

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

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MEMORANDUM

TO: LOCAL UNIONS: 20, 29, 79, 100, 135, 171, 175, 215, 236, 238, 279, 355, 364, 385, 391, 406, 407, 413, 414, 554, 592, 600, 627, 639, 657, 688, 822, 833, 908, 957, and 992

Michael Hienton, Central Region Freight Coordinator – (LU 407)
John Murphy, Eastern Region Freight Coordinator - (LU 25)
Lendon Grisham, Southern Region Freight Coordinator – (LU 480)
Bob Paffenroth, Western Region Freight Coordinator – (LU 63)

FROM: Ernie Soehl, Chairman
Multi- Region Change of Operations Committee

DATE: August 30, 2017

RE: YRC - MR-UE-01-08/2017

The following is the decision from the YRC Multi-Region Change of Operations MR-UE-01-08/2017, which was heard on Thursday, August 24, 2017 in Rosemont, IL. The following decision was rendered:

The Motion: The Company's proposed Change of Operations be approved as clarified, modified and stipulated to on the record by the Company with the following provisions. It should be noted that unless specifically addressed in this Change of Operations through this Committee, present operations, work rules and agreements shall remain in effect.

Agreements reached by the Company and the Unions at the local level and/or on the record are incorporated by reference in this decision and are final and binding. It is also understood, as stated on the record, that employees transferring to gaining locations, as well as active employees at those locations, shall have sufficient work opportunities upon implementation of this Change of Operations.

1. In accordance with the authority under the National Master Freight Agreement, the Committee has determined that the seniority application in this decision is appropriate under the circumstances. Decision is based on the facts presented and does not create a precedent for future seniority applications.

This Change of Operations is to be implemented simultaneously with MR-CO-01-08/2017, as it will have an effect on both road driver and local cartage positions. The Company's proposed method of bidding is approved and is described below:

- A Terminals that are losing road and are gaining Utility Employee positions at the same terminal shall have the first opportunity to bid those gaining Utility Employee positions within that terminal. These bids will be posted and awarded at each location described above, prior to any pool bidding. Once this process has been completed, all Utility Employee positions, that have not been filled, shall be bid on a seniority pool basis. For pool bidding participants, both active and inactive employees shall be afforded the opportunity to participate in the bidding. However, employees hired on or after the official mailing date (7/25/17) of this Change of Operations shall not be able to bid. The pool bid employees will be bid active to active and inactive to inactive. The numbers to be bid shall be equal to or less than that number of positions lost. In no event will a location be permitted to bid more positions than it is losing. Only those employees who are cdl qualified and have all of the required endorsements at the time of the bid will be permitted to bid.
- B At those gaining facilities where there are employees on letter of layoff who are senior to employees transferring in, the senior employees may not exercise their seniority to bump the less senior employee unless and until such time as they are recalled by letter of recall or worked back on by the terms of their supplement to fill regular available work opportunities. At that time, the senior employee shall be dovetailed on the active seniority list, but will not be able to displace a less senior Utility Employee prior to six (6) months or the next annual bid (whichever is greater) after which the Utility Employee positions will be bid consistent with the local practice or consistent with the applicable supplement. However, in the event of a layoff, employees will be laid off in seniority order. If a laid off Utility Employee previously bid in directly from a road position, he or she does not have the right to retreat back to the road seniority list.

When approved, the Company will utilize, first, a terminal bid procedure as described above if there is a loss of work in the road classification at the involved terminal. Employees may bid in this procedure or elect to participate in the pool bid. The pool bid will be a telephone bid to be held on a designated date a minimum of seven (7) days after the "terminal" bids have been awarded. The sign-up sheets for pool bidding will be posted at losing domiciles for seven (7) days and the telephone bid will take place as agreed upon at the Change of Operations hearing.

In recognition of the ongoing weather-related events in Texas, the Company's proposed timeline has been modified and is now as follows:

- The cut-off date is 7/25/17.

