohol test or the vehicular accident, whichever is greater:

First Non-Suspicion-Based Post-Accident Positive Test 0.02% BAC 0.039% BAC Thirty (30) calendar day suspension. 0.04% BAC and higher Subject to discharge.

Second Non-Suspicion-Based Post-Accident Positive Test 0.02% BAC and higher Subject to discharge.

(vi) An employee's refusal to submit to any alcohol test will subject the employee to discharge.

(m) Return to Duty After a Positive (Greater than .04 to the State Limit) Alcohol Test

Before returning to work the employee must be evaluated by a SAP, comply with any education and/or treatment recommended by the SAP, be re-evaluated by the SAP to determine compliance with recommended education and/or treatment, and take a return-to-duty alcohol test, showing a result of less than 0.02% BAC. The employee will be subject to at least six (6) unannounced follow-up alcohol and/or drug tests as determined by the SAP. The requirements of follow-up testing follow the employee through breaks in service (i.e. layoff, on-the-job injury, personal illness/injury, leave of absence, etc.). In addition, the requirements of follow-up testing follow the employee to subsequent employers. The SAP has the authority to order any number of follow-up alcohol and/or urine drug tests and extend the twelve (12) month period up to sixty (60) months.

(n) Paid-for-time Testing

Employees subject to testing and selected by the random selection process for alcohol testing shall be compensated at the regular straight time hourly rate of pay provided that the test is negative:

A. Random Alcohol Tests

1. Paid for all time at the collection site.

2. (a) for travel time one way if the collection site is reasonably en route between the employee's home and the terminal, and the employee is going to or from work; or (b) for travel time both

ways between the terminal and the collection site, only if the collection site is not reasonably en route between the employee's home and the terminal.

3. When an employee is on the clock and a random alcohol test is taken any time during the employee's shift, and the shift ends after eight (8) hours, the employee is paid time and one-half for all time past the eight (8) hours.
4. The Employer will not require the city employee to go for alcohol testing before the city employee's shift, provided the collection site is open during or immediately following the employee's shift.
5. During an employee's shift, an employee will not be required to use his/her personal vehicle from the terminal to and from the collection site to take a random alcohol test.
6. If a road driver is called to take a random alcohol test at a time when the road driver is not en route to or from work, the driver shall be paid, in addition to all time at the collection site, travel time both ways between the location of the driver when called and the collection site with no minimum guarantee.

B. Non-Suspicion-Based Post-Accident Testing

1. In the event of a non-suspicion-based post-accident testing situation, where the employee has advised the Employer of the issuance of a citation for a moving violation, but the Employer does not direct the employee to be tested immediately, but sends the employee for testing at some later time (during the eight (8) hour period), the employee shall be paid for all time involved in testing, from the time the employee leaves home until the employee returns home after the test.
2. When the Employer takes a driver out of service and directs the employee to be tested immediately, the Employer will make arrangements for the driver to return to his/her home terminal in accordance with the Supplemental Agreement.

(o) Record Retention

The Employer shall maintain records in a secure manner so that disclosure of information to unauthorized persons does not occur.

Each Employer or its agent is required to maintain the following records for two (2) years:

1. Records of the inspection and maintenance of each EBT used in employee testing;
2. Documentation of the Employer's compliance with the Quality Assurance Program for each EBT it uses for alcohol testing; and
3. Records of the training and proficiency testing of each BAT used in employee testing.

The Employer must maintain for five (5) years records pertaining to the calibration of each EBT used in alcohol testing, including records of the results of external calibration checks.

(p) Special Grievance Procedure

1. The parties shall together create a Special Region Joint Area Committee consisting of an equal number of Employer and Union representatives to hear drug and alcohol related discipline disputes. All such disputes arising after the establishment of the Special Region Joint Area Committee shall be taken up between the Employer and Local Union involved. Failing adjustment by these parties, the dispute shall be heard by the Special Region Joint Area Committee within ninety (90) days of the Committee's receipt of the dispute. When the Special Region Joint Area Committee, by majority vote, settles a dispute, such decision shall be final and binding on both parties with no further appeal. Where the Special Region Joint Area Committee is unable to agree or come to a decision on a dispute, the dispute will be referred to the National Grievance Committee.

2. The procedures set forth herein may be invoked only by the authorized Union representative or the Employer.

LETTER OF AGREEMENT (“LOA”)
Between
Air Express International, USA, Inc. (“the Company”)
And
Teamsters National Union Negotiating Committee (TNUNC)

Purpose

The Company is revising the processes by which it screens air cargo. Key components of this change in air cargo screening include:

- The use of specially trained dogs (“K-9”).
- Having designated trained and certified hourly bargaining unit employees assist the K-9 and its handler carry out air cargo screening activities.

This LOA sets out the parameters for the designated hourly bargaining unit employee. For as long as the Company performs screening activities in its current form, this work shall be bargaining unit work.

