2015-2019

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

MAIL CONTRACTORS of AMERICA, INC.

And

DES MOINES, IOWA AREA LOCAL

AMERICAN POSTAL WORKERS UNION, AFL-CIO

DES MOINES UNIT

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PREAMBLE

This Agreement made and entered into this **3rd** day of **August, 2015**, by and between Mail Contractors of America, Inc. (and all other companies owned, operated or controlled by MC of A including B&F Transportation, Cowley, Inc, J&J Mail Service, Inc. and Mail Contractors of Arkansas, Inc.), hereinafter known as "Company" or "Employer", and Des Moines, Iowa, Area Local 44, American Postal Workers Union, AFL-CIO, hereinafter known as the "Union".

ARTICLE 1.

UNION RECOGNITION

The Company recognizes the Union as the exclusive bargaining agent for all Full-time Bid and Extra Board drivers employed by the Company at the Des Moines (Urbandale) terminal and its outlying domiciles (with relay points) located in Marion, IL; Oakwood, IL; Somerset, PA; Milwaukee, WI; Greenbay, WI; Dubuque, IA; North Platte, NE; Caldwell, ID: Cedar Rapids, IA; York, NE; and successor locations, but excluding all other employees, guards, and supervisors as defined in the National Labor Relations Act.

ARTICLE 2.

NON-DISCRIMINATION

The Company agrees not to discriminate in any manner against any individual because of race, color, religion, sex, age, national origin, disability, handicap, veteran status, lawful union activity, or any other reason prohibited by federal or state law (refers to the state in which the driver reports to work), nor will they limit, classify, segregate or withhold employment opportunity from any person because of the above status.

Any reference to driver or drivers in this Agreement designates both

sexes and whenever the female or male gender is used it is to be construed to mean both female and/or male.

The parties agree to cooperate to reasonably accommodate qualified individuals with disabilities to the extent required to comply with the Americans with Disabilities Act. The union retains the right to grieve any Company action under this Agreement related to the Americans with Disabilities Act.

ARTICLE 3.

SAFETY AND HEALTH

It is the responsibility of the Company to provide safe and healthy working, conditions. The Union will cooperate in this endeavor.

The parties agree to comply with the standards and regulations set forth by the Occupational Safety and Health Act, Department of Transportation ("DOT), Worker's Compensation, and any other federal, state or municipal provisions or regulations. Therefore, the Company will not knowingly instruct any Regular Driver to incur a disqualifying event for CDL privileges and/or access to the U.S. Mail.

The parties agree that the employer may implement fair and reasonable safety rules and procedures which shall be observed by Regular Drivers.

The Company will use the DOT approved safety form for Regular Drivers to report unsafe conditions or practices relating to the trucks. When reporting such, the Regular Driver must identify the basis of the concern about the truck. Any truck which is reasonably identified as unsafe and not immediately repaired shall be appropriately tagged with the description of the safety problem so that it cannot be used by other drivers until it is inspected and/or repaired if needed. The Company shall not require and Regular Drivers shall not choose to drive unsafe vehicles as defined by Government agencies or the North American Out of Service criteria. The determination of whether a vehicle is safe shall be made in writing by the Company's designated mechanic. In the event the Regular Driver is still not satisfied that the vehicle is safe, the Regular Driver shall identify the basis of the concern to the Company and receive alternate equipment if immediately available.

The Company will investigate and respond to all valid safety and health complaints within a reasonable period of time, normally not to exceed five (5) calendar days if practicable. Regular Drivers are encouraged to report any concerns about the safety and health issues relating to facilities, trucks, or equipment, and there will be no retaliation against Regular Drivers for such participation.

If a Driver encounters a working condition which the Driver believes to be unsafe, the Driver may:

A. Notify the Driver's supervisor or terminal manager or the safety director responsible for such terminal, or

B. Notify such Driver's steward, if available, who may discuss the alleged unsafe condition with the Driver's supervisor, terminal manager, or the safety director responsible for such terminal.

Each Regular Driver is responsible for conducting a pre-trip inspection before beginning the Regular Driver's assigned run and a post-trip inspection upon completion of each assigned run. Inspection findings, including identification of any defects known to the Regular Driver, shall be recorded by the Regular Driver on the proper form. Completed inspection forms shall be signed by the Regular Driver performing the inspection and submitted to the Company.

The Company shall provide each Driver with one copy of the official DOT Drivers Handbook currently available at the Terminal where the Drivers work.

The Company will provide safe and clean layover quarters conducive to obtaining proper rest.

As soon as possible after a non-vehicular accident occurs or an injury is sustained on the job, the Regular Driver will report such accident or injury to the Company.

When required by the Company, the Regular Driver will fill out and file an accident report in writing on forms furnished by the Company and turn in all available names and addresses of witnesses to the accident or injury.

ARTICLE 4.

DISCIPLINARY PROCEDURES

No Regular Driver may be disciplined or discharged except for just cause. In the administration of this Article, a basic principle shall be that discipline shall be progressive and not punitive, however, adherence to the steps in (A), (B), (C), and/or (D) shall be conclusive that the discipline is progressive.

A. Except where specified below, no Regular Driver may be discharged unless he or she has received one (1) prior verbal warning, one (1) prior written warning, and one (1) prior suspension. The one (1) prior suspension will be no more than three (3) of the Driver's work days, and must have been received by the Regular Driver within the immediately preceding twelve (12) months of the current infraction date.

B. A Regular Driver may be discharged after receiving one (1) verbal warning/**training** and one (1) prior written warning for the following offenses (The one (1) prior written warning must have been received by the Regular Driver within the immediately preceding twelve (12) months of the current infraction date).

1. DOT Hours of Service Violations (Part 395.3). No official of the Company is authorized to encourage or order any employee to violate his/her obligations to comply with the DOT Hours of Service Regulations in Part 395.

C. A Regular Driver may be discharged after receiving one (1) prior written warning within the immediately preceding twelve (12) months of the current infraction date if he or she is involved in a preventable or an at fault accident in a Company vehicle.

1. Exceptions will apply if the accident is determined to have been a minor preventable or minor at-fault accident, as follows:

(a) The accident occurred at a Company terminal, postal yard, or truck stop,

(b) The accident was not a DOT Recordable Accident,

(c) The only property damaged was owned and operated by the Company,

(d) No personal injuries were involved, and

(e) The total amount of property damage was less than **$1,500**.

In such case the Regular Driver will be subject to progressive discipline under Article 4.A, above.

2. Exceptions will also apply in cases where the preventable or at fault accident did not occur at a Company terminal, postal yard or truck stop and/or caused damage to the property owned and operated by a 3rd party, but meets all other criteria of a minor preventable or minor at fault accident as set forth in (b), (d), and (e), above. In such case the Regular Driver will be subject to progressive discipline under Article 4.A, above, provided that the Regular Driver has:

(a) No moving violations in a Company vehicle in the twelve (12) month period prior to the date of the accident, and,

(b) No serious CDL violations in the three (3) years immediately preceding the accident, and,

(c) No active suspension or final warning discipline for any driving reason, and,

(d) No serious HOS violations other than a clerical error (i.e. no log book falsification, no logs outstanding for more than 14 days, and/or no multiple 11, 14, or 70 hour violations) during the six (6) month period prior to the date of the accident.

D. The Company may either suspend or discharge a Regular Driver based on its judgment, without the necessity of issuing any prior discipline described in 4.A, above, or otherwise, for the following offenses:

1. A serious preventable accident in a Company vehicle including but not limited to:

(a) Any rollover accident,

(b) Any rear-end collision resulting in claims for injury and/or damage exceeding **$2,500**,

(c) Any DOT accident as set forth in 49 C.F.R., Section 390.5,

(d) Collisions resulting from illegal u-turns, from illegal backing on or across a public roadway, or any other collision relating to any violation of a moving traffic law or constituting recklessness, in accordance to the vehicular law applicable to the event (whether a citation was issued or not),

(e) Any accident caused in part by the Regular Driver while using a prohibited mobile communication device, as cited in FMCSA (DOT Regulations 392.82, as amended from time to time),

(f) Any accident caused by the Regular Driver drifting off or falling asleep.

2. Absence for three (3) or more consecutive scheduled workdays without notifying the Company unless the Regular Driver was unable to do so. A scheduled workday includes an Extra Board Driver's scheduled day to be available for dispatch. In such cases, the Company will send a letter via certified mail to the Regular Driver at the address in the Company's records requesting the reason for failure to notify. If the driver fails to respond within five (5) days, the driver's employment will be terminated without additional investigation or notification.

3. Willful destruction or gross negligence in the handling of Company equipment or property.

4. Gross insubordination towards company, supervision, or customer.

5. Threatening of or physical assault (not in self-defense) on a supervisor, customer or fellow employee, while on duty or on Company property, or in any location if related to any employment

issue.

6. Possession of firearms or explosives (as defined by the USPS) while on duty or on Company or customer property.

7. Leaving the scene ("Hit and Run") of any vehicular accident or failure to make reasonable efforts to immediately report a vehicular accident that the driver knew or reasonably should have known about, to the Company, unless the driver is incapacitated.