- The posting for the follow the work and Utility Employee positions in this change and MR-CO-01-08/2017 will be by 9/26/17
- The follow the work bids will be awarded on 10/4/17.
- Posting of the pool bid opportunities will be
- On 10/5/17 and the bids will be removed on 10/13/17.
- Telephone bids call will be on 10/22/17.
- Implementation shall be no sooner than 11/12/17.

2. Southern modified seniority shall be exercised in accordance with the Southern Over-the-Road Negotiating Committee's agreement and shall become effective after the general bid provided for in this decision.

3. In the event employees involved under this decision have a common seniority date and there are not actual date and time punch records available to determine who punched in first, the parties are instructed to agree on a method to resolve the issue.

4. Employees bidding in an Eastern Region location that has single line seniority list (common road and local cartage list) must retain their current bidding classification for a period of one year unless the next annual bid occurs at least nine months following the date of the implementation of this decision.

5. Qualified bidders who are on Long-Term Disability at the time of the bid shall be allowed to bid. In the event they are not able to claim their bid on the date of implementation, the position they bid into shall be offered, on a hold down basis, to those classification employees at the affected location who were not successful bidders at the time of the original bid. The successful hold down bidder shall be dove-tailed on the appropriate seniority list at the location bid into until such time as the LTD employee is able to return to work and claim the bid. At that time, the hold down employee will be afforded the opportunity to either return to his original location with full seniority or remain at the hold down location and be given a new bidding seniority date as of the date the hold down bid commenced, but shall retain his original bidding and seniority date for vacation purposes. Employees bidding a hold down position shall not be entitled to any moving or lodging expenses as set forth in Article 8, Section 6 of the National Master Freight Agreement or as otherwise approved by this decision unless or until such time as it is determined that the LTD employee will never be able to return to work. At that time, the hold down employee shall be considered as a successful bidder and at that time the original bidder shall be entitled to all the provisions set forth in this decision.

6. Employees who have been discharged and whose discharge is pending resolution under the applicable terms of the National Master Freight Agreement

and the applicable Supplemental Agreement shall be afforded the opportunity to bid.

7. Employees transferring from the jurisdiction of one Supplemental Agreement to that of another supplemental agreement shall not lose their entitlement to earn vacation in accordance with the Southern Region Over-the-Road Letter of Understanding, which has been incorporated in previous Change of Operations. In addition, previously bid or approved vacation shall be honored in connection with this Change of Operations.

8. Health, Welfare and Pension contributions paid on behalf of the employees who relocate under this decision shall continue to be paid into the respective trust such contributions were being paid to immediately prior to the time of the employees' relocation.

9. Full-time Teamster officers, business agents and organizers who have seniority rights to return to employment with the Company, shall be allowed to bid and if successful must claim their bid at the time they cease to be a full-time officer, business agent or organizer or forfeit their bid.

10. Moving and lodging expenses shall be paid in accordance with the provisions of Article 8, Section 6(c) of the National Master Freight Agreement.

11. Successful bidders shall be dove-tailed into the appropriate seniority list at the locations they are bidding into.

12. In the event the number of gaining positions do not fill during the bid, the Company shall fill those positions as stated by the Company on the record.

13. Local 413's Columbus seniority practice will apply in this bid at those locations that have this practice today. Anyone bidding under the Columbus practice of one year and a day will transfer with their present bidding seniority.

14. Based on the fact that the number of gaining and losing positions in this change are equal, there will be no window period. However, the committee retains jurisdiction of this change for a period of one year to resolve any issues relative to this Change of Operations in this decision.

15. The protections and method of operations described on pages four and five of the Company's proposed Change of Operations are approved and incorporated into this decision.

This decision is rendered under the authority of Article 3, Section 7 of the National Master Freight Agreement and is not intended to be in violation of or modify that agreement or the applicable Supplements.

Thank you.