Key Conditions & Responsibilities

1. The Company shall determine the number of employees required to assist the K-9 and its handler in air cargo screening activities.
2. Employees who sign up to do air cargo screening activities shall be paid an additional seventy-five cent (\$0.75) per hour for all hours worked once they have successfully completed all required training, are certified and are specifically assigned to do air cargo screening.
3. In the event that more employees sign up than are needed, seniority will apply in selecting employees. If insufficient employees volunteer, inverse seniority will apply.
4. Employees selected by the Company to assist in air cargo screening will carry out their regular warehouse / driver duties until specifically required and assigned to assist in air cargo screening.
5. When assigned to air cargo screening the employee shall be under supervision of the Facility Security Coordinator or designee.
6. The selected employees must meet all applicable state and federal requirements including but not limited to the provisions of the Transportation Security Administration (TSA) and Certified Cargo Screening Program (CCSP) for persons involved in air cargo screening.
7. The selected employees must remain current on all applicable training and certifications as well as carry out these business critical responsibilities as required by state, federal legislation / regulation as well as Company policies otherwise the employee will be removed from all air cargo screening activities and will no longer be eligible to receive the seventy-five cent (\$0.75) per hour premium.
8. The selected employees’ activities will include but be not limited:
 - Positioning, breaking down and re-building pallets, opening boxes / crates as required for the K-9 to have access to cargo.
 - Affix the appropriate screen cargo stickers as required.
 - Screen cargo which the K-9 cannot.

- Completing all required paperwork, logs or other required record keeping activities.
- Resolving alarm issues.

Air cargo screening is an ever-evolving issue subject to specific legislation and regulations. As such, the Company can terminate this LOA by providing the Union with a sixty (60) day written notice.

Letter of Agreement
Between
Air Express International, USA, Inc.
And
Teamsters AEI National Union Negotiating Committee

This Letter of Agreement (“LOA”) between the Teamsters-AEI National Union Negotiating Committee (“TAEINUNC” or the “Union”) and Air Express International, USA, Inc. (the “Company”) (collectively, the “Parties”) sets forth the parameters under which the Company may utilize non-union service centers for office-clerical operations for new customers. A “new customer” is defined as a person or business who has not shipped with the Company in the past 12 months. A “non-union location” is defined as the three foreign service centers, - MNL - Manila, Bogota, Columbia; and Mumbai, India - and the Austin Digital Station.

This LOA shall supersede any previous agreement entered into between the Union and the Company regarding the Company’s use of non-union locations for office-clerical operations for new customers. However, nothing contained in this LOA shall supersede any provision in the collective bargaining agreement operative between the Parties regarding subcontracting, technological change, or temporary workers, which shall remain in effect.

The Parties hereby agree that:

1. No bargaining unit member represented by the Union shall be laid off as a result of the Company utilizing foreign service stations to support union office-clerical operations. The Company and Union agree if the Company loses a customer that it currently handles today at one of the Union Stations and the results will cause a layoff at said location the Company will sit down with that Local Union and transfer any new customers after September 1, 2024 being handled by a foreign service center back to its origin location within 30 days;
2. The Company shall not utilize foreign service centers for any new customer until all employees in bargaining units represented by the Union who have been laid off after September 1, 2024, or later are offered a return to work. The company shall notify the union every time it uses a non-union service center for any new customer;
3. The Company shall maintain the total number of active and inactive bargaining unit employees at each Union facility, as of the date of this LOA, so long as the Company operates and utilizes non-union locations to support Union office-clerical operations for new customers;
4. No warehouse work currently, presently, or previously performed by members of bargaining units represented by the Union shall be performed by a non-union or third-party entity so long as the Company utilizes non-union locations to support office-clerical operations for new customers;
5. After a new customer’s second (2) shipment handled by the Austin Digital Station, the Company shall automatically route the customer’s account to the corresponding Union station. The Company shall notify the Union of such automatic routing and the Union may grieve failure to move such work 30 days after the second shipment;
6. The Company shall immediately provide the Union with a comprehensive list of:

- a. The names (or DBAs) of every customer through which any Service Station or the Austin Digital Station processed freight with a Teamsters Union origin airport station,
 - b. The account numbers of every such customer,
 - c. The housebill numbers for every such customer,
 - d. The shipping month for each housebill number,
 - e. The P&L Branch code for each housebill number, and
 - f. The delivery agent branch code for each housebill number,
 - g. The pick-up agent branch code for each housebill number, and
 - h. Origin station code for exports, destination station code for imports;
7. The Company shall provide access to CargoWise or provide information requested to one (1) Union shop steward at each union clerical office. Such access shall include the ability to search for or ask for information on all customer service business handled by any non-union location;
 8. The Company and the Union will meet quarterly in accordance with Article 20.2 of the National Master Agreement;
 9. At least twenty-one (21) days prior to such quarterly meeting, the Company shall provide the Union with a list of all customers attempting to process any shipment with the Company through the Austin Digital Station;
 10. Furthermore, at least twenty-one (21) days prior to such quarterly meeting, the Company shall provide the Union with a list of all customers attempting to process any shipment through any other non-union location with a Teamsters Union origin airport. Such list shall include the information requested in (a) through (h) in paragraph 6, above; and
 11. Whenever the Company utilizes non-union locations to service any new customer, the Company shall disclose the location of the customer service representative from such non-union location to the customer. No email signatures with Union station addresses shall be used from any non-union customer service station.