8. Theft from or against the Company, customer, or another employee or intentional falsification of Company records, and/or the intentional entry of inaccurate information in a log (other than clerical error) in an attempt to disguise or conceal a violation of D.O.T. Regulations Part 395.3(a)(1), (a)(2), (b), and/or to gain compensation not otherwise due.

9. Failure to report a conviction for a crime which affects the Regular Driver's ability to perform work covered by this Agreement.

10. Transporting unauthorized passengers in Company vehicles (the attached Appendix C defines authorized passengers).

11. Possession of or being under the influence of controlled substances or alcohol while on duty or on Company premises (This includes failure of a drug or alcohol test).

12. Refusal (as defined under DOT section 382.107) to take a drug or alcohol test provided for in this Agreement, or failure to notify the Company of a drug or alcohol related conviction.

E. When a Regular Driver is placed in a non-pay status (e.g., Safety Hold or Out-of-Service) during an investigation of an incident or event which may result in discipline and/or discharge, the Company will conduct the investigation as expeditiously as reasonably possible in an effort to minimize the amount of time the driver is in the non-pay status.

F. Any arbitration with respect to the exercise of a right to either suspend or discharge without any prior discipline shall be limited to the question of whether or not there was just cause for either suspending or discharging the Regular Driver.

G. All discipline letters must be provided in writing to the Regular Driver stating the reason or reasons for such discipline. Signing for receipt of any disciplinary letter is in no way an admission of guilt or agreement. In cases where disciplinary letters are not issued in person, the Company will send the letters via certified mail to the Regular Driver at the address in the Company's records.

H. As far as practicable, Regular Drivers are expected to report for their schedules on time and are expected to operate such schedules within the time constraints set by the Company. If time constraints are not adhered to, Regular Drivers may experience a loss of trip(s) if the trip(s) has/have already been assigned to another driver(s).

I. Any subsequent discipline that cites any existing discipline as a basis for the action must be based on a similar type of infraction(s), and the existing discipline can only be cited for a period of twelve (12) months **from the date on the discipline notice**.

J. All discipline except that resulting from a vehicular accident in a Company vehicle shall be issued within fourteen (14) calendar days from the date the Company discovers the alleged infraction or, through the exercise of reasonable diligence, should have discovered the alleged infraction, unless the Union and the Company agree to extend such time period.

For discipline resulting from a vehicular accident in a Company vehicle, discipline shall be issued within thirty (30) calendar days of the date the Company discovers or, through the exercise of reasonable diligence, should have discovered the alleged infraction. In cases in which the Company despite its reasonable efforts, has not obtained all the information it deems helpful in determining discipline relating to a vehicular accident, discipline shall be issued as soon as practicable after the Company obtains such information.

K. If a Regular Driver is placed on Safety Hold due to a vehicular accident and it is determined by the Company that the vehicular accident is a Non-Preventable accident, the Company will pay the Regular Bid Driver for the lost/unpaid wages and health & welfare for the missing scheduled work (Extra Board Drivers – average hours worked in the last 6 months) during the Safety Hold period.

ARTICLE 5.

GRIEVANCE/ARBITRATION PROCEDURES

Should differences arise between the Company and the Union or any driver covered by this Agreement, such differences shall be resolved in the manner below.

A grievance shall be defined as any complaint relating to wages, hours, and conditions of employment, by a driver covered hereby or by the Union on behalf of a Regular Driver (or Drivers), that the Employer has violated,

misinterpreted, or misapplied any provision contained in this Agreement (See Section 4 below regarding questions of interpretation).

Section 1. Grievance Procedure Steps

Step 1. The aggrieved Regular Driver and/or the union steward if requested by the Regular Driver shall take the matter up with a supervisor within fourteen (14) calendar days after the Regular Driver or Union first knew or reasonably should have known of its existence.

The Regular Driver shall have the right to be represented by a union steward. If the grievance is resolved through these discussions, the resolution of the grievance will be reduced to writing. If such a resolution was reached without the involvement of a union steward, the union will receive a copy of the resolution to insure that the resolution does not violate any Article in this Agreement. Upon receipt of the resolution, the union will be subject to the grievance time limits contained herein.

The Company must respond to the Step I grievance within fourteen (14) calendar days. Except as provided otherwise in this Article, Step 1 grievances or management response need not be in writing. The date, time and place of the meeting shall be verified by the initials of the parties.

Step 2. If the grievance is denied at Step 1 of the grievance process, the Union shall have the right to appeal the denial of the grievance within fourteen (14) calendar days of the receipt of the denial by providing written notice of appeal to the management designee responsible for hearing the grievance at the Step 2 level and filing a written grievance setting forth the

information described in Section 3 of the Article.

The Step 2 management representative will meet with the union steward or Business Representative at the Union's choice within fourteen (14) calendar days after receiving the written appeal for the purpose of resolving the grievance to the mutual satisfaction of the Union and the Company. The management representative and union representative shall make a good faith effort to resolve the matter. If such a resolution is reached, it will be reduced to writing and signed by both parties. In cases where such resolution is not reached, the Company will have fourteen (14) calendar days from the Step 2 meeting to deny the grievance in writing.

Section 2. Arbitration

The Union will have fourteen (14) calendar days from the receipt of the Step 2 denial of the grievance within which to submit the grievance **and initiate** arbitration, unless the parties' representatives agree in writing to extend the time for appeal. The Union will develop the form that will be used to initiate **and** coordinate the arbitration scheduling process. **The Union will provide notice to the Company of intention to arbitrate.**

The Union will have fourteen (14) calendar days from the initiation of the arbitration proceeding to request the U.S. Federal Mediation and Conciliation Service to furnish the parties with a list of seven (7) arbitrators. A copy of such request shall be served on the Company. The parties will share the cost, if any, from the FMCS for such list.

From the list provided by FMCS, the parties shall, within ten (10) calendar days following receipt of said list, select an arbitrator within a 200 mile radius of the location of the hearing to hear and decide the grievance submitted to arbitration. The parties will select the arbitrator by the alternate striking of names from the list until only one remains. This process may be conducted in person, or by phone, fax or email. The Company and the Union will determine which strikes first based on a coin toss.

Both the Company and Union shall make reasonable efforts to schedule the hearing of the grievance in a timely manner, within 30

calendar days, as provided below. The arbitrator shall proceed to hold a hearing and to reach a decision on the grievance. Both the Company and the Union may request a second panel of arbitrators from the FMCS, upon mutual agreement.

As far as practicable, an arbitration hearing will be held within thirty (30) calendar days of the submission of the grievance to arbitration. **Arbitration hearing shall be conducted at the place where the grievance arose.** Arbitrators shall render a decision thirty (30) calendar days after the close of the hearing or after the post hearing briefs are filed, whichever is later.

It is understood and agreed that grievances not presented in compliance with these provisions or not carried to the next step within the respective time limits, all as specified herein, shall be deemed to have been waived and/or abandoned and may not, thereafter, be raised or considered except by written mutual consent of the Union and the Company.

The Company will make every reasonable effort to accommodate work schedules to ensure the grievant and all necessary witnesses are available for an arbitration hearing.

The Arbitrator shall not have the authority to add to, delete from or otherwise modify the terms of this Agreement or include in a decision an issue not submitted before the Arbitrator. The decision of the Arbitrator shall be based solely on the evidence and arguments presented to him by the perspective parties at such arbitration hearing(s). The fees and expenses of the arbitrator will be split between the parties.

Section 3. Forms and Documentation

The Union will develop a standard written grievance form to be used at Step 2. The Union form will include:

A. The grievant's name

B. The date the grievance was filed

C. The date the grievance was denied

D. The date the Step 2 Appeal was filed

E. The provision(s) of the Agreement involved

F. The facts and contentions

G. The remedy requested

Section 4. Other Principles of the Grievance and Arbitration Procedure

A. The parties' representatives at each step shall have full authority to resolve the grievance and shall make a good faith effort to do so.

B. Time limits throughout all the steps of the grievance procedure can be extended by mutual consent. Such extensions should be reduced to writing.

C. The Union can file single grievances on issues involving a single company action or practice that may affect more than one Regular Driver. Such filing must be within the same time limits and procedures provided for in this Article.

D. If a step 2 grievance is filed concerning a question of interpretation of this Agreement, the question shall be presented to the Labor-Management committee for possible resolution. The Committee will be comprised of no more than three representatives from each of the parties. Such meetings will commence as expeditiously as possible. If the Committee is unable to reach a resolution satisfactory to both parties, the grievance shall be deemed timely denied by the Company as a step 2 grievance and appealed to arbitration.

E. The Union will have the right to have the grievant present at the Step 2 meeting.

F. Arbitration awards and all grievance resolutions between the Company and Union will be binding upon the Union, Employer and all Regular Drivers covered by this Agreement.

G. All grievances involving termination will be appealed directly to

the Step 2 level.

H. Except to the extent that the parties mutually agree in writing to extend deadlines, failure of the party filing the grievance to proceed within the applicable time limits will result in dismissal of the grievance. Failure by the Company to respond to grievances on terminations or suspensions within the applicable time limits will result in the grievance being upheld.

When the Company fails to respond to grievances on other matters in a timely fashion at any step of the process, the grievance will be automatically moved to the next step.

ARTICLE 6.

