

K# 9218

# ***PBU COLLECTIVE BARGAINING AGREEMENT***

Between

***Automotive Component Carrier***



and the

**International Union,  
United Automobile, Aerospace and  
Agricultural Implement Workers of  
America,**

**Local 659  
Flint, Michigan**



Dated: October 1, 2008 through September 30, 2013

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## **AGREEMENT**

This Agreement is entered into between Automotive Component Carrier, Inc. (ACC) and International Union, United Automobile Aerospace and Agricultural Implement Workers of America for and on behalf of U.A.W. Local 659 ("Union").

### **ARTICLE 1. RECOGNITION**

The Company and the Union agree that this contract is an international agreement which will cover and apply to any and all operations of ACC which have not already been addressed in prior collective bargaining agreements dated October 11, 1999 and November 1, 2001.

### **ARTICLE 2. SHARED INTERESTS**

The Company and the Union share a common goal of providing ACC's customers with the highest quality of service attainable. The Company and the Union agree that by combining their joint resources and working together as a team they will be able to realize their goal and be the preeminent provider of logistics services in the world.

### **ARTICLE 3. PERFORMANCE OF BARGAINING UNIT WORK**

#### **Section 1.**

The Company recognizes the UAW, its Local 659 and any representatives that the International Union may assign to assist in the handling of matters affecting the relations of the parties; subject, however, to the provisions of Section 9(a) of the Labor Management Relations Acts of 1947.

#### **Section 2.**

When new employees are hired, the Union will be notified of the employee's name, home address and social security number and seniority date. The Company will introduce new employees to Local Union representatives during orientation.

### **Section 3.**

There shall be no discrimination against any employee because of membership or activity in the Union.

### **Section 4.**

The following language will only be applicable to operation(s) commenced under this agreement when such operation(s) warrants the addition of committee person(s).

- a) The Committee person 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; and where mutually agreed to by the Local Union and the Employer, off the property, other than during his/her regular schedule without loss of time or pay. Such time spent in handling grievances during the Committee person, or designated alternate's regular working hours shall be considered working hours in computing daily and/or weekly overtime.
- (b) ACC and the Union will meet and agree upon the appropriate number of Union representatives to service the individual members who may be subject to this Agreement.
- (c) Living Agreement: It is agreed that this written contract reflects the entire agreement between the parties. Amendments or clarification of this Agreement, mutually agreed upon, shall be reduced to writing, attached to, and shall become a part of this contract. The parties acknowledge that during the negotiations which resulted in the Agreement, each has had the unrestricted right and opportunity to present demands and proposals with respect to any matter subject to collective bargaining.

The parties recognize that many unforeseen concerns and problems may arise during the implementation phase of the ACC startup. The parties also recognize that the potential exists for rapid growth within ACC which could lead to concerns which might adversely impact the employer-employee relationship in the administration of the provision of this Agreement.

Therefore, the parties have agreed to establish a Partnership For Progress Committee, which will be empowered to review, evaluate and mutually agree to adjust any provision of this Agreement. The composition of the Partnership For Progress Committee will be determined with appropriate input from the Company and Union.

## **ARTICLE 4. BULLETIN BOARD**

### **Section 1.**

The Company agrees to provide locked, enclosed bulletin boards which will be used exclusively by the Union for posting:

- (a) Notices of Union meetings.
- (b) Notices of Union elections.
- (c) Notices of Union appointments and the results of the Union elections.
- (d) Notices of Union recreational and social affairs.
- (e) Other notices concerning bona fide Union activity.

The Union has the right to change the locks on all Union bulletin boards at the Union's expense.

### **Section 2.**

The Company will provide one board in the main building at each terminal and a board at other locations wherever the Company has the right to do so and there are drivers.

## **ARTICLE 5. CHECKOFF**

### **Section 1.**

The Company shall deduct dues and initiation fees from the pay of each member of the Union, the same to be levied in accordance with the Union's Constitution; provided however, that each employee shall furnish the Company with written authorization to make such deduction.

### **Section 2.**

During the life of this Agreement, the Company agrees to deduct from the pay of any

employees covered by this Agreement voluntary contributions to UAW V-CAP, provided that such employee executes or has executed the "Authorization for Assignment and Check-Off of Contributions to UAW V-CAP" form, and has furnished the Company with the authorization.

**Section 3.**

When the Company introduces new employees to Local Union representatives during orientation, the Local Union representatives will be given an opportunity to distribute the authorization forms referred to above.

**Section 4.**

Such deductions shall be made from the second pay period of each month and remitted to the designated Union office along with a check off record (name, address, amount) of dues, initiation fees or contributions withheld not later than the end of that month. If the Company fails to check off dues, initiation fees or contributions, the proper deduction will be made from the employee's check for the payroll period in which notice is given to the Company.

**Section 5.**

The Union shall indemnify and save the Company harmless from all claims, demands, suits, or any other liability arising out of or by reason of action taken or not taken by the Company for the purpose of complying herein.

**ARTICLE 6. MANAGEMENT RIGHTS**

**Section 1.**

The broad right of the Company to manage is recognized. The Company, in the exercise of the customary functions of Management, may make such reasonable rules not inconsistent with the terms of this Agreement relating to its operation. The right to hire, promote, discharge or discipline for just cause, and to assign work to maintain efficiency of employees and determine schedules of routes is recognized by both the Union and the Company as the proper responsibility and prerogative of Management to be held and

exercised by the Company.

**Section 2.**

If any employee or the Union believes that an exercise of Management Rights violates one or more provisions of this Agreement, the matter shall be subject to the grievance procedure.

**ARTICLE 7. STRIKES AND LOCKOUTS**

During the life of this agreement, the Union will not cause or permit its members to cause, nor will any member of the Union take part in any sit-down, stay-in, or slow-down, in any plant of the Corporation, or any curtailment of work or restriction of production or interference with production of the Corporation. The Union will not cause or permits its members to cause, nor will any member of the Union take part in any strike or stoppage of any of the Corporation's operations or picket any of the Corporation's plants or premises until all the bargaining procedure as outlined in this Agreement has been exhausted, and in no case on which the Umpire shall have ruled, and in another case on which the Umpire is not empowered to rule until after negotiations have continued for at least five days at the third step of the Grievance Procedure and not even then unless authorized by the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, and written notice of such intention to authorize has been delivered to the Industrial Relations Staff of the Corporation at least five (5) working days prior to such authorization. The Union will not cause or permit its members to cause or will any member of the Union take part in any strike or stoppage of any of the Corporation's operations or picket any of the Corporation's plants or premises because of any dispute or issue arising out of or based upon the provisions of the Pension Plan, Life and Disability Benefits Program, Health Care Program, Supplemental Unemployment Benefit Plan, Guaranteed Income Stream Benefit Program, Profit Sharing Plan, Personal Savings Plan or Legal Services Plan; nor will the Union authorize such a strike, stoppage, or picketing. In case a strike or stoppage of production shall occur, the Corporation has the option of canceling the Agreement at any time between the tenth day

after the strike occurs and the day of its settlement. The Corporation reserves the right to discipline any employee taking part in any violation of this Section of this Agreement.

## **ARTICLE 8. COMPENSATION**

In the absence of a special rate being determined under Article 9 of this agreement, the following schedule of rates and benefits shall apply to all new business as such term is defined above. It is agreed that an employee will be paid at the rate specified herein for the work being performed.

### **HOURLY RATE DEFINED**

For purposes of defining the hourly rate which will be used in computing vacation, funeral, and holiday pay, it is agreed that the hourly rate specified in this contract will be utilized in making such a computation. With respect to a mileage driver, such person's total compensation for the prior six (6) month period shall be divided by the hours worked by such individual during the same time period. If this rate exceeds the stated hourly rate mentioned above, then such greater rate shall be used in making such computation.

#### **Section 1. Driver Hourly Rate**

The base hourly wage rate for drivers shall be as follows:

10/1/2008	10/1/2009	10/1/2010	10/1/2011	10/1/2012
\$14.85	\$15.25	\$1,000.00	\$16.00	\$1,000.00

#### **Section 2. Driver Mileage Rate**

The mileage rate for drivers (runs in excess of 100 miles one way, shall be as follows:

10/1/2008	10/1/2009	10/1/2010	10/1/2011	10/1/2012
\$0.320	\$0.325	\$0.330	\$0.335	\$0.340

#### **Section 3. Trip Rates**

In the event the Local Union and ACC negotiate trip rates, they will be attached to this

agreement. It is recognized that overtime compensation may be included in the computation of these runs and, therefore, no overtime will be paid to employees who bid trip rated runs. It is further agreed that miscellaneous flat rates (pre/post, stop pay, drop & hook, etc.) will be included in the computation of these runs. Trip rates, by necessity, are dynamic and will be periodically adjusted to reflect changes which may occur relative to length, number of stops, delay time, etc.

**Section 4. Casual Rate**

Casual employees shall be compensated utilizing rates specific to the job assigned. A casual employee shall never attain seniority and will be entitled to no other benefits provided for in this agreement or any other agreement to which ACC and the Union are signatories.

**Section 5. New Hire Rate**

All new hires including but not limited to drivers, yard employees, mechanics, and utility personnel shall be compensated at the following rates of their base rate.

Hire Rate	6 months	12 months	18 months	Base Rate
\$13.50	\$13.75	\$14.00	\$14.25	\$14.85

Upon completing two years of employment, Associates will be compensated at the full contract rate specified in Section 1 hereinabove. New hires will not be eligible for the lump sum payouts on the dates referenced in Section 1 hereinabove, until such time as they achieved 24 months seniority and are being compensated at applicable full contract rate.

**Section 6. Training Rate**

A training rate of \$12.50 per hour for Driving School hires. (For example: an individual right out of school from Baker College that rides with an ACC driver). Once the trainee becomes a driver, the driver new-hire rate referenced in Article 8, Section 5 applies.

**Section 7. Unforeseen Circumstances**

It is agreed that the parties cannot foresee every conceivable wage rate question, which may arise in the future. It is agreed that the parties shall meet, discuss and agree on any wage rate question including Team Rates, Yard Rates, Flatbed Rates, Mechanic Rates Utility Worker Rates, and Car Hauler rates, which are not covered by this agreement as such questions may arise.

**Section 8. Call-In Pay**

Any employee called to work or permitted to come to work without having been properly notified that there will be no work, shall receive a minimum of four hours' pay at the regular hourly rate, except in cases of labor disputes, or other conditions beyond the control of the Local Management.

**Section 9. Profit Sharing Plan**

(a) Coverage: The Plan covers UAW-represented employees working under this Agreement.

(b) Eligibility:

1. A worker is eligible for a profit sharing benefit under this Plan upon completion of his/her probationary period.
2. An employee must work at least seven (7) weeks during the Plan Quarter to be eligible for a profit sharing payment.
3. Eligibility is not affected if the worker retires during the Plan Quarter (which coincides with the calendar year quarters), or if the worker is laid off or on leave of absence at the end of the Plan Quarter. Beneficiaries of eligible workers who die during the Plan Quarter are also eligible.
4. Workers who quit or are discharged are not eligible, unless they are reinstated.

(c) Profit Share:

1. Profits for the purpose of this Plan are based on company earning from the

operations covered by this Agreement.

2. Profits are calculated before any profit sharing charges are deducted.
3. Sales and Revenues are for the same operations as Profits defined above.
4. During a Plan Quarter in which the pre-tax profits exceed 6% net of GM/ACC 20/80 percent split of profits, the following payments will be made to each eligible employee:

<u>If pre-tax profits</u> <u>Exceed:</u>	<u>Payment</u>
6%	\$260
7%	\$275
8%	\$300
9%	\$350
10%	\$400
11%	\$475
12%	\$575

5. Payment will be made no later than thirty (30) days following the end of the Plan Quarter
6. The Plan will be subject to an annual audit by an independent auditor.
7. This Plan is not subject to the Grievance Procedure.

#### **Section 10: Safety Bonus**

A Safety Bonus of \$300.00 per quarter will be paid to each employee who compiles an accident / cargo / injury free record during such time period. (Eligible employees must work at least seven (7) weeks during a quarter to qualify for a bonus payment.)

### **ARTICLE 9. COMPETITIVE BUSINESS RATE**

(a) In order to secure new business it is agreed that the Company, with the advice of the Union, will bid new business opportunities utilizing rates which are necessary to secure the business. Upon securing the business the new work opportunity will be offered to all ACC drivers covered by this agreement in seniority order at the new business rates. With

the exception of the new business rate (which will include benefits), the "new business drivers" will be subject to the terms and conditions of this supplemental agreement.

(b) A schedule of rates relating to any new business procured hereunder will be attached to this agreement as a supplement.

## **ARTICLE 10. EMPLOYEE MEDICAL / DENTAL AND INSURANCE BENEFITS**

### **Section 1. Eligibility**

An employee is eligible for the benefits covered in this article effective the first day of the month following the employee's sixtieth (60) day of continuous full-time employment.

### **Section 2. Continuation of Benefits**

Benefits will be continued during periods of absence from work as follows:

1. Short-term disability: Short-term disability benefits shall be available to employees who qualify for coverage. These benefits shall be paid for the duration of the employee's disability or 26 weeks, whichever is less. Weekly payments shall be the employee's average salary or \$350.00 per week, whichever is less.
2. Long-term disability: Medical benefits for the individual employee remain in effect for the earlier of one (1) year or until Medicare benefits take effect, whichever occurs first. COBRA medical and dental benefits are available for the employee's dependents.
3. Work-related injury: Benefits remain in effect, however, employees are obligated to make monthly contributions in accordance with Section 3.
4. Unpaid leave: Benefits remain in effect during any unpaid leave, provided the employee has made appropriate contributions as defined by Section 3.

### **Section 3. Medical Plans**

Medical coverage will be provided by a Managed Care Plan or if such a plan is not available, coverage will be provided through an indemnity plan. These plans provided to

eligible employees as of the effective date of this Agreement, under the following terms and conditions:

- a. The plans available to an employee depend on the zip code of his/her residence.
- b. After consultation with the Union, the Company may change administrators in event that the new administrator offers coverage equivalent to the coverage already in place.
- c. The Company may make changes in optional coverage plans during the term of this Agreement so long as these changes are uniform across the Company.
- d. New Hires. Medical coverage will be provided under the Penske SRC Health Care Plan. This plan shall be provided to eligible employees as of the effective date of this Agreement, under the following terms and conditions:

- i An employee is eligible for the benefits covered in this article effective the first day of the month following the employee's sixtieth (60) day of continuous full-time employment.
- ii Eligible employees shall be offered Medical coverage under the terms and conditions set forth in the Employer's SRC Health Care plan for a period of up to 24 months from their date of hire.
- iii Medical coverage, if elected by the employee, shall continue for this period only for as long as the employee makes their participation contribution.
- iv After an employee has reached 24 months of continuous employment under the terms of this contract that employee may become eligible for Medical coverage benefits under the terms and conditions set forth in Article 10, Section 3, Paragraph a.

#### **Section 4. Dental Plan**

The Company will offer dental coverage under the same terms and conditions that dental coverage is offered to other Company employees under the Flex Advantage Plan.

**Section 5. Vision Coverage**

The Company will offer vision coverage under the same terms and conditions that vision coverage is offered to other Company employees under the Flex Advantage Plan.

**Section 6. Prescription Drug Plan**

The Company will offer the same Prescription Drug Plan under the same terms and conditions that Prescription Drug coverage is offered to the other Company employees under the Flex Advantage Plan.

**Section 7. Mental Health**

In addition to providing an Employee Assistance Program, the Company will offer Mental Health coverage as offered to the other Company employees under the Flex Advantage Plan.

**Section 8. Life Insurance**

The Company will provide \$10,000 in life insurance to each eligible employee. The Company will offer the opportunity to purchase supplemental employee and dependent life insurance under the same terms and conditions that the opportunity is offered to other Company employees under Flex Advantage Plan.

**Section 9. Accidental Death and Dismemberment Insurance**

The Company will provide \$10,000 in accidental death and dismemberment insurance to each eligible employee. The Company will offer the opportunity to purchase supplemental employee and dependent accidental death and dismemberment insurance under the same terms and conditions that the opportunity is offered to other Company employees under the Flex Advantage Plan.

**Section 10.**

It is understood that each employee will be required to make employee contributions and

co-pays on a weekly basis as specified by the Plan Administrator.

**Section 11. Long-term Disability**

The Company will offer the employees the opportunity to purchase a long-term disability benefit plan. This benefit plan option is for employees who are unable to work for more than 26 weeks as the result of injury or illness, and is provided under the same terms and conditions that long-term disability benefits are offered under the same terms and conditions that the opportunity is offered to other Company employees under the Flex Advantage Plan. Medical, Dental and Life Insurance coverage specified under this agreement shall continue at no cost to the employee for the length of an employee's disability or one year, whichever comes first. COBRA benefits will be available after one year.

**Section 12. Benefit Claims**

Disputes between employees and administrators that are not parties to this Agreement regarding the administration of claims will be pursued through the administrators dispute resolution procedure before a grievance is filed. The Benefits Administrator will provide information regarding the administrator's procedure to any employee who requests such information. The time period for filing a grievance will not begin to run until the administrator's procedure has been exhausted.

**ARTICLE 11. EMPLOYEE SAVINGS PLAN**

**Section 1. Eligibility**

An employee becomes eligible to enroll in the Employee Savings Plan 401(K) on the first day of the month following the completion of twelve months of active, full-time employment.

**Section 2. Formula**

Step 1. Company Contribution: Upon satisfying the eligibility requirement and enrolling,

the Company will contribute one and one-half percent (1 ½%) of an employee's annual income to each employee's account regardless of whether or not the employee contributes anything.

Step 2. Company Matching Contribution: If the employee chooses to contribute from his paycheck, the Company will match fifty percent of the employee's contribution up to a total Company matching contribution of \$500.00 per year.

Step 3. Contribution Maximum: An employee may contribute a maximum of 18% of his income each year.

Step 4. Portability: To the extent permitted by law, in the event an employee hired under the terms of this agreement transfers to another ACC bargaining unit, any monies accrued under this provision by such employee shall be transferable to the savings plan provided by the new bargaining unit without penalty.

Step 5. Forfeiture: In the event an employee terminates for any reason during the first three years of employment other than for the reasons stated in Step 4, he shall forfeit all Company contributions (including interest) which were made to his account. In the event an employee terminates after 3 years of employment, he will receive 50% of the dollars contributed by the Company; after 4 years 75%, and after 5 years 100%.

## **ARTICLE 12. PAID HOLIDAYS**

### **Section 1. Seniority Employees**

All active employees with seniority will receive pay for the following holidays, whether or not the employee is scheduled to work:

New Year's Day  
Martin Luther King Day\*  
Good Friday\*  
Easter Monday  
Memorial Day  
Independence Day

Labor Day  
Thanksgiving Day  
Day After Thanksgiving\*  
Christmas Eve  
Christmas Day

(\*Not applicable to SPO drivers – 3 Floating holidays will be scheduled with the approval of the employee's supervisor.)

**Section 2.**

In order to receive pay for a holiday under this Article, an employee must work or be available for work his/her last assigned or scheduled work day/assignment before the holiday and his/her first assigned or scheduled work day/assignment after the holiday. Exceptions are vacation, jury duty leave, funeral leave, military leave, or leave for union business.

In addition, employees who work the last scheduled day/assignment prior to a holiday and who commence STD leave the first day following a holiday, will receive holiday pay. Also, employees whose STD/LTD leave ends the last scheduled work day/assignment before the holiday and return the scheduled work day/assignment after the holiday will be paid holiday pay.

**Section 3.**

Customer service obligations may require that employees be scheduled to work on holidays. Employees will be scheduled based on the timing of customer requirements and the structure of the bids as outlined in the weekend work opportunity procedure which is attached to this agreement as Exhibit B. If an employee works on a holiday, he/she will receive both holiday pay and pay for the work performed.

**Section 4.**

If a holiday falls during an employee's vacation, the employee will be paid holiday pay for the holiday in addition to his/her vacation pay or the employee, at his/her option, may extend their vacation an additional day.

**Section 5.**

If an employee must work a holiday, he/she will receive time and one-half (1½) the normal rate of pay, plus holiday pay for all hours worked.

**ARTICLE 13. VACATION**

**Section 1. Vacation Entitlement**

The eligibility date for vacation entitlement for all seniority employees is December 31.

<u>Number of Years of Service Completed For an eligible employee with seniority of</u>	<u>Annual Vacation Entitlement During Upcoming Year</u>
1 Year	1 week
2 - 5	2 weeks
6 - 14	3 weeks
15 or more	4 weeks

Vacation entitlement will be calculated on a calendar year basis. An employee must have worked 50% of the total workdays during the prior twelve month period in order to receive the vacation entitlement. Time off work due to a work-related injury or illness counts as time worked; time off work due to a non-work-related injury or illness does not count as time worked. Time off work due to a leave of absence does not count as time worked.

An eligible employee shall be entitled to a percentage of the full vacation pay allowance on a calendar basis, in accordance with the following:

<b>Pay Periods Worked</b>	<b>% of Full Vacation</b>
26	100%
25	96%
24	92%
23	88%
22	84%

21	80%
20	76%
19	73%
18	69%
17	65%
16	61%
15	57%
14	53%
13	50%

**Section 2. Vacation Scheduling**

Each vacation week is to be scheduled during a regular work week or in conjunction with the employee's bid assignment, if appropriate.

An employee may schedule vacation at any time during the year, subject to (a) no more than 8% of the workforce on vacation at any one time, and (b) extraordinary customer service obligations.

An employee may schedule one week of vacation in one-day increments. One-day increments can be scheduled only after all full weeks are scheduled. Between January 1-15 each year, the Company will post and maintain a vacation sign up schedule. An employee entitled to more than one week's vacation will submit the week(s) requested for vacation. If more than 10% of the workforce requests a particular week, seniority governs.

A written vacation schedule will be posted after it is finalized but in no event shall it be posted later than January 31 of each contract year. Subsequent changes will be made on a first come, first served basis; senior employees cannot displace junior employees after January 15.

If a holiday falls during an employee's vacation, the employee will be paid holiday pay for the holiday in addition to his/her vacation pay or the employee, at his/her option, may extend their vacation an additional day.

Vacation cannot be carried from year to year; if an employee fails to take vacation during the year in which it is due, he will be compensated for time not taken. All unpaid vacation compensation shall be payable to active employees before the last pay period of month following the end of the calendar year. (Example: pay by 1/31/09 for vacation unused as of 12/31/08)

### **Section 3. Vacations during shutdown**

In the event of reduced transportation requirements, the Company will communicate with the workforce in advance of the shutdown to obtain each employee's preferences regarding the following options:

1. Take vacation week if entitled during the shutdown.
2. Accept work assignments during the shutdown, if available, based on seniority.

Every employee will be required to take one week of vacation per year during any major customer shutdown as scheduled by ACC.

The Company will determine the number of drivers needed to perform ANY available work during a shutdown. The work will then be assigned as outlined in the weekend work opportunity procedure which is attached to this agreement as Exhibit B. Employees will be forced from the bottom up if requirements are not filled.

The order in which employees will be assigned to available work is:

1. Work will first be assigned to employees who have expressed a preference to work, in order of seniority.

2. Any employee who does not take vacation, and who is not needed to perform the available work, will enter layoff status and will be recalled effective his/her first day of bid assignment after the shutdown.

#### **Section 4. Voluntary layoffs during shutdown**

In the event of reduced transportation requirements, the Company will communicate with the SPO workforce in advance of the shutdown to obtain each employee's preferences regarding accepting employee requests for voluntary layoff. Seniority shall govern the order in which such requests are processed. Further, such requests shall be limited to 15% of the SPO workforce provided that such voluntary layoffs do not interfere with or otherwise disrupt service to the customer

#### **Section 5. Compensation**

For each week of paid vacation, an employee will be paid based on his normal hourly rate times 40 hours.

#### **Section 6.**

In the event of termination of employment, the employee shall be paid for any earned accumulated vacation hours. Vacation is earned upon completion of the entire work year.

#### **Section 7.**

The eligibility date for vacation entitlement for all seniority employees is December 31. Each "eligibility year" shall begin with the first pay period following the pay period containing December 31 of the previous year and end with the pay period in which December 31 falls.

Employees shall become eligible for vacation entitlement as hereinafter defined, provided they have at least one year's seniority as of December 31 of the eligibility year and have worked during at least 13 pay periods during the eligibility year.

An employee who has seniority but has not acquired one year's seniority as of December 31 shall nevertheless become eligible for a percentage of 40 hours of vacation entitlement pursuant to Sections (1) and (2) of Article 13 of the aforementioned Agreement.

## **ARTICLE 14. FUNERAL LEAVE**

### **Section 1.**

In the event of the death in the immediate family of an active regular full-time employee, the employee will be granted time off with pay, up to a maximum of three consecutive scheduled work days, for the purpose of attending the funeral. An additional two (2) days, if desired, will be afforded without pay.

Immediate family members include:

Spouse	Step-Brother
Parent	Half-Brother
Step-Parent	Sister
Grandparent	Step-Sister
Great Grandparent	Half-Sister
Child	Current Spouse's Parent
Step-Child	Current Spouse's Step-Parent
Grandchild	Current Spouse's Grandparent
Brother	Current Spouse's Great Grandparent

### **Section 2.**

To be eligible for paid funeral leave, the employee must attend the funeral or memorial service and is to furnish proof of the family relationship and the attendance at the funeral or memorial service upon the employee's return to work.

### **Section 3.**

Funeral Leave will be paid at the rate of 8 hours times applicable straight time rate per

day and will be counted as hours worked.

**Section 4.**

Funeral Leave is not compensable when an employee is on a leave of absence.

**Section 5.**

An employee is expected to give as much notice of his/her need for funeral leave upon learning of the necessity for such leave.

**ARTICLE 15. HOURS OF WORK**

**Section 1. Overtime**

Overtime shall be paid according to the applicable terms and provisions of the Federal Wage & Hour laws and the Motor Carrier Act exemptions pertaining to interstate operations.

**Section 2. Workweek**

It is agreed that the workweek may commence on any day of the week but must consist of five consecutive days of work (four consecutive days in the event a four-day work week is specified).

**Section 3.**

Employees receiving wages pursuant to the Driver Hourly Pay Rate (Not SPO Trip Rates) shall receive overtime pay at a rate of one and one-half their applicable hourly rate of pay for any hours worked on a sixth consecutive day. Employees receiving wages pursuant to the Driver Hourly Pay Rate (Not SPO Trip Rates) shall receive overtime pay at a rate of twice their applicable hourly rate of pay for any hours worked on a seventh consecutive day.

## **ARTICLE 16. WORK ASSIGNMENT**

### **Section 1.**

Where feasible, all runs will be bid on a bi-annual basis (February 1 and August 1 or as circumstances due to operational changes dictate) by all eligible seniority employees. However, the parties recognize that bidding formats will vary based on the requirements of the customer.

### **Section 2. Eligibility**

In order to participate in such a semi-annual bid process, an employee must be on the active seniority roster on the date the bid activates.

### **Section 3. Selection of Work Assignments**

- A. The order of bid selection will be based on an individual's terminal seniority.
- B. If a bid temporarily (less than two (2) weeks) cancels, the employee(s) will be automatically placed on the extra board.
- C. Drivers whose bids are less than eight (8) hours per day may be assigned work before or after their bid routes are completed. All bids are predicated on a four (4) or five (5) consecutive day workweek.
- D. Overtime assignments, other than the overtime normally attributable to a bid, will be voluntarily filled on the basis of seniority. If not enough people volunteer, then work will be forced from the bottom of the seniority list up.
- E. If an existing work assignment comes open between bids, such opening will be posted and offered by order of seniority to employees that have not had the opportunity to bid this position. The successful secondary bidder for the vacancy will own the bid until the next regularly scheduled biannual bid takes place. The secondary bidder's position will be filled from the extra board and bidding will cease relative to that run until the next regularly scheduled bid.
- F. If a new bid comes available between bid periods, it will be posted for the employees within the scope of bid selection for seven (7) calendar days. The Secondary bidder's position will be filled from the extra board and bidding will cease relative to that run until the next regularly scheduled bid.

- G. The regular bid selection will occur in February and August of each calendar year. When a redesign of routes must be implemented between regular bids in order to support customer requirements, a new bid selection will occur. In such case all work assignments shall then be re-bid and shall remain in effect until the next regular bid. The Company has the right to establish reasonable bidding and posting procedures. If an existing bid is changed by a redesign and the pay for the new bid varies more than 20% from the previous bid, the new bid will be subject to re-bidding.
- H. Extra board work is defined as any work which is not: (1) assigned to a regular bid run, or (2) work which may be assigned to fill regular bid hours.
- I. If changes should become necessary relative to ACC's bidding and/or dispatch process, the Company and the Union will meet and agree upon a system which will respect the seniority of each member.
- J. Shift preferences for employees shall be in seniority order by terminal and shall be limited to once every six (6) months. The employee shall be limited to displacing the lowest seniority employee or fill an open position if one is available.

## **ARTICLE 17. PROBATIONARY PERIOD**

### **Section 1.**

All new hires will be required to possess a valid CDL license.

### **Section 2.**

A new employee will serve a probationary period for his/her first 90 calendar days. When seniority dates are the same, the highest last three digits of each employee's social security number will be the determining factor; 9 being highest.

### **Section 3.**

During an employee's probationary period he/she is not entitled to any benefits provided for under this agreement with the sole exception of his specified wage rate.

**Section 4.**

After an employee completes his/her probationary period, his/her seniority date will date back 90 days from date seniority is acquired

**ARTICLE 18. LOSS OF SENIORITY**

**Section 1. Loss of Seniority**

Limit seniority retention because of work comp or off the job injury/illness to the following:

- A. New Hires (hired post 10/1/08):
- i. Employees with from 91 days up to 6 months seniority shall be eligible for up to 6 months leave of absence.
  - ii. Employees with greater than 6 months seniority up to 18 months seniority shall be eligible for up to 18 months leave of absence.
- B. Existing Employees (hired pre 10/1/08):
- i. Employees with seniority from 91 days up to 24 months shall be eligible for up to 24 months leave of absence.
  - ii. Employees with seniority greater than 24 months shall be eligible for leave of absence in an amount equal to their current bargaining unit seniority.
- C. An employee shall lose his seniority rights if:
- He quits voluntarily
  - He is discharged for just cause;  
If the employee is absent for three (3) working days without properly notifying the Company unless a satisfactory reason is given. After the unreported absence of three (3) working days, the Company will send clear written notification to the employee's last known address as shown on the Company records with copy to the Union, that his seniority has been broken.
  - He fails to report to work upon receipt of recall notice, as provided elsewhere in the Agreement.
  - If the employee fails to return to work within five (5) working days

and has not provided satisfactory reason, he has voluntarily quit his employment with the Company.

- He is laid off in excess of twelve (12) months. The laid off employee shall continue to maintain seniority while on lay off.
- He is absent from work because of off-the-job illness or injury for:
  - a. A Minimum of 18 months for new hires
  - b. A minimum of 36 months for employees with one to three years' seniority
  - c. A minimum of the amount of time equal to his seniority for employees with greater than three (3) years seniority or he reaches an injury settlement which is acceptable to his Union.
- He transfers to a job outside of the bargaining unit;
- He retires
- A seniority employee who returns to the Bargaining Unit from a salaried position will be able to return with the seniority he/she had at the time of his/her transfer to Salary. The Seniority date will be adjusted accordingly.
- Such employee may return to the Bargaining Unit if an opening is available, and he/she will not have "bumping" rights for job or shift.
- If an opening is not available, such employee may at Management's discretion be placed on layoff until such time as an opening exists that is in accordance with said employee's adjusted seniority date.

## **ARTICLE 19. REDUCTION OF WORKFORCE**

### **Section 1.**

In the event that the workforce must be reduced for 90 days or more, the Company will lay off employees in order of location seniority, with lowest seniority employee being first on layoff.

In the event that the workforce must be reduced on a temporary layoff (89 days or less), the Company will lay off employees in voluntary inverse order of location seniority, and then in seniority until the correct staffing levels are achieved. During temporary layoff, SPO shall be considered as a separate location for purposes of layoff, recall, and shall not be subject to bumping from other locations. SPO employees will be laid off on the basis of inverse seniority. During temporary layoff, Penske provided Health Care benefits will not expire until the last day of the month following the month in which the employee is placed on layoff.

#### **Section 2.**

An employee facing permanent layoff has the right to transfer to another location covered by this contract. The employee's right to transfer will be granted based on and in order of Company seniority. Moving expenses will not be covered by the Company. The employee will be permitted to bump the lowest seniority person unless there is an opening available in which event he shall be required to fill the opening. The employee will be considered an extra until the next regularly scheduled bid. This layoff procedure shall apply within an area of 100 miles from the terminal at which the permanent layoff occurs. Hardship cases will be considered on a case-by-case basis.

#### **Section 3.**

Laid off employees will be recalled in inverse order of layoff. The company will contact the laid off employees by registered mail and phone at his/her last known address or hand delivery signed for by the employee. Laid off and/or transferred employees will be given the first opportunity to return to work, by order of seniority, to the recalling location. The Employee will have 7 days to return to work after notification of recall. Employees should make themselves available sooner than 7 days if they are able.

#### **Section 4.**

The Company will notify the Union of any workforce reduction as soon as possible after the Company is notified of the event that makes the reduction necessary. Such notice will

be at least seven (7) calendar days, except as provided for in Section 5 and except where the Company receives less than 7 days notice of layoff.

During the period of recall which will not exceed 7 days, the Company will not be held liable for work performed by outside vendors, casuals or driver leasing services in the event all available bargaining unit employees have been afforded the opportunity to work.

**Section 5.**

The Company will not oppose an employee's application for unemployment compensation benefits in the event an employee is offered out of state work by the Company and refuses such offer of work. The parties realize this may relate to a distance of less than 100 miles.

**Section 6.**

In the event a terminal is temporarily in need of personnel, the Company shall have the ability to assign any laid off employee to such terminal. If there is a problem with the application of this section, the parties shall meet and resolve the matter immediately.

**Section 7.**

If the parties should encounter any unforeseen circumstances, they shall meet and resolve such difficulties as quickly as possible.

**ARTICLE 20. CASUAL EMPLOYEES**

**Section 1.**

The Company may utilize casual, leased and other outside vendor employees to temporarily supplement the workforce, under the following conditions:

- a) The Company may use casual, leased or other outside vendor employees no longer than 90 continuous days for one specific job, to supplement seniority employees for the increases in the workload. In the event of extenuating circumstances, the Local Union and the Company may agree to extend the 90-day period specified herein.

- b) The Company will not use casual, leased or other outside vendor employees to erode the bargaining unit seniority list. No casual, leased or other outside vendor employee will displace a seniority employee in the bargaining unit.
- c) The Company will not use casual, leased or other outside vendor employees to deny fulltime work opportunities to employees. This provision will not apply if the regular employee is unable to perform the full work assignment performed by the casual employee.
- d) Casual leased or outside vendor employees do not acquire seniority rights, do not have recourse to the Grievance Procedure and do not receive any of the benefits specified in this agreement for seniority employees (insurance, holidays, vacation, bonuses, etc.).
- e) The use of casual, leased or other outside vendor employees is allowed with the distinct and clear understanding that said use shall not be a subterfuge to avoid the hiring of regular, full-time employees.
- f) A casual employee will receive the wage rate specified in this agreement. A casual employee will not be entitled to any other benefits of any kind, nature or description which are mentioned in this agreement. It is the intent of the Company and the Union that casual employees are specifically precluded from enjoying such benefits.

## **ARTICLE 21. CORRECTIVE DISCIPLINE**

### **Section 1.**

The Company may impose corrective discipline with just cause.

### **Section 2.**

Written reprimands and warnings must be signed by the employee acknowledging receipt with a copy being given to the employee and Union. This action does not prohibit the employee and/or employees from grieving through the grievance procedure. Employee(s) shall have the right to Union representation in any interview or hearing that could lead to disciplinary action. A form will be provided, if employee(s) refuses Union representation, and the form must be signed by the employee(s) and provided to the

Union immediately. All safety related discipline stays in an employee's file for 18 months.

**Section 3.**

The Company shall have the right to establish, maintain and enforce reasonable work rules and regulations subject to the grievance procedure. The current negotiated and agreed upon work rules are attached as Exhibit A of this document. If agreement cannot be reached by the parties, new or amended rules and regulations will be subject to the grievance procedure.

**Section 4.**

The Company and the Union recognize and agree to the following principles:

- A. Disciplinary action is intended to be corrective rather than punitive. It is understood that violations of certain rules may be subject to discharge for the first offense.
- B. Rules and Regulations will be posted on Company bulletin boards. All employees will be given a copy of rules and regulations, and will be expected to sign for said copy.
- C. Any discipline imposed under these Rules and Regulations is subject to the grievance procedure.

**Section 5.**

The Union will be notified in writing of all discipline involving time off. In cases of discipline short of discharge or suspensions pending investigation, employees shall be afforded the opportunity to fully discuss the matter with a Union representative prior to being disciplined.

**Section 6.**

Progressive disciplinary penalties will be imposed as follows:

- a) Verbal warnings and written warnings will remain in effect and in the record for one year unless successfully overturned in the grievance process. Discipline

involving time off will remain in effect and on the record for 18 months unless successfully overturned in the grievance process.

- b) Disciplinary action taken will be cleared from an employee's record either one year or eighteen months as specified above after the date it was effective. Evidence of offenses more than one year or eighteen months as specified above will not be used by the Company to support additional discipline or subsequent arbitration unless:
- i) The discipline is part of the progression that led to the discipline at issue.
  - ii) An employee attempts to persuade an arbitrator to reduce a disciplinary penalty by introducing evidence of his/her past work record. In such case, the Company may respond by introducing evidence of disciplinary action imposed on the employee during the equivalent period of time.

#### **Section 7.**

Offenses for which an employee may be subject to discharge for the first offense are:

- Physical assault while in the service of the Company or on Company property (not including self-defense).
- Major preventable accident after full investigation.
- Theft of property owned by Company, supplier, or customer.
- Leaving the scene of an accident.
- Intentional falsification of documents required by the Company.
- Possession of firearms while in the service of the Company or on Company property.
- Fraud, including theft of time.
- Tampering with safety-related equipment or devices.
- Harassment of any kind in the workplace.

#### **Section 8.**

An employee discharged away from his/her home terminal shall be provided transportation to his/her home terminal at the Employer's expense.

## ARTICLE 22. GRIEVANCE PROCEDURE

### A. Definition of a grievance

A grievance is defined as any disagreement between the Company and the Union or a represented employee regarding the interpretation or application of any provision of this Agreement.

### B. Grievance Procedure

A grievance shall be filed within ten (10) days of the event giving rise to the grievance. If an employee chooses to participate in the grievance procedure at any level, he will be encouraged to do so. Grievances shall be resolved in the following manner:

#### 1. Step One

Any employee having a grievance, or one designated member of a group having a grievance, should first take the grievance up with the LCS who will attempt to adjust it as quickly as possible.

#### 2. Step Two

If the grievance is not resolved in Step 1, then any employee may request the LCS to call the committee person for that District to handle a specified grievance with the LCS. The LCS will place a call for the committee person without undue delay and without further discussion of the grievance. The LCS and the committee person shall make the necessary arrangements to permit the employee to participate in the grievance process in an attempt to resolve his complaint.

#### 3. Step Three

If the grievance is not resolved in Step 2, then it will be referred to the LCM and the shop committee who will attempt to resolve the matter with all due haste.

#### 4. Step Four

If the grievance is not resolved in Step Three, the Union Chairman and ACC's

General Manager shall meet and attempt to resolve the grievance. It is the stated purpose of the parties to resolve all unsettled grievances at this level.

5. Step Five

If the grievance is not resolved in Step 5, then as a last resort, the Union Chairman and/or the Vice President ACC shall have the ability to refer the matter to an independent arbitrator who will be selected by the parties to serve a one-year period (which may be renewable for a similar period by the agreement of both the UAW and ACC). During the arbitrator's one year term, he/she shall resolve all grievances which are not resolved in Step Three. The costs of the arbitration shall be shared equally by the parties.

- a. The arbitrator is requested to render a decision in each case immediately or in no event beyond fifteen (15) days after the hearing is closed.
- b. The arbitrator may attempt to mediate any dispute by mutual agreement of the parties.
- c. The arbitrator has no power or authority to modify, change, add to or subtract from the terms and conditions of this Agreement.
- d. The decision of the arbitrator or the resolution of a grievance at any stage in the grievance process is final and binding upon the parties.

## **ARTICLE 23. NON DISCRIMINATION**

### **Section 1.**

In accordance with Federal and state law, neither the Company nor the Union shall discriminate, nor cause, nor attempt to cause the other to discriminate against any individual with respect to such individual's compensation, terms, conditions, or privileges of employment because of such individual's race, color, religion, gender, national origin, age or disability.

### **Section 2.**

An employee with a claim of discrimination (including but not limited to issues of

harassment or failure to provide requested reasonable accommodation to a disability) is expected to bring the claim to the attention of the Union, which will then take up the issue with the Company, with the objective of a resolution satisfactory to the Company, the Union and the employee.

**Section 3.**

When reference is made to masculine gender in this contract, it refers to male or female, whichever is applicable.

**ARTICLE 24. EMPLOYEES' SAFETY RESPONSIBILITIES**

**Section 1. Familiarity with government safety regulations**

Each driver must be familiar with and follow all applicable safety regulations. Each driver will be given a copy of the Federal Motor Carrier Safety Regulations and is expected to sign a receipt for his copy of the FMCSR, emergency response guide and hazardous materials guide book.

**Section 2. Safety rules and procedures**

Each driver is expected to follow all reasonable Company safety rules and procedures. While on the premises of the Company's customer or the customer's suppliers, each driver is expected to follow safety rules and procedures established by the customer or supplier.

**Section 3. Safety equipment**

Each driver must use seat belts and other required safety equipment while on duty. While on duty, each driver is required to wear personal protection equipment as defined by the Company and posted on the bulletin board. The Company will train drivers in use of personal protection equipment.

Each driver must not tamper with any safety-related equipment or devices. Each employee must use safety equipment as designated by the Company. This includes back vests, ear plugs, safety glasses and other equipment as required.

**Section 4. Safety paperwork**

Each driver must accurately and promptly complete and submit logs and other required safety-related paperwork.

**Section 5. Required safety training**

Employee is required to attend all scheduled safety training. If a training is missed, a mutually agreed upon make-up date will be set.

**Section 6. Safety inspections**

Each driver is required to perform all pre-trip, roadside and post-trip safety inspections, and complete all necessary paperwork required in connection with safety inspections.

**Section 7. Reporting of traffic citations and other safety violations**

Each driver must report any traffic citation or other safety violation in compliance with all state and Federal Motor Carrier Safety Regulations. Should state requirements differ from the Federal Motor Carrier Safety Regulations, the employer will notify the employees immediately of regulations for their state or county of residence and operation.

**Section 8. Evasion of speed limits**

No radar detector or other such device that can be used to evade speed limits is permitted in any Company vehicle.

**Section 9. Accident procedures**

A driver involved in an accident or incident, no matter how minor, or cargo spill incident, shall promptly verbally report the accident, incident or spill incident to his Supervisor. The employee, at the end of his shift or tour of duty, shall make out an accident or incident report in writing, on forms furnished by the Company, and shall turn in all available names and addresses of witnesses to the accident or incident.

**Section 10. Injury/illness procedures**

A driver who suffers a work-related injury or illness, no matter how minor, must report it to

his Supervisor, and complete an injury or illness report, by the end of the shift or tour of duty during which the injury or illness occurs or is discovered. The driver will then be provided with information regarding workers' compensation claim procedures.

**Section 11. Transportation connected to work-related injuries or illness**

An employee who suffers a work-related injury or illness away from the employee's location shall be provided with necessary and reasonable transportation between the location of the injury/illness, medical facilities and the employee's home or home domicile as appropriate, at the Employer's expense.

In the event of a fatality arising in the course of employment while away from the home terminal the Company shall return the deceased to a hospital or funeral home which is proximate to his home terminal.

**ARTICLE 25. EQUIPMENT AND VENDOR REVIEW PROCESS**

**Section 1**

It shall be the responsibility of the Company to supply equipment that meets all safety standards set down by state and federal government. All equipment shall be assigned by the Company or its representatives in any way they need to in order to cover their daily business.

**Section 2. Vendor Review Process:**

1. Management shall submit to the Union as soon as practical after the effective date of this Agreement, a listing of its vendors and goods and services they supply to ACC. After reviewing this information, the Union shall submit to the Company, a list of suppliers who in the UAW's opinion are both reliable and high quality and currently provide the same type of goods and/or services currently used by ACC.
2. For specific goods and services, ACC identified by the UAW, the parties will jointly evaluate which vendors, based on cost competitiveness, quality, long-term financial stability, delivery reliability and any other pertinent cost factors, i.e. monetary penalties for breaking contract early, could be potential suppliers of services and products to ACC. Once identified, these suppliers will be given an

- opportunity to participate in future quotations of goods and services purchased.
3. The parties will jointly discuss all factors involved in the vendor selection in order to arrive at a mutually satisfactory decision by which to determine the most competitive supplier.
  4. A Vendor-Review Committee will be established which will implement this Article. The Joint Committee will be comprised of individuals designated by the Union Chairperson and ACC's Vice President-Operations.

## **ARTICLE 26. PASSENGERS**

No driver shall allow anyone, other than employees of the Company who are on duty, to ride in or on his truck, except by written authorization of the Company. In such case, no more than two (2) people shall ride in a cab of a tractor unless required by government agencies, where necessary for checking equipment, or in cases of emergency.

## **ARTICLE 27. DANGEROUS CONDITIONS**

### **Section 1.**

The Employer recognizes its obligations under the Occupational Safety and Health Act, the Surface Transportation Act, and U.S. Department of Transportation regulations. No employee will be required or assigned to engage in any illegal activity.

### **Section 2.**

No employee will be required or assigned to engage in any activity involving dangerous conditions of work, or danger to person or property, beyond those conditions inherent in the job of driving a truck.

## **ARTICLE 28. EMPLOYEE EXAMINATIONS**

### **Section 1.**

It is the responsibility of each employee to obtain any and all examinations required by law or regulation as a condition of continued employment (including, for example, DOT physicals, random drug and or alcohol tests, CDL examinations, etc.). Employees are also

expected to obtain any additional health or safety-related examinations required by the Company.

**Section 2.**

To the extent allowed by law, random drug and alcohol tests scheduled by the Company will be scheduled either during or immediately before or after an employee's normal working hours.

**Section 3.**

The Company will pay the cost of any physical or mental examination that is either (a) required by law or regulation as a condition of continued employment, or (b) required by the Company. In addition, an employee who is selected for a random drug and or alcohol test will be paid all necessary time spent in satisfying such tests at the appropriate hourly rate.

**Section 4. Examinations**

Physical, mental examinations required by a government body or the Employer shall be promptly complied with by all employees. The Employer shall pay for all such examinations for all regular and probationary employees. The Employee shall make the necessary appointment with the Medical Examiner designated by the Employer. The Employer shall notify the employee in sufficient time prior to the renewal of the D.O.T. physical. Upon request, the employee shall be allowed a sufficient (not to exceed ten (10) hours) unpaid rest period before taking such D.O.T. physical. Examinations are to be taken at the employee's home terminal. Repeat examinations shall be in accordance with DOT Rules and Regulations. Employees will not be required to take examinations during their working hours. The Employer reserves the right to select its own Medical Examiner or doctor and the Union may, if it believes an injustice has been done to an employee, have said employee re-examined at the employee's expense.

In the event of a conflict of medical evaluation, the Parties shall comply with DOT Rules and Regulations. Disputes concerning back pay shall be subject to the grievance procedure.

**Section 5. Light Duty Program**

The Company, where feasible, may institute a light duty program for employees who have sustained a work related injury. This will not be a "make work" program and will only be implemented where a need for such light duty services actually exists.

**ARTICLE 29. PREVENTION OF EMPLOYEE ABUSE OF ALCOHOL AND CONTROLLED SUBSTANCES**

Attached to this agreement as Appendix A is the procedure agreed to by the parties respecting the prevention of employee abuse of alcohol and controlled substances. The second chance provision regarding any use of alcohol or controlled substances which was formerly associated with ACC-UAW Substance Abuse Policy is eliminated from this agreement.

**ARTICLE 30. CREDIT UNION**

The company will offer membership in a Credit Union to all employees.

**ARTICLE 31. EMPLOYEE'S FINANCIAL RESPONSIBILITY FOR DAMAGE TO EQUIPMENT, PROPERTY AND FREIGHT**

**Section 1.**

An employee who is responsible for damage to or the loss of equipment, property of freight will not be required to pay the cost of equipment or property repairs or replacement or freight claims incurred by the Company unless the loss was due to an intentional act occasioned by the employee.

**ARTICLE 32. EMPLOYEE'S FINANCIAL RESPONSIBILITY FOR TRAFFIC AND SAFETY VIOLATIONS**

**Section 1.**

The Company is responsible for any fines or penalties incurred by employees that are caused by compliance with the Company's instructions. In the event an employee expresses a legitimate concern with a dispatch order and is overridden by the company and subsequently fined, payment of the fine will be the company's responsibility.

**Section 2.**

An employee is responsible for any fines or penalties caused by the employee.

**ARTICLE 33. EMPLOYEE DISCOUNT**

**Section 1. Employee Discount**

Any standard employee discount available to employees on a Penske daily truck rental will be offered to the ACC employees.

**Section 2. Relocation**

In the event an employee is asked to relocate to another ACC facility, the Company will provide such employee, on a gratis basis, a Penske Truck Rental van. The Company will not be required to provide such a service if a Penske Truck Leasing facility is not located within 100 miles of the employee's home terminal.

**Section 3. Additional Discounts**

Employees subject to the terms and conditions of this Agreement shall be afforded all employee discounts which are or may become available.

**ARTICLE 34. LEAVES OF ABSENCE**

**Section 1. Personal Leave of Absence**

Upon written application, a personal leave of absence (not to exceed thirty (30) days, without pay) for a specified purpose may be granted to employees at the discretion of the Company. However, the Company agrees to grant a leave of absence whenever feasible. No leave of absence shall be granted for the purpose of working elsewhere or for self-employment. Leaves of absence shall not be renewed unless by mutual agreement between the Company, the employee and the Union; and seniority shall accumulate during the leave.

During a leave of absence, an employee shall maintain his bid position.

**Section 2. MILITARY LEAVE**

The Company recognizes that it is subject to federal and state laws requiring that employees be

provided with leaves of absence to serve on active or training duty in the Armed Forces, the Reserves or the National Guard.

An employee on such leave will receive the difference between his/her military pay and the employee's weekly guarantee pay under the following terms and conditions.

1. Maximum of seventeen (17) days each calendar year for annual reserve training. The employee must request leave at least two weeks prior to the start of the training period.
2. Maximum of thirty (30) days each calendar year for an employee called to active duty. The employee must notify the Company as soon as possible, but in no event later than the first scheduled workday the employee misses on active duty.
3. The employee must provide information confirming the amount of military pay received.

### **Section 3. JURY DUTY**

3. The Company will comply with the obligations of state law in the states in which employees reside for all employees summoned to jury duty, including the Company's obligation to grant time off and the company's financial obligations. In no case, however, shall an employee receive less than 8 hours times the applicable straight rate for each day of jury duty, which includes compensation that the employee receives from the Court, excluding travel and meal allowance.
4. In order for an employee who receives a jury duty summons to receive the compensation to which he/she is entitled for day(s) spent on jury duty, the employee must either:
  - a. Present his/her jury duty summons to his/her supervisor, if time permits prior to the start of the employee's duty; or
  - b. If time does not permit, the employee will notify his/her supervisor and present a copy of the jury duty summons to his/her supervisor upon his/her return to work.

5. Any employee who is called for jury service or is called to and reports for an interview or an examination to qualify him/her for selection to a jury shall be considered to have performed jury duty and shall qualify for jury duty pay if otherwise eligible as provided herein.

### **ARTICLE 35. LIVING AGREEMENT**

The parties recognize that many unforeseen concerns and problems may arise during the pendency of this agreement. The parties also recognize that the potential exists for rapid growth which could lead to concerns which might affect the employer-employee relationship in the administration of the provisions of this agreement. With these realizations in mind, the parties agree that it is imperative that they address such challenges as they arise in a team spirit of cooperation.

### **ARTICLE 36. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding on the successors and assigns of the parties hereto, except to the extent modifications are agreed upon by the Company and the Union or their respective successors and assigns. Any benefits accruing to employees as a result of agreements with preceding employers or Management shall continue and be adhered to by the succeeding employers or Management.

### **ARTICLE 37. BONDS**

Any bonding requirements shall be the sole responsibility of the Company and the employee shall complete the necessary forms for obtaining such bond. Any denial, suspension or termination of a bond shall not be grounds for disciplinary action, but may require reassignment.

### **ARTICLE 38. SCOPE OF AGREEMENT**

It is agreed that this written contract reflects the entire agreement between the parties. Amendments or clarification of this Agreement, mutually agreed upon, shall be reduced to writing, attached to, and shall become a part of this contract. The parties acknowledge

that during the negotiations which resulted in the Agreement, each has had the unrestricted right and opportunity to present demands and proposals with respect to any matter subject to collective bargaining.

The parties recognize that many unforeseen concerns and problems may arise during the implementation phase of the ACC startup. The parties also recognize that the potential exists for rapid growth within ACC which could lead to concerns which might adversely impact the employer-employee relationship in the administration of the provision of this agreement.

Therefore, the parties have agreed to establish a Partnership For Progress Committee which will be empowered to review, evaluate and mutually agree to adjust any provision of this agreement. The composition of the Partnership For Progress Committee will be determined with appropriate input from the Company and the International and Local Union.

#### **ARTICLE 39. CONFLICTS WITH LAW**

In the event that it is determined that any provision of this Agreement is in conflict with any law or governmental regulation, the provision or provisions so affected shall no longer be operative or binding upon the parties, but the remainder of the Agreement shall continue in full force and effect.

#### **ARTICLE 40. DISTRIBUTION OF AGREEMENT TO EMPLOYEES**

Copies of the Agreement shall be available to employees upon request. The Company will be responsible for the printing and distribution of the Agreement, and will bear all printing and distribution costs.

## **ARTICLE 41. GENERAL PROVISION**

### **Section 1.**

Employees must keep the Company and the Union advised of their correct mailing address. Notice of such address or any change thereof must be given to the Company in writing, and the Company shall be entitled to rely upon the addresses shown in its records.

### **Section 2.**

The Company will allow the placement of ballot boxes in driver's areas for the purpose of Union voting. It is the responsibility of the Union to place, man and remove such boxes at the completion of their use.

The Union will notify the Company at least seventy two (72) hours in advance of such placement and such placement will be done so as not to interfere with the Company's daily operations.

### **Section 3.**

The Company will not use video, audio, satellite and or electronic devices of any kind as sole evidence to discipline or discharge any employees.

## **ARTICLE 42. DURATION**

This Agreement shall remain in force from October 1, 2008 through September 30, 2013, and thereafter for successive periods of one year unless either party shall, on or before the 60th day prior to expiration, serve written notice by registered mail on the other party of a desire to terminate, modify, alter, negotiate, change or amend this Agreement. This provision shall not conflict with the terms and conditions of Article 3, Section 4(c) which relates to the Living Agreement.

**UAW Local 659**

By \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Automotive Component Carrier**

By: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**LETTER OF UNDERSTANDING**

It is understood and agreed by and between the parties to the Agreement that the parties have successfully negotiated a trip rate increase. In the first year of the Agreement, the first three trips will be paid at a trip rate of \$36.00 per trip, subsequent trips will be paid at a trip rate of \$42.00 per trip.

The SPO trip rates referenced herein shall remain in effect for the life of this agreement. However, the parties reserve the right to meet, review, and discuss the appropriate future trip rates.

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**ACC**

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**UAW**

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**Date**

\_\_\_\_\_  
**Date**

**LETTER OF UNDERSTANDING**

During these negotiations the parties met and agreed that it is the policy of Penske to cooperate in every practical way with employees who desire transfers to new positions or vacancies in their location. Accordingly, such employees who make application to their supervisor stating their desires, qualifications and experience, will be given preference for openings in their location provided they are capable of doing the job.

However, employees who have made application as provided for above and who are capable of doing the job available shall be given preference for the openings in their location over new hires. In case the opening is in an equal or lower rated classification and there is more than one applicant capable of doing the job, the applicant with the longest seniority will be given preference.

Any secondary job openings resulting from filling jobs pursuant to this provision may be filled through promotion; or through transfer without regard to seniority standing, or by new hire. Any claim of personal prejudice or any claim of discrimination for Union activity in connection with transfers may be taken up as a grievance. Such claims must be supported by written evidence submitted within 48 hours from the time the grievance is filed.

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**ACC**

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**UAW**

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**Date**

\_\_\_\_\_  
**Date**

**LETTER OF UNDERSTANDING**

During these negotiations the parties met and discussed the desire of the employees to participate in the tuition assistance program. To that end, the parties agree that eligible employees may participate in the Penske Tuition Assistance Program.

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**ACC**

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**UAW**

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**Date**

\_\_\_\_\_  
**Date**

**LETTER OF UNDERSTANDING**

During the negotiations the parties discussed the employees' desire to have access to review their personnel records.

The right of employees to inspect their own personnel files was afforded employees in Michigan in accordance with the 1978 Michigan Employee Right to Know Act.

This letter will confirm that the right to review individual personnel records, established by the above-mentioned Michigan law, will be extended as a matter of policy to ACC employees throughout the United States.

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**ACC**

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**UAW**

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**Date**

\_\_\_\_\_  
**Date**

**LETTER OF UNDERSTANDING**

During the negotiations the parties met and agreed that ACC will reimburse Skilled Trades employees and Truck Driver – Tractor – Trailer employees for licensing costs required to perform work assigned by ACC.

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**ACC**

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**UAW**

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**Date**

\_\_\_\_\_  
**Date**

**LETTER OF UNDERSTANDING**

During the negotiations the parties met and agreed that in the event an employee is shorted, due to Management error, a sum in excess of eight (8) hours pay, upon employee request an advance will be issued locally within twenty-four (24) hours of ACC receiving written notice of such shortage.

It is further understood that all current agreements regarding this subject will be rendered null and void upon implementation of this procedure. Upon employee request, ACC's Direct of Industrial Relations will be notified of the shortage. ACC will prepare a check with the employee's normal tax deductions. The check will be made available to the employee at the location by the end of the next working day.

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ACC

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UAW

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## **LETTER OF INTERPRETATION REGARDING VACATION**

During negotiations the party's identified issues regarding vacation entitlement, scheduling and administration. The discussion and subsequent understanding was related to the language interpreting when vacation is earned and when vacation may be taken, following is the understanding between the party's:

### **Vacation Eligibility:**

Each "eligibility year" shall begin with the first pay period following the pay period containing December 31 of the previous year and end with the pay period in which December 31 fall.

### **Vacation Entitlement:**

Vacation is earned based upon the number of pay periods the employee works during the year. The employee must work 26 pay periods in the eligibility year to receive the maximum vacation entitlement to which they are due based upon that employee's years of service.

### **Vacation Scheduling and Administration:**

Beginning January 1 thru January 15, to aid the employee in scheduling vacation and the employer in maintaining customer service, employees will be able to schedule vacation, in seniority order, subject to customer service needs and limitations, to which their years of service will entitle them during that calendar year.

### **Example:**

The employee was hired 7/1/07 and will complete two years of service on 7/1/09. With two years of completed service the employee is entitled to two weeks vacation. However, on 1/1/09, although the employee does not yet have two years of service, that employee may schedule their two-week vacation entitlement to be taken anytime during that year. It is understood that an eligible employee will be required to work a minimum of 26 pay periods in the eligibility year to be entitled to 100% of the two weeks vacation, but that vacation may be scheduled for a date before the 7/1/09 anniversary date.