****Conclusion:****

So long as the Company implements automation or employs non-unit personnel or third parties to perform tasks previously or currently performed by members of any bargaining unit represented by the Union, the Company shall not reduce any bargaining unit represented by the Union through attrition without replacing the affected employees, thereby denying bargaining unit employees opportunities for compensation. Replacing an employee through attrition shall happen within 90 days of the departure. This entire agreement is subject to the grievance procedure as stated in the AEI National Master Agreement. This LOA is in effect through December 31, 2028.

**2024 AEI NATIONAL NEGOTIATIONS
ECONOMIC SUMMARY**

Note: The general hourly and other benefit increases are as follows and shall be applied in accordance with the appropriate Area Supplement.

1. Article 30. Wages

Wage rates in effect for full time employees shall be increased as set forth below:

January 1, 2025	\$2.50
January 1, 2026	\$1.50
January 1, 2027	\$1.00
January 1, 2028	\$1.00

The increases apply to all wage rates (including part-time, casual, etc). No employee shall suffer a reduction in wage rate as a result of this agreement.

The new entry rates will be governed by the terms of the applicable Supplemental Agreement.

2. Article 37 Health & Welfare and Pension

Year 1: \$1.00
Year 2: \$1.00
Year 3: \$1.00
Year 4: \$1.00

Except as changed through local negotiations, the Company shall continue to participate in all Health, Welfare and Pension (and/or other Retirement) Plans in accordance with the rules and regulations of each Fund. The Company shall pay annual contribution increases above the rates in effect at the expiration of the prior agreement in the following amounts: \$\$1.00 per hour for year one, \$1.00 per hour for year two, \$1.00 per hour for year three; and \$1.00 per hour for year four to be allocated between the applicable Health, Welfare and Pension (and/or other Retirement) Funds.

In those Local Riders where the Employer is required to participate in the Western Conference of Teamsters Pension Trust, the Local Union shall have \$1.25 per hour allocation to be allocated between the applicable Health, Welfare and Pension (and/or other Retirement) Funds for each year of the contract.

3. Article 30.1 Holidays

Effective January 1, 2025, all eligible employees will also earn the following annual holiday in addition to the current schedule in the applicable Supplement: Juneteenth.

4. Article 32 Cost-of-Living Adjustments (COLA):

All wages rates 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 April 1, 2025, and every April 1 thereafter during the life of the agreement (with the final adjustment being the last April 1 of this Agreement), a cost-of-living allowance will be calculated on the basis of the difference between the Index for January, 2024 (published February 2024) and the Index for January, (published February) 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 3.0%, there will be a 1 cent increase in the hourly wage rates payable on April 1, 2025, and every April 1 thereafter. These increases shall only be payable if they equal a minimum of five cents (\$.05) in a year. Each year will be evaluated independently and on a stand-alone basis under the formula set forth above.

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.

This Article 32 expressly supersedes and overrides any COLA provision in any local supplement unless such supplemental provisions provide for a greater increase.

5. Article 38 Duration

Four year agreement.

38.1

This Agreement shall be in full force and effect from January 1, 2025 to and including December 31, 2028 and shall continue from year to year thereafter unless written notice of desire to cancel or terminate this Agreement is served by either party upon the other at least sixty (60) days prior to date of expiration.

When notice of cancellation or termination is given under this Section, the Employer and the Union shall continue to observe all terms of this Agreement until impasse is reached in negotiations or until either the Employer or the Union exercise their rights under Section 38.3 of this Article.

38.2

Where no such cancellation or termination notice is served and the parties desire to continue said Agreement but also desire to negotiate changes or revisions in this Agreement, either party may

serve upon the other a notice at least sixty (60) days prior to December 31, 2028 or December 31st of any subsequent contract year, advising that such party desires to revise or change terms or conditions of such Agreement.

38.3

The designated National Union Negotiating Committee as representative of the Local Unions or the Employer shall each have the right to unilaterally determine when to engage in economic recourse (strike or lockout) on or after January 1, 2029 unless agreed to the contrary.

38.4

Revisions agreed upon or ordered shall be effective as of January 1, 2025 or January 1st of any subsequent contract year.

6. Article 36.3 FMLA

The Employer may require the employee to substitute accrued paid vacation or other paid leave for part of the twelve (12) week leave period, except for the last three (3) weeks of vacation in any year.