STEWARDS

The Company recognizes the right of the Union to designate stewards from the Company's seniority list. The Union shall have the right to appoint one steward and one alternate steward for the first twenty (20) drivers and an additional steward and alternate steward for each increment of twenty (20) or part thereof (i.e. One for twenty, two for twenty-one, three for forty-one). The union will certify to the Company in writing a list of stewards and alternate stewards. The union shall be permitted to provide outside assistance to assigned stewards including the right to be present and to speak in grievance meetings. A Regular Driver has a right to a steward, upon request, for a meeting with management which could lead to discipline.

The Union may also designate in writing to the Company any union officer or steward and/or any Union representative not on the Company's payroll or an employee of the Company to act as a steward for specific cases.

The authority of the steward so designated by the Union include among other things, the investigation, adjustment and presentation of grievances or to investigate a specific problem to determine whether to file a grievance.

During grievance meetings with management and meetings between management and Drivers that could lead to discipline, management will offer a meeting area that provides sufficient privacy for such discussions.

The Company will make available requested relevant information and documentation to the steward or the Union for purposes of investigating a specific grievance, and such information documentation will be provided as soon as practicable. Upon making such request, the steward or the Union will explain to the Company in writing the general nature of the specific grievance to assist the Company in understanding the relevancy of the request. Nothing herein shall waive any rights under the NLRA to obtain requested information.

ARTICLE 7.

DRIVER CLASSIFICATIONS

Drivers will be classified in one (1) of the following four (4) driver classifications:

Section 1. Regular Drivers

Regular Drivers are those drivers who have successfully completed their probationary period. Such drivers are categorized as either Bid Drivers or Extra Board Drivers and are listed on the Employer's Seniority List.

Section 2. Probationary Drivers

A new probationary Regular Driver so designated by the Employer shall be employed on a ninety (90) calendar day trial basis during which period such driver may be terminated by the Employer without further recourse under this Agreement including but not limited to Grievance Procedure Article. If such probationary Regular Driver successfully completes the probationary period as herein defined, such driver shall be added to the Employer's seniority roster as of the first day hired. **If the probationary Regular Driver is on Safety or HR Hold due to an event that occurred during the trial period and is under investigation, the trial period will be extended until the investigation is concluded and the determination is made as to whether the probationary Regular Driver has successfully completed the trial period.**

Section 3. Casual Drivers

Drivers designated as Casual Drivers by the Employer are those drivers who are employed by the Company to work on an as needed short-term assignment basis (not in conflict with other provisions of the Agreement) for the purposes of replacing Regular Drivers who are absent for any reason or for purposes of supplementing the regular workforce.

Casual Drivers will not be hired in lieu of Regular Drivers provided the Company is able to hire Regular Drivers. Casual Drivers will not be used for the purpose of circumventing the payment of wages, benefits or hours of work under this Agreement.

Casual Drivers shall not gain seniority or be covered by the terms of this Agreement.

Section 4. Seasonal/Temporary Drivers

Temporary and Seasonal Drivers are those drivers hired to work on a short-term basis not to exceed ninety (90) days to handle overflow work. Such drivers shall not gain seniority under this Agreement and shall not be covered by the terms of this Agreement.

ARTICLE 8.

SENIORITY AND LAYOFFS

Section 1. Seniority in General

Seniority rights are established for designated rights defined in this Agreement.

Seniority rights as determined by continuous length of service at the present terminal or outside domicile or relay point of the Employer's locations covered by this Agreement shall prevail. A Regular Driver's seniority recognized and verified by another company that was acquired by MCA as of the effective date of this Agreement will be considered part of continuous length of service. The Regular Driver will be dovetailed into the seniority roster of the Regular Driver's domicile.

Seniority shall be terminated by discharge for just cause, voluntary quit, resignation, retirement, failure to return within time constraints after lay-off and lay-off in excess of twenty-four (24) months. Bid Date seniority will be terminated where an employee occupies a job outside of the bargaining unit in the terminal or domicile covered by this Agreement or where an employee occupies a casual position.

In the event Regular Drivers are hired and available for work on the same day, the seniority tie breaker will be the last four (4) numbers of the Social Security number lowest to highest.

Any Regular Driver who quits or resigns from the Company can rescind the resignation without loss of seniority only if the Regular Driver notifies the Company within forty-eight (48) hours after quitting or resigning. This right to rescind is limited to one (1) time during the course of employment.

The parties agree that the one-time forty-eight (48) hour period to rescind a quit or resignation should not apply to any Regular Driver who commits any act(s) of violence to person(s) or property related to the quitting or resignation.

The parties further agree that the purpose of the onetime forty-eight (48) hour period is to give Regular Drivers forty-eight (48) hours to reconsider the act of quitting or resigning from the Company, change their minds in that period of time, and return to work without loss of seniority. In all other quitting or resignation situations, the Company's current practice will apply.

Any Regular Driver on approved leaves of absence for any reason, or termination pending appeal will be considered on the rolls and continue to earn seniority.

Section 2. Layoff

Bid seniority shall govern in all cases of lay-off and recall at a particular terminal or relay point of the Company. The Employer will notify the Regular Driver no less than five (5) days of a lay-off.

Probationary Drivers shall be laid off first in the order of last hired, and then Regular Drivers in the order of most recent seniority date on the Seniority List at such domicile or terminal. In recalling after lay-offs, drivers

shall be recalled in reverse order to that in which they were laid off, before new drivers are hired.

Drivers recalled from lay-off status shall be given fourteen (14) calendar days to report for work after received written notification by the Company, or will lose all seniority rights and be considered as voluntarily resigned from the Company unless the Company agrees otherwise. Such a recalled Regular Driver will notify the Company within seven (7) calendar days of notification as to whether the recall is accepted or rejected.

Section 3. Transfer Opportunity Rights

A. Inside the Bargaining Unit

Upon written request to the Company's designated Manager on a form provided by the Company, Regular Drivers may transfer from one domicile point to another within the Des Moines and Kansas City bargaining units, provided there are Regular Driver vacancies at the terminal or domicile to which such transfer is requested, and prior to any applicant being hired. Such transfer requests will be honored in the order of request received by the Company and such transferring driver(s) will carry their company start date and bid seniority date with them. Subsequent transfers within six (6) months will be permitted, however, seniority will be forfeited.

B. Outside the Bargaining Unit

Upon written request to the Company's Human Resources Department on a form provided by the Company, a Regular Driver can transfer to other Company terminals outside of the bargaining unit, provided there are Regular Driver vacancies at the terminal to which such transfer is requested and, further provided, such Regular Driver is not under disciplinary action at the time of such transfer unless waived by the Company, in the order of requests received by the Company from Regular Drivers in the Company's system, and prior to any applicant being hired. A Regular Driver so transferring under this provision will retain his/her company start date and will begin a new period of seniority for bidding purposes as of the first date worked in the new domicile.

ARTICLE 9

UNPAID LEAVE OF ABSENCE

The Company will abide by all provisions of the Family Medical Leave Act.

Application for any unpaid leave of absence must be made in writing to the Company representative on a form designated by the Company for such purpose.

In situations that are not covered by the FMLA or by other terms of this Agreement, the Company, in its discretion and upon request, may grant leaves of absence for two weeks or more not to exceed two years. However, upon presentation of proper medical documentation by the Regular Driver to the Company, unpaid leaves of absence for such documented medical condition will be granted for the time that the Regular Driver is unable to perform his/her normal driving duties not to exceed the aforementioned two (2) year period. The Regular Driver on such medical leave shall have the obligation to continue to supply the Company with medical documents concerning such medical condition if reasonably requested by the Company.

During the period of the leave of absence, the Regular Driver shall not engage in gainful employment, except those Regular Drivers on approved medical leave may engage themselves in other employment not related to truck driving. Failure to comply with this provision shall result in the complete loss of seniority rights for the Drivers involved.

Failure of the Regular Driver to return to work within twenty-four (24) hours after the expiration of the approved leave will be considered a voluntary quit and the Regular Driver shall be removed from the Employer's Seniority List.

Except for approved FMLA leave, a Regular Driver must make suitable arrangements for payment of the Regular Driver's share of the health insurance premium prior to taking such leave provided the leave is less than thirty (30) days. A Regular Driver will be eligible for COBRA benefits in accordance with COBRA and Leaves of Absence Company Policy.

ARTICLE 10.

COMPENSATION CLAIMS

Section 1.

The Company shall provide worker's compensation protection for all Regular Drivers in accordance with applicable state worker's compensation statutes.

The Company agrees to cooperate toward the prompt processing and settlement of Regular Driver on-the-job injury claims.

Section 2.

When a Regular Driver is medically unable to perform his or her duties due to an on-the-job injury or illness, the Company may offer the Regular Driver temporary light duty work compatible with the Driver's medical limitations and restrictions, as determined by the Driver's treating physician, and for which the Driver is qualified. Light duty assignment(s) may be assigned to the Driver for work during hours that are different than the Driver's regular schedule. Regular Drivers assigned to light duty will be paid a light duty wage of $8.00 per hour, or such other light duty wage the Company has established for the terminal, whichever is greater.

ARTICLE 11.

SUBCONTRACTING

The Company reserves the right to subcontract from time to time in order to be able to adequately fulfill customer demands and expectations that cannot reasonably or practically be met using Company drivers and equipment.

A. Any subcontract will be limited to specific trips and/or routes, for a specified time period.

B. The Company will notify the Union, in writing, of the intent to subcontract, stating the perceived need, the proposed date(s) of the subcontract, and the identity of the routes/trips involved.

C. The Company agrees not to subcontract work normally performed by Regular Drivers covered by this Agreement, unless bargaining unit Regular Drivers are not available or are working or have been offered work.

D. The Company will not subcontract work in order to evade the hiring of additional Regular Drivers.

E. The use of Casuals and/or Seasonal drivers as permitted by this Agreement shall not be considered subcontracting.

F. In addition, upon request to the terminal manager, the Union will be provided a list of Leased Drivers used by the terminal during the preceding week.

ARTICLE 12.

PERFORMANCE OF BARGAINING UNIT WORK

It is generally agreed that supervisory personnel will not perform bargaining unit work. However, in that protection of USPS schedules is of paramount importance, it is agreed that supervisory personnel are permitted to perform bargaining unit work when bargaining unit Drivers are not available or are working or have been offered work.

This Article shall not be construed to limit the Company in the areas of safety or training.

ARTICLE 13.

DISPATCH PROCEDURE

Section 1. First In First Out

Extra board drivers will be dispatched on a "first in-first out" basis if possible. Dispatching of Extra Board Drivers will be done on a fair and documented basis. Dispatch sheets will be provided to the Union upon request on or by the following business day, and will be posted on a daily basis. Regular bid or assigned drivers will be dispatched on their regular bid run or assignment at the day and time of their regular run or assignment unless cancelled or otherwise moved up or back with prior notification by the Company.

Section 2. Regular Bid Drivers

Drivers assigned to regular bids, or assignments, may not be required to work on other than their regular bid, or assignment, or on their regular day, or days of except in emergency situations including situations where a run must be dispatched and all available Extra Board, and, if applicable, available Casual Drivers have been exhausted. When called or forced out on a run, the Driver will be given an explanation identifying the reason for call and/or forced run. Regarding emergency situations or opportunities for extra work, the Company will post a sign-up sheet and will call drivers who sign such sheet in seniority order. If a driver(s) does not sign the sign-up sheet on a monthly basis, the Company will call drivers in reverse seniority order after all available extra board drivers have been assigned work. Regular bid drivers will not be forced off of their regular bid run except on a voluntary basis.

Section 3. Extra Board Dispatch Rotation

If requested by an_Extra Board Driver, he or she will be allowed a minimum of forty-eight (48) consecutive hours off each week except in emergencies including, situations where a run must be dispatched and all other available Extra Board and, if applicable, available Casual Drivers have been exhausted.

If there are available Extra Board or volunteer Bid Drivers who have responded to dispatch, those drivers will be dispatched on the Extra Board Dispatch Rotation before using Casual, Leased, or Seasonal/temporary, Drivers.

Section 4. Extra Board Availability

Extra board drivers shall be required to be available for call twenty-four (24) hours per day except as otherwise provided in this Article. Those Extra Board Drivers who do not respond for dispatch within thirty (30) minutes will be bypassed and placed at the bottom of the Extra Board (unless customer service demands required the dispatch to be made in less than the allotted 30 minutes) and returned to dispatch rotation. Before an Extra Board Driver is dropped, the Company will attempt to contact the Driver at all of the Driver's designated communication devices.

Extra Board Drivers will receive at least four (4) hours notification for regularly scheduled Extra Board runs and at least two (2) hours notification for unscheduled extra runs and scheduled runs covered under unforeseen circumstances. If, due to circumstances beyond the control of dispatch, less than two (2) hours notice is given on any dispatch the Extra Board Driver will have the option to work the assignment or remain at the top of the board. Upon exhausting the Extra Board and to the extent practicable, the Drivers who have shined up under Section 2, above, the dispatcher may force-dispatch the last person(s) called with available hours.

When DOT regulations require ten (10) hours off duty, the Company will not call or page the Extra Board Driver for a ten (10) hour period, but may provide the driver with his/her next dispatch assignment at the end of his/her previous run, provided the assignment is within twenty-four (24) hours and all Extra Board Drivers higher on the "first-in, first-out" list have been assigned as set forth in Section 1, above. After such ten (10) hour period, Extra Board Drivers will be available for dispatch in accordance with the preceding paragraph.

Section 5. Outside Domicile Dispatch

Extra Board Drivers sometimes need to be dispatched from domiciles within the bargaining unit other than their home domicile, however the Company will make such assignments on a voluntary basis.

Regular Drivers performing this type of outside domicile work will receive the following in addition to the regular compensation associated with the work at the outside domicile: $0.30 per mile for travel time (home domicile to outside domicile to home domicile), IRS rate per mile if the driver travels in a personal vehicle, clean and safe lodging, and $30 per day per diem for meals (prorated at $10.00 per meal for partial days). If there is a delay in such traveling of one half hour or more due to breakdown, accident/traffic, or similar causes, when on an MC of A scheduled run as a passenger, the Regular Driver will receive fifteen dollars per hour for such delay time.

ARTICLE 14.

DRIVERS ON LEAVE FOR UNION BUSINESS

The Company will grant time off or unpaid leave of absence to a Regular Driver(s) at the request of the Union for union business, including but not limited to leave for conventions, conferences, training and negotiations, so long as such time-off or leave does not interfere with the Company's operation. The Company will make every reasonable effort to accommodate such requests.

Seniority will continue during the period of Union leave.

For a leave of absence of more than two (2) weeks, but less than thirty (30) calendar days, suitable arrangements for payment of the Regular Driver's share of the health insurance premium must be made by such Regular Driver prior to taking such leave. The provisions for payment of health insurance premiums for union leave of thirty (30) calendar days or more will be governed by those policies applicable to leaves of absence generally.

ARTICLE 15.

RIGHT OF UNION OFFICIALS TO ENTER FACILITIES

Duly authorized non-employee representatives of the Union shall be permitted to enter any Company owned or controlled facilities covered by this Agreement from time to time, with reasonable advance written notice (including e-mail communication), unless written advance notice is waived by the Company, for the purpose of performing and engaging in official Union duties and business. There shall be no interruption of the work of employees due to such visits and representatives shall adhere to the established security and safety regulations.

ARTICLE 16.

BULLETIN BOARDS

The Company shall furnish an enclosed and locked bulletin board or space for a bulletin board (no less than 3' x 3' space) in a conspicuous place **or** driver's break room where other information is generally posted at the terminal, for the exclusive use of the Union to post official union information and literature. Any notice(s) posted by the Union shall be confined to the above specified bulletin boards, and signed by the appropriate Union official. The Company assumes no responsibility and/or liability for matters posted on the Union bulletin board by the Union.

In other facilities used by employees that are controlled, but not owned, by the Company, the Company and the Union will meet and confer on methods of providing reasonable posting space for the Union.

ARTICLE 17.

CHECK OFF

The Company agrees to deduct union dues from the pay of Regular Drivers who submit a proper written authorization and remit all such deductions to the Union within ten (10) days of such deduction. The Union assumes full responsibility and liability for the Authorization Form of the Union.

When properly authorized in writing the Company agrees to make "P.A.C." deductions as authorized by the Regular Driver and forward them to the Union or such other organization as the Regular Driver or the Union may designate.

ARTICLE 18.

TELEPHONE POLICY

The Company will provide a toll free number for Regular Drivers for use in contacting the Company regarding work related matters.

In cases where the Regular Drivers are delayed in arriving at their home terminal by one hour or more, the Company will notify the Regular Driver's family upon request.

ARTICLE 19.

MANAGEMENT/UNION COOPERATION and INFORMATION TO THE UNION

Section 1.

The parties agree to the principle of a fair days work for a fair days pay. The parties agree to treat each other with dignity and respect.

Section 2.

The Company will provide to the Union on a monthly basis a list of the

Regular Drivers reporting at each terminal, which will contain the following information, if available:

A. Employees' names,

B. **Employees'** home addresses,

C. Employees' primary phone number(s),

D. Employees' hire dates,

E. Employees' seniority dates,

F. Employees' employment status, and

G. Employees' domicile

Section 3.

A. In the event the Company sells all, or part, of the operations covered by this Agreement, the Union will immediately be notified of such sale.

B. In the event the Company takes action to assign or novate to another entity any of the Company's contracts with the Postal Service which are serviced by Regular Drivers under this Agreement, and which will result in a change in the terms and conditions of Regular Drivers' employment, the Company will provide written notice to the Union prior to the effective date of such event.

ARTICLE 20.

ALTERNATE WORK

When a Regular Driver is medically unable to perform his/her normal truck driving duties due to a non-work related injury or illness, such Regular Driver may request other work from the **Company**. The Company may assign the Regular Driver to an alternative temporary position if such position is available and the Regular Driver is qualified.

Nothing in this paragraph shall require the Company to make work, dislocate any other employee from their position, or recognize and bargain with the Union as to the terms and conditions of employment of any position outside the scope of the Agreement. Any assignment to such a temporary position under this Article will not adversely affect the Regular Driver's relationship to the bargaining unit.

ARTICLE 21.

DISQUALIFICATION OF CDL LICENSE OR USPS ACCESS

Section 1. Disqualification

Regular Drivers will not be subject to termination for disqualification of CDL license or USPS access privileges *per se* unless such disqualification is for a period of more than one (1) year or until pending proceedings before the Department of Transportation or USPS are exhausted, whichever is longer. During pending proceedings before the DOT or USPS, if extending more than one (1) year after the disqualification, the Regular Driver must demonstrate the matter is pending and active no less than every thirty (30) days beyond the one (1) year period.

During the period of disqualification, the Regular Driver will be placed on unpaid leave of absence. Within seven (7) business days of receipt by the Regular Driver, any Regular Driver on such leave of absence will notify the Company of the results of any pending proceedings before the DOT or USPS relating to the disqualification. If the Regular Driver becomes qualified within one (1) year from the date of the disqualification, the Regular Driver will be reinstated with full seniority rights and may exercise Bumping in accordance with the Agreement, unless the regularly scheduled bid posting is due within thirty (30) days of the date of the Regular Driver's qualification.

Section 2. Partial Disqualification

In the case of partial disqualification of USPS access privileges, the Regular Driver will be permitted to perform other available work not impacted by the partial disqualification, if practicable, and without

interfering with the normal rotation of the Extra Board. The Company and the Union will meet to determine the availability of assignments and possible bumping rights of Regular drivers, due to partial disqualification of USPS access, on a case by case basis.

Section 3. Discipline

In any case, the circumstances leading to the disqualification will be subject to the "Disciplinary Procedures" set forth in this Agreement.

ARTICLE 22.

DRUG/ALCOHOL TESTING AND PHYSICAL EXAMINATIONS

The Company will exert its best effort to establish drug/alcohol testing and physical examination facilities in close proximity to the terminal or domicile and schedule the testing and examinations immediately before or after scheduled work hours.

Section 1. Drug/Alcohol Testing

Drug and Alcohol testing will be done in accordance with DOT regulations. The Company will designate the testing site, and all tests for alcohol and illegal narcotics must be performed by an approved and certified laboratory. Regular Drivers will not be considered to be guilty of being under the influence of alcohol or illegal narcotics unless verified by a sobriety or drug test. Random drug / alcohol testing will be scheduled so no Regular Driver misses an assigned or scheduled run because of a test.

Section 2. DOT Physical Examinations

The Company will provide a list of no fewer than three (3) physicians and/or clinics designated by the Company to the Driver. The Driver may choose to be seen by any doctor and/or clinic on the list for the purpose of receiving a DOT physical examination. The Company will pay the costs

(except for new hires) of such examinations provided the employee(s) use the Company's designated physician. In the event additional follow-up physical examinations or procedures are required, the Company will allow the Driver to utilize a doctor and/or clinic listed as a "Preferred Provider" on his or her health plan.

ARTICLE 23.

MILITARY SERVICE AND LEAVE

The Employer shall comply with applicable Federal Law, applicable Regulations, and DOL Fact Sheets. Such leave requests must be property documented.

ARTICLE 24.

NO STRIKE – NO LOCKOUT – PICKET LINES

Section 1. No Strike

For the duration of this Agreement, the Union, its officers, agents, representatives, and members shall not in any way, directly or indirectly authorize, cause, assist, encourage, participate in, ratify or condone a strike, sit-down, sit-in, slow down, cessation or stoppage of work, boycott, picketing, sympathy strike or other interference with or interruption of work at any of the Company's operations covered by this Agreement. Inciting, inducing or participating in any such activity could constitute cause for immediate discharge under this Agreement.

Section 2. No Lockout

The Company agrees not to lock out any of the Regular Drivers covered by the provisions of this Agreement for the term thereof. Acts of God, acts of war or other national emergencies of which the Company has no control shall not be deemed "lock outs".

Section 3. Picket Lines

It shall not be a violation of this Agreement or cause for any disciplinary action for Regular Drivers to honor picket lines, however Regular Drivers shall be required to cross informational picket lines at USPS facilities.

ARTICLE 25.

MANAGEMENT RIGHTS

Subject to the terms and provisions of this Agreement, the Company expressly retains all management rights and functions it possessed prior to entering into this contract with the Union. It is understood that such management rights include, but are not confined or limited to the following: to discontinue temporarily or permanently, in whole or in part, by sale, transfer or otherwise, any portion of its business or operation; to decide the nature of equipment, machinery, methods or processes used and to change or discontinue existing equipment, machinery, methods or processes; the right to direct its working force, including the assignment and reassignment of Regular Drivers to routes; the arrangement, rearrangement, and/or restructuring of bids/routes; the right to hire, promote, transfer Regular Drivers, discipline or discharge Regular Drivers for just cause; to maintain and initiate methods to improve the efficiency of its Regular Drivers; to determine the schedules of work and assign available work; the right to relieve Regular Drivers from duty because of lack of work, or for other reasons; the right to determine and establish the location of its domiciles, terminals, and relay points; and, to require Regular Drivers to observe the Employer's reasonable rules and regulations and any modifications thereto.

The rights referred to above are not all-inclusive, but indicate the type of matters or rights which belong to and are inherent to Management. The Company's failure to exercise any function hereby reserved, or its exercise of any function in a particular way, shall not be deemed a waiver of its right to exercise such function or preclude the Company from exercising such function in some other manner not in conflict with the express

provisions of this Agreement.

ARTICLE 26.

POSTING, BIDDING, AND BUMPING

Section I. General Posting

All regular scheduled runs (including Temporary and Emergency USPS contracts) are subject to seniority and shall be posted for bid in the respective terminal(s) or domicile(s). Posting shall be at a conspicuous place so that all eligible drivers will receive notice of the vacancy, run, or position open for bid, and such posting of bids shall be made not more than once each calendar year, unless mutually agreed otherwise. Such bids shall be posted on or about February Ist to become effective on or about March 1st.

In those geographic areas where bids cannot be posted, they will be distributed to the eligible drivers attached to their pay stubs, unless other methods are needed to distribute such bids in the judgment of the Company. Upon request, any Regular Driver on leave for more than thirty (30) calendar days or terminated pending appeal will be mailed bids to the last address on the company's records.

Section 2. Bidding

All Bids shall be posted for a period of fourteen (14) calendar days prior to the actual start of each annual bid cycle.

A. Home Terminal

1. Bidding shall be governed by Seniority. Bidding shall start with the most senior Regular Driver, then the next-senior driver will follow in the bidding process until all Regular Drivers have bid or all bids have been awarded.

2. Prior to the start of the bid process, the Company will:
   a. Prepare a Bidding Schedule List and review it with the Union for accuracy (names of Regular Drivers, bid seniority, bidding eligibility).
   b. Prepare a book of all Home Terminal bids for Regular Drivers to review. A copy of the book shall be provided to the Union. The Bid Book will be placed in the Driver Room and will be checked daily by the Company and the Union to verify that none of the bids have been removed.

3. The Company will post or provide a bidding schedule list to each Regular Driver showing when he or she is to call in and place the Driver's bid.

4. Each Regular Driver will have a One (1) Hour period to call in and make the Driver's bid selection. If the driver doesn't call in within the one (1) hour period, local management will then make One (1) Attempt to contact the driver by telephone at the contact point provided by the driver to get his/her bid selection. If such attempt is unsuccessful, he/she will be bypassed and the next-senior driver will start his/her one hour bid period process.
   a. If the Regular Driver subsequently calls in after the Driver's designated time slot, the Driver will be allowed to bid on vacancies that exist at that time.
   b. If the Regular Driver does not call in prior to the completion of the bid process, the Driver will be placed on the Extra Board.

5. Regular Drivers may avoid calling in by submitting a Bid Choice Form to local management prior to his or her bid time.

B. Outlying Domiciles

1. Bidding shall be governed by Seniority. Bidding shall start with the most senior Regular Driver, then the next-senior driver will follow in the bidding process until all Regular Drivers have bid or all bids have been awarded.

2. Prior to the bid process starting:

   a. The Company will prepare a Bidding Schedule List and review it with the Union for accuracy (names of Regular Drivers, bid seniority, bidding eligibility).
   b. The Company will prepare a packet of all Outlying Domicile bids at their specific domicile and provide a copy to each Regular Driver to review. A copy of the packet shall be provided to the Union.

3. The Company will provide a Bid Choice Form to each Regular Driver, and a notification of the date(s) and time(s) their bid selection is to be returned, and the bids awarded.

4. Outlying Domicile Regular Drivers will place their bid selection on a Bid Choice Form and submit it back to the home terminal management within the agreed time frame. If no Bid Choice Form is received from a Regular Driver, local management will then make One (1) Attempt to contact the driver by telephone at the contact point provided by the driver to get his/her bid selection. If such attempt is unsuccessful, he or she will be bypassed and the next- senior Driver will have his/her Bid Choice form opened.
   a. If the Regular Driver subsequently calls in prior to the completion of the bid process, the Driver will be allowed to bid on vacancies that exist at that time.
   b. If the Regular Driver does not call in prior to the completion of the bid process, the Driver will be placed in any unfilled bid or on the Extra Board.

5. The Company and the Union will meet on an agreed upon date to review all returned Bid Choice Forms and verify that all bids are awarded correctly.

Section 3. New Driver's Jobs. Driver's Vacancies.

A. When new jobs or vacancies (excluding leaves of absence of 30 days or less) occur (unless within thirty (30) days prior to annual bid posting) such new jobs or vacancies shall be posted within seven (7) calendar days of vacancy, for a period of ten (10) calendar days. New jobs or vacancies shall be filled within three (3) calendar days, as far as practicable, on the basis of seniority. All subsequent job openings which

develop as a result of a successful bid shall be posted and filled in accordance with the provisions of this paragraph.

1. The term "new job" as used in this paragraph shall apply to all driver's jobs or job openings arising in the bargaining unit and which have never been in existence.

2. The term "vacancy" as used in this paragraph shall apply to any vacancy which occurs in any driver's job other than vacancies of 30 days or less created as a result of vacations, injury, illness, leaves of absence, or termination pending appeal.

B. If after the bidding cycle is completed no full-time driver bids on the position it shall be filled by the least senior extra board driver. Such job shall continue to be identified as available under Transfer Opportunity Rights, as set forth in Article 8, Section 3.

C. The Company will maximize the number of full-time bid assignments. Hours worked by the Extra Board and Casual Drivers in replacement for Bid Drivers shall not be considered hours available to maximize full-time assignments.

Section 4. Bumping

Any Regular Driver who loses a regular bid assignment (including Temporary and Emergency USPS contracts) due to that particular bid assignment not continuing for any reason will have seniority bumping rights in relation to any full-time bid assignment (including Temporary and Emergency USPS contracts) in the respective domicile. Furthermore, any Regular Driver whose compensation is reduced by more than fifteen percent (15%) due to a change in the Regular Driver's bid assignment will have the same bumping rights.

The Company will promptly notify the Regular Driver and the Union of the loss or reduction of the bid assignment after the USPS and Company finalize the schedule. The bumping process will normally begin within three (3) calendar days following notification. Bumping may take place "on paper".

Bumping must be exercised in writing within twenty-four (24) hours after notification by the Company, and the Driver(s) will be moved into their new jobs within three (3) days, if practicable. Regular Drivers eligible for bumping rights may request and shall receive information concerning any job they are eligible to bump into. The Company, in consultation with the Union, will generate an appropriate form for exercise of bumping rights. Regular Drivers who are bumped will have bumping rights under the same rules that apply above, until the process has been resolved by seniority.

A. Any Regular Driver eligible for bumping rights who is on approved leaves of absence for any reason or termination pending appeal will have full bumping rights, but cannot exercise such rights until he or she returns to duty. However, upon returning to duty, such Regular Drivers will have full bumping rights in addition to any other rights awarded by an arbitration or other ruling authority.

B. Any Regular Driver who is granted a voluntary transfer within the Des Moines or Kansas City bargaining units will not be allowed to bump (excluding drivers in which transfer was the result of a layoff).

C. Any Regular Driver who is in a layoff status prior to being granted a transfer within the Des Moines or Kansas City bargaining units will be allowed full bumping rights.

Section 5. Trading

Upon three (3) days written notice (unless waived by the Terminal Manager or his/her designee) to the dispatch office by all involved drivers, drivers can mutually agree to trade runs on a temporary daily basis provided the runs are covered and the Terminal Manager or his/her designee approves the trade.

Section 6. Information on Bid Assignments

All posted bids shall include the following information to the extent known at the time of the posting:

A. Bid Number;

B. Complete schedule;

C. Estimated pay hours per trip and trips per pay period;

D. Rate of pay;

E. Rate of Health, Welfare and Pension Benefit;

F. Scheduled off days;

G. Layover time;

H. Whether Postal Service normally runs on holidays;

I. Whether the USPS schedule requires or creates additional layover periods for any holiday;

J. Whether the job is a temporary or emergency contract; and

K. Point of origin and destination.

Section 7. Bid Removal

No driver will be taken out of a bid job while on approved leave of absence for any reason, or termination pending appeal, unless such leave exceeds thirty (30) days. In instances of leave of less than thirty (30) days runs will be filled by the Extra Board on the first in-first out. Upon return after leave of more than thirty (30) days, the driver will have full bumping rights in accordance with the bumping provisions of this Agreement.

Section 8. Weekends

Fourteen (14) days prior to the annual posting of bids, the Union, will be allowed to examine schedules for purposes of reviewing and

discussing opportunities of increasing the number of bid jobs with traditional weekend days off (i.e., Friday/Saturday, Saturday/Sunday, Sunday/Monday), subject to protection of USPS schedules.

Section 9. Lead Driver

Lead Drivers are Regular Drivers in bargaining unit positions that are couriers of information between the Company and other drivers. They are not authorized to request or issue discipline. They hold bid positions, but may perform additional duties of Lead Driver while outside their normal schedule, for which they receive additional compensation.

Every two (2) years (or when a position is vacated or established), Lead Driver positions will be posted in the respective domicile where the Company maintains such positions. Such posting shall contain a description of all additional duties of the Lead Driver position, as well as any additional compensation, and will be posted separate and distinct from any bid runs. The first Lead Driver posting shall be during the next regularly scheduled bidding process.

A Regular Driver in the respective domicile may apply for the posted Lead Driver position if the Regular Driver meets the following minimum criteria:

DOT Qualified Regular Driver with one (1) year employment with MCA (One (1) year waived if domicile is newly created and/or no interested drivers in the domicile have such experience).

A Driver who meets the above eligibility qualification but is on a Company approved leave of absence, may still apply for the Lead Driver position so long as the Driver is reasonably expected to return to work within six (6) months after the job posting. If the Driver does not return to work within the six (6) month period, the Company may re-post the position.

The Terminal Manager will select the Lead Driver based on the Terminal Manager's knowledge of the job duties, the applicants' ability to perform such duties, and the Driver's experience, past performance (non-disciplinary), job knowledge, and current disciplinary record. If there is no

actual difference among the qualified applicants, seniority shall prevail in the awarding of the position.

The Company shall have sole discretion to determine whether: (1) a Lead Driver position shall exist in a domicile, and (2) whether a Lead Driver shall receive additional compensation as well as the amount of any such compensation for the performance of the Lead Driver responsibilities.

ARTICLE 27.

CALL-IN PROCEDURE

When a Regular Driver is unable to report to work, the Regular Driver must notify the Company as soon as possible, but not less than four (4) hours, if practicable, before the Regular Driver's scheduled work reporting time.

Note: In respect to "no-shows" the parties will negotiate in regards to dispatch procedures.

ARTICLE 28

WAGES

Section 1.

A. Initial Hourly Pay for USPS Contracts

The initial hourly rates for all drivers who report to its Des Moines, Iowa terminal are as set forth in the attached Appendix A, which may be amended from time to time to reflect the effect of the economic adjustment provisions in Section 2 below, which Appendix A is hereby made an integral part of this Agreement. The hourly rates vary by Postal Service contract, based upon the Postal Service's designated "head-out" point, occupation title, and contract award date. This reflects the competitive nature of the Postal Service contract award process and has been agreed by the parties in

order to maintain the Company's competitive posture to obtain and retain driver routes and jobs.

The initial hourly wage rate for any newly awarded contract shall be equal to the minimum hourly wage rate for the applicable occupation title for the respective drivers (e.g. "Tractor Trailer Driver" or equivalent (Code 31364, per the present Service Contract Act Directory of Occupations)) in the Wage Determination ("WD") issued by the Department of Labor ("DOL"), Wage and Hour Division for the geographic area which includes the head-out Postal Service facility for such contract as designated by the Postal Service in the respective solicitation or otherwise, which WD is incorporated into the Postal Services solicitation for such contract or is otherwise then in effect as of the effective date of the contract.

B. Hourly Pay for Non-USPS Work

Regular Drivers will be paid no less than $.40 per mile for non-postal route work of one-way trips more than 200 miles in distance, and will not receive any Base Health, Welfare & Pension Benefit on such work. The Company may initiate a Base Health, Welfare & Pension Benefit for this work at any time and may also increase the per mile rate up to 15% upon thirty (30) days notice to the Union and at the Company's sole discretion.

Effective upon the ratification of the current contract, Regular Drivers will be paid no less than $17.50 per hour for non-postal route work of one-way trips 200 miles or less in distance, which shall be increased one and one-half percent (1.5%) effective on every other July 1, beginning with July 1, 2014, and will not receive any Base Health, Welfare & Pension Benefit on such work. The Company may initiate a Base Health, Welfare & Pension Benefit for this work at any time and at the Company's sole discretion and may increase the base rate up to 20% upon thirty (30) days notice to the Union.

Regular Drivers will be paid $10.00 per hour for their new hire orientation and $15.00 per hour for trailer shuttle work, and any other work covered by the Agreement assigned by the Company from time to time unless otherwise agreed by the Company and the Union, and will not receive any Base Health, Welfare & Pension Benefit on such work.

Section 2. Economic Adjustment to USPS Contracts — Wages

The initial hourly wages specified in Appendix A shall be adjusted biennially as of the biennial anniversary of the effective date (normally July 1) of the respective Postal Service contract. For example, for contracts entered into effective July 1, **2013** the effective adjustment date will be July 1, **2015,** and every two years thereafter, while contracts entered into as of July 1, **2014** will have an initial adjustment date effective July 1, **2016,** and subsequent adjustments every two years thereafter. The first economic adjustment date under this Agreement will be July 1, **2015**.

In view of differing costs of living in different geographical areas, the parties agree that the most appropriate external measure of changes in wage rates and the cost of living for contracts deemed to head-out of different geographic areas would be the changes in the minimum wage rates established for the applicable occupation title for the respective drivers in the respective standard, non-section 4(C) WD issued by the DOL Wage and Hour Division for the geographic area which covers the head-out Postal Service facility for the respective contract as designated by the Postal Service in the respective solicitation or otherwise (e.g., presently WI) No. 1977-0193, covering contracts with head-out points in specified Southern States).

The respective initial wage rates set forth in Appendix A shall be adjusted upwards, as of the respective economic adjustment dates, by the precise money amount of any adjustment in the above specified minimum wage rate in the respective WD which is effective as of the start of the adjustment period versus the comparable WD minimum wage rate in effect at the time the respective Postal Service contract was awarded or at the time of any prior adjustment under this Section.

The parties will work together toward persuading DOL and the Postal Service to change the current regulations and practice of biennial wage increases so that all drivers covered by normal Service Contract Act WD's receive annual wage increases. In the event that the parties are successful and the practice is changed, adjustments set forth in this section will be made on an annual basis instead of the biennial basis.

Section 3. Compensated Hours

Regular Drivers shall be paid for time worked as defined by the Department of Labor Wage Hour Regulations "Hours Worked", unless compensated by the mile in accordance with applicable law. A Company pre-determined Trip Guideline shall be established by the Company to provide the Regular Drivers with a general understanding of the Company's work efficiency expectations. The Trip Guideline will be established to allow for both the efficient and safe operation of the work.

Regular Drivers will be scheduled so that there is sufficient time to perform all duties the Company determines to be necessary.

If circumstances compel a Regular to work over the total time provided in the Trip Guideline, the Driver will be eligible to receive Extra Pay provided that the Driver submits an Extra Pay form with a complete written explanation of the events requiring the extra pay.

Section 4. Call Out Pay

Regular Drivers actually reporting for work at the time called for or scheduled for work and finding their run cancelled, given to another Regular Driver, etc., will be paid four (4) hours call out pay at the wage rate for the run they were scheduled to pull. If there is work to be performed as determined by management during the four (4) hour period, the Regular Driver must perform such assigned duties; otherwise the Regular Driver may go home with the four (4) hours call out pay and will be placed back in normal rotation.

If a scheduled run is cancelled by the USPS, the Regular Driver shall be paid four (4) hours call out pay if the Company fails to call the telephone number provided by the Regular Driver as a contact number less than one (1) hour prior to the scheduled start time.

Section 5. Premium Pay

A. Premium and Layover Pay

Regular Drivers will receive $30.00 premium pay for unexpected layovers of twelve (12) hours or more, but if the unexpected layover extends to twenty-four (24) hours or more, the premium pay will be increased to $100.00.

Regular Drivers will receive $30.00 premium pay for layovers of twelve (12) hours or more longer than the scheduled layover due to a holiday, but if such longer layover extends to twenty-four (24) hours or more, the premium pay will be increased to $100.00.

A Regular Driver who has a scheduled continuous layover of forty (40) hours or more, will receive either, (1) $100.00 layover pay, or (2) an assignment to a USPS run that will pay a minimum of eight (8) hours during the layover, provided the Driver has available hours and has had appropriate rest under D.O.T. regulations. However, such assignment will be contingent upon the Regular Drivers in the domicile being unavailable for work.

The Company will exert its best efforts to eliminate all layovers in excess of 24 hours.

B. LCV/Converter Runs

All Regular Drivers assigned to drive longer combination vehicles ("LCV") (such as those currently used in USPS Contract No. 66394, for example) shall receive $16.00 each way.

C. Team-Runs

If the Company determines that a need exists for an incentive to attract Team Drivers, the Company and the Union agree to meet and confer regarding appropriate premium pay.

Section 6. Direct Deposit

Direct deposit will be made available by the Company for optional use by the Regular Drivers at a financial institution of the Drivers' choice. The Regular Driver may direct that the payroll be deposited in up to two (2) accounts/financial institutions. The Company shall ensure that any direct deposit of wages is processed by the Company and available to the Regular Drivers to comply with the normal Payday provisions.

Any newly hired Regular Driver, who does not elect to use direct deposit for payment of wages, shall be paid through a check card system established with a bank of the Company's selection. No activation fees or monthly service charges shall be assessed by the Company or the bank against the Regular Driver for use of the check card. The Regular Driver shall be responsible for all charges and debits the Regular Driver incurs with third parties.

Section 7. Pay Checks

Regular Drivers will be paid on a bi-weekly basis.

Upon being notified by a Driver that the Company has made a mistake on a Driver's pay check, direct deposit, or check card, the Company will provide the Driver an additional check or payroll deposit correcting the error no later than the next pay day. If the error is greater than $50.00, the check or deposit will be made within two (2) business days after such notification.

Section 8. Drug/Alcohol Testing and DOT Physical Examinations

Regular Drivers will be paid a flat rate of **twenty-five ($25.00)** for the time spent involved in Drug/Alcohol tests and DOT physicals examinations, except for the Regular Drivers' tests and/or examinations related to being newly hired with the Company.

ARTICLE 29.

BENEFITS FOR USPS CONTRACTS

Section 1. General

Regular Drivers shall receive the benefits set forth in this Agreement and the attached Appendix A, which constitutes an integral part of this Agreement. Benefits consist of "base" benefits, applicable to all Drivers who report to its Des Moines, Iowa terminal, and "supplemental" benefits, applicable only to Regular Drivers.

Section 2. Base Benefits

"Base" benefits consist of (1) the base health and welfare and pension payments set forth in Section 3 below, and as such may be adjusted from time to time pursuant to the economic adjustment provisions of Section 4 below, (2) base vacation benefits as set forth in Article 31 below, and (3) holidays as set forth in Article 32 below.

Section 3. Base Health, Welfare & Pension Benefit

The initial base health, welfare and pension benefit hourly rates for all Drivers who report to its Des Moines, Iowa terminal are as set forth in the attached Appendix A, which may be amended from time to time to reflect the effect of the economic adjustment provisions of Section 4 below, which Appendix A is hereby made an integral part of this Agreement. Per Appendix A, and for the same reasons identified in Article 28, Section 1 above, the hourly health, welfare and pension benefit, like wages, will vary according to the Postal Service contract to which each Driver performs.

The initial base health, welfare and pension hourly benefit rate for any newly awarded contract shall be equal to the applicable minimum health, welfare and pension hourly benefit rate for the applicable occupation title for the respective Drivers (e.g. "Tractor Trailer Driver" or equivalent (Code 31364, per the present Service Contract Act Directory of

Occupations)) in the WD issued by the DOL Wage and Hour Division for the particular contract.

The respective hourly base health, welfare and pension benefit rates are due on all hours "paid for" up to a maximum of 40 hours per week. Such benefits do not stop, but continue to accrue and are paid to Drivers while on applicable supplemental benefits. For example:

1. A Driver who works four days, 40 hours per week, is entitled to 40 hours of health, welfare and pension payments. If a Driver works three days, 12 hours per day, then such Driver is entitled to 36 hours of health, welfare and pension benefits.

2. A Driver who works 32 hours and also receives eight hours of holiday pay is entitled to the maximum of 40 hours of health, welfare and pension benefits in that work week. If the Driver works more than 32 hours and also receives 8 hours of holiday pay, the Driver is still only entitled to the maximum 40 hours health, welfare and pension payment.

3. If a Driver is off work for two weeks on vacation and receives 80 hours of vacation pay, the Driver must also receive 80 hours of health, welfare and pension benefits during the vacation period. However, if a Driver is entitled to two weeks paid vacation but does not take a vacation and then works the full 52 weeks in that year (i.e., 52 weeks for work plus two weeks of vacation pay) the Driver is due health, welfare and pension payments for only 52 weeks during the year.

Section 4. Economic Adjustment — Health. Welfare and Pension Benefit.

The initial health, welfare and pension benefits hourly rates specified in Appendix A shall be adjusted biennially as of the biennial anniversary of the effective date (normally July 1) of the respective Postal Service contract to which the driver is assigned. For example, for contracts entered into effective July 1, **2014**, the effective adjustment date will be July 1, **2016** and every two years thereafter, while contracts entered into as of July 1, 20**15** will have an initial adjustment date at July 1, 20**17**, and subsequent adjustments every two years thereafter. The first economic adjustment date

under this Agreement will be July 1, 2015.

In view of differing costs of Living in different geographical areas, the parties agree that the most appropriate external measure of changes in benefits rates and the cost of living for contracts deemed to head out of different respective geographic areas would be the changes in the minimum hourly rate for health and welfare and pension benefits established for the applicable occupation title for the respective drivers in the respective standard, non-section 4(C) WD issued by the DOL Wage and Hour Division for the geographic area which covers the head-out Postal Service facility for the respective contract as designated by the Postal Service in the respective solicitation or otherwise (e.g., presently WD No. 1977-0193, covering contracts with headout points in specified Southern states).

The respective initial health, welfare and pension benefits rates set forth in Appendix A shall be adjusted upwards, as of the respective applicable economic adjustment dates, by the precise money amount of any adjustment in the above specified minimum benefit rate in the applicable WD which is effective as of the start of the adjustment period versus the comparable WI) minimum benefit rate which was in effect at the time the respective Postal Service contract was awarded or at the time of any prior adjustment under this Section.

Section 5. Vacation and Holiday Payments

Regardless of the number of hours in a Driver's scheduled workday or work week, holiday pay for one day is not required to exceed the equivalent of eight (8) hours pay, and vacation pay for one week is not required to exceed the equivalent of forty (40) hours pay.

ARTICLE 30.

BENEFITS

Section 1. Health Insurance

During the term of this Agreement, the Company shall provide benefits to eligible Regular Drivers in compliance with the applicable fringe benefit determination under the Service Contract Act, the applicable Postal Service Contract and the applicable Department of Labor regulations. For purposes of this Article, the benefit allowance for each Regular Driver shall be calculated by multiplying the number of hours worked during the applicable period, up to a maximum of forty hours per workweek, by the amount allowed under the fringe benefit determination. The benefits will be provided as a combination of benefits and cash equivalent. To the extent that a Regular Driver's full benefit allowance is not used to pay for the Regular Driver's health and major medical premiums or the premiums for other coverage under this Article 30, the Regular Driver shall be paid the unused portion as a cash equivalent.

A. The Plan. Effective July 1, 2012, eligible Regular Drivers will participate in the Company sponsored insured health and major medical plan (PPO) through Arkansas Blue Cross & Blue Shield ("BCBS"). The PPO provides the benefits listed in the PPO Benefit Summary attached as an Addendum D to this Agreement for each eligible employee. The Company will require BCBS or the broker to provide a copy of the PPO Benefit Summary to each participating employee. Participation and coverage under the PPO will be governed by the applicable plan documents as they may be amended from time to time. In the event any such documents are subsequently amended, copies of such amendments will be provided to the Union.

B. Eligibility. Regular Drivers scheduled to work or working on average a minimum of thirty (30) hours per week over a 13 week period are eligible to and must participate in the PPO, unless permitted to opt out under paragraph D. below. All newly hired Regular Drivers will be enrolled in the PPO upon being hired, and coverage will be effective on the first day of the month following the

date of their hire.

(1) Regular Drivers working, or scheduled to work, less than thirty (30) hours per week on average over a 13 week period, are not eligible to participate in the PPO.

(2) If a Regular Driver is on a bid run that is scheduled for over 30 hours per week, and if the hours for that run are subsequently reduced below 30 hours and the Driver cannot or does not vacate the run, then that Driver may elect to (i) discontinue coverage under the PPO immediately or (ii) remain covered under the plan until he or she is no longer eligible because he or she worked less than 30 hours on average over a 13 week period.

C. Payment of Premiums. The Company will pay the premium cost for each eligible Regular Driver from the benefit allowance, as defined above.

D. Opting Out of the Plan. If an otherwise eligible Regular Driver is or subsequently becomes enrolled in Medicare, a Veteran's Administration ("V.A.") health plan or a group health and major medical plan provided by a Native American Tribal nation, such Regular Driver may elect not to participate in the health and major medical plan provided the Regular Driver:

(1) Signs a waiver of coverage form, and

(2) Provides the Company with either (a) a copy of the Regular Driver's Medicare card showing that the Regular Driver has Part A Hospital and Part B Physician coverage under Medicare, (b) a copy of the V.A. card, or (c) written proof from the issuing authority that the Regular Driver is covered under a group health and major medical plan provided by a Native American Tribal nation.

Provided further, the following persons can continue to opt out of the PPO: (i) those Regular Drivers hired prior to December 31, 2001, and who have previously opted out of the MC of A Health Insurance Plan, can continue to "opt out" of the Plan without any proof of other employer sponsored group health insurance program/plan coverage;

and (ii) a Regular Driver who was employed as of August 31, 2006, and who was permitted to elect to opt out of the prior MC of A Health Insurance Plan because he or she has continually had coverage under another employer sponsored group plan (such as through a spouse's employer's plan), shall be allowed to continue that election during the term of this Agreement, provided the driver provides evidence to the Company (e.g., Terminal Manager or Risk Management) that he or she is still covered under the spouse's plan during August of each year.

Except for those specifically permitted to opt out of coverage under the above, all eligible Regular Drivers (*i.e.* those scheduled to work or on average working 30 hours per week), must be enrolled in the PPO.

E. Family Coverage. If an eligible full time employee elects coverage under the PPO for his or her spouse and/or family, then the employee shall be responsible for paying the premiums for such coverage through payroll deduction as part of the cafeteria plan.

F. Reopening. The parties will reopen negotiations regarding this health insurance plan or a replacement upon the occurrence of any of the following events:

(1) BCBS announces an intent to raise premiums on the plan by more than 10% per month;

(2) BCBS announces its intent to cancel or non-renew the program;

(3) as a result of any federal health care reform, legislation or regulations are passed which make the plan unfeasible or cause the benefit to be taxable; or

(4) at any renewal time, the Company or the union identify an alternative carrier to provide the coverage and wish to change from BCBS to the alternative carrier.

Section 2. Emergency Transportation

If a Regular Driver suffers a medical condition on the road that causes the Regular Driver to be unable to drive a truck, the Company will provide the necessary and appropriate transportation home.

Section 3. Bereavement Pay

In the event of a death of an immediate family member, Regular Drivers will, as a supplemental benefit, receive up to three (3) paid days (at 10 hours per day) of bereavement leave per calendar year. Such bereavement leave cannot be carried over from year to year. If reasonable additional unpaid time off is requested by the Regular Driver, the Company will grant the Regular Driver such time off in accordance with its business needs.

Immediate family member is defined as spouse, child (including foster), stepchild, parents (including in-laws and step), siblings (including step), legal guardian, grandparents and grandchildren.

Proof of death and the Regular Driver's relationship to the deceased may be requested by the Company. Bereavement leave is not compensable when the Regular Driver is on leave of absence, holiday or is not otherwise in work status.

Section 4. Jury Duty

A Regular Driver who serves on jury duty and presents proof of such service will, as a supplemental benefit, be paid ten (10) hours per day for such jury duty service up to five (5) days per calendar year, less any fee for such jury service.

Section 5. 401(k) Plan

The Company has previously established a 401(k) Plan. Eligibility for and participation in such Plan by bargaining unit Drivers is in accordance with the terms and provisions of such Plan.

The Company will contribute to each eligible Participant's Matching Contribution Account on a quarterly basis. The amount contributed by the Company is equal to thirty percent (30%) of the eligible Participant's contribution up to a maximum of six percent (6%) of the eligible Participant's pay.

Section 6. Short Term Disability

The Company will provide $25.00 per month per Regular Driver toward the cost of short-term disability benefits for all eligible Regular Drivers (i.e. those scheduled to work or on average working 30 hours per week).

Such premium contributions shall be credited toward satisfaction of the Company's fringe benefit determination obligations under Wage and Benefit Determination under the Service Contract Act ("SCA") and shall reduce the amount of cash equivalent benefit payments made to each Regular Driver. All eligible Regular Drivers will have the opportunity to purchase additional short-term disability coverage through the cafeteria plan.

The Company will require the broker providing Disability Insurance to provide a certificate for the policy to each participating employee. The Company will also make the group policy available on a Benefits website for review by employees.

Section 7. Life Insurance

Eligible Regular Drivers (i.e. those scheduled to work or on average over a thirteen week period working 30 hours per week) will be covered with $40,000 face value term life insurance benefits without medical qualification, subject to the terms of the applicable life insurance policy. Participation in this plan will be voluntary for all Drivers employed by the Company prior to the ratification of this Agreement.

The monthly premiums of $20.00 shall be paid by the Company, shall be credited toward satisfaction of the Company's fringe benefit obligations under the Wage and Benefit Determination and shall reduce the amount of

cash equivalent benefit payments made to each employee. All eligible Regular Drivers will have the option to purchase additional life insurance benefits through the cafeteria plan. The Company will make available the option to add family members to the life insurance policy for face amounts of $10,000 for the Driver's spouse and $5,000 for each child.

The Company will require the broker providing Life Insurance to provide a certificate for the policy to each participating employee. The Company will also make the group policy available on a Benefits website for review by employees.

Section 8. APWU Benefit Plans

Each eligible Regular Driver who is a member of the APWU may elect to participate in welfare benefit plans offered by the APWU and its affiliates. The Company, upon receipt of written authorization from a Regular Driver, will deduct the cost of the premiums for such benefits from the Driver's compensation and remit the amount of such deduction to the Union in the form of an increased dues contribution.

The Company does not, by virtue of agreeing to make such deduction or remittance, become a sponsor or participating employer in any such benefit plan offered by the APWU and its affiliates. Nothing in this Section 8 is intended to, nor shall it be construed to, make the Company a participating employer in any multi-employer pension plan or benefit plan sponsored by the APWU and its affiliates.

ARTICLE 31.

VACATIONS, VACATION PAY, AND VACATION SCHEDULING

Section 1. Vacations - