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MEMORANDUM

TO: LOCAL UNIONS: 107, 110, 294, 317, 355, 401, 453, 592, 773, 776
and 795

Walter A. Lytle, Central Region Freight Coordinator

Ernie Soehl, Eastern Region Freight Coordinator

FROM: Tyson Johnson, International Vice President & Director, National
Freight Division

DATE: April 1, 2009

RE: USF Holland - MR-CO-09-03/2009

The following is the decision from the USF Holland Multi-Region Change of Operations MR-CO-09-03/2009, which was heard on March 25, 2009, in Philadelphia, PA:

Mr. Chairman, I move the Company's proposed Change of Operations to close its terminal operations in Albany, NY; Syracuse, NY; Philadelphia, PA; Allentown, PA; Wilkes-Barre, PA; Bedford, PA; Dubois, PA; Baltimore, MD; Richmond, VA; and Wichita, KS and attempt to retain the customer base affected by these closures through an interline partnership with its sister Companies, YRC and New Penn Motor Freight, be approved as clarified and stipulated to by the Company on the record, with the following provisions:

1. The Company's proposal that the date of implementation of the terminal closures will be no later than April 3, 2009, is ratified and approved.

2. Effective with the implementation of this decision and continuing through March 31, 2012, USF Holland active and inactive employees, who will be displaced as a result of the closure of the terminals, will be given preferential rights to be hired, on a seniority basis, at any YRC or New Penn terminal located within the jurisdiction of the employees' Local Unions, ahead of other new hires, but behind employees who are on lay off at these terminals, and any YRC employee who is "holding" for one of these terminals under the decision rendered in the YRC "Cut Over" Change of Operations. Holland active and inactive employees displaced by the closures shall be offered work ahead of all casuals, except preferential casuals. It is understood that an employee who is offered regular work and refuses such work or who does not make himself available for a period of 48 consecutive hours after receiving notification by either a telephone call witnessed by a shop steward or Local Union designated bargaining unit employee or by certified mail shall be considered as removing himself from consideration for any further work opportunity, except Article 5, Section 5 opportunities.

3. For purposes of exercising preferential hire rights under provision 2 above, the employees affected by the closure of the Bedford, PA terminal (Local 453) and the closure of the Baltimore, MD terminal (Local 355) shall be dovetailed on a master layoff seniority list based on each employee's present bidding and layoff seniority date. Employees on that master seniority list shall have preferential hire rights at YRC and New Penn terminals located within the geographic area of the terminal closed in Baltimore and the geographic area of Local 355. In addition, employees affected by the closure of the Wilkes-Barre, PA (Local 401) terminal shall have preferential hire rights at the YRC and New Penn terminals located within the geographic area of Local 229 Scranton, PA. Employees affected by the closure of the Allentown, PA (Local 773) facility shall have preferential hire rights at the New Penn terminal in the geographic area of Local 429.

4. Employees eligible for preferential hire rights must be able to pass a pre-employment drug and alcohol test and must possess a clean driving record that is free of numerous chargeable accidents. Any disputes that may arise under this provision shall be referred directly to the Multi-Region Change of Operations Committee Co-Chairmen for resolution.
5. Employees hired at either a YRC or New Penn terminal under this decision shall be given a bidding and layoff seniority date as of the date they are hired. In addition, USF Holland employees hired at either a YRC or New Penn terminal under this decision prior to April 3, 2012 shall retain their present USF Holland bidding and layoff seniority date for the purpose of determining the number of weeks of vacation to which they are entitled. Eligibility to receive vacation pay and pay for other paid time off benefits shall be determined in accordance with the applicable provisions of the Supplemental Agreement involved. In addition, such employees who were being paid at the full rate shall continue to be paid at the full rate (less the 10% wage reduction). Those employees who were not being paid at the full rate of pay and were being paid under the new hire wage progression shall continue to accrue seniority for wage progression purposes and be paid at the appropriate progression rate of pay. USF Holland employees hired on or after April 3, 2012, shall not be entitled to retain their present USF Holland bidding and layoff seniority date for vacation accrual purposes and shall be paid in accordance with Article 3, Section 2 of the NMFA (minus the 10% wage reduction).
6. Health and welfare and pension contributions paid on behalf of employees hired at either a YRC or New Penn terminal under this decision shall continue to be paid into the respective trusts such contributions were being paid into at the time of the USF Holland terminal closures. In no event, however, shall New Penn be required to begin participation in or commence making contributions to the Central States Pension or Health Funds. Any dispute concerning this provision

shall be referred to the Multi-Region Change of Operations Committee Co-Chairmen for resolution.

7. Any and all requests from any Local Union for the Company to pay all affected employees' wages and health and welfare and pension contributions for a 30 day period following the terminal closures are denied.
8. The request of Local 110 to allow Louis Martinez the right to retreat to Cleveland, OH (Local 407) and William Stokes the right to retreat to Erie, PA (Local 397) under the provisions of Article 8, Section 6 (2)a of the NMFA with full dovetail seniority is approved.
9. This decision is not intended to be in violation of the terms of the National Master Freight Agreement and is issued based on the specific underlying facts associated with the closure of these terminals and the interline partnership between USF Holland, YRC and New Penn. This decision is issued under the authority of Article 8, Section 6 (g) of the National Master Freight Agreement and has no precedential value in future change of operations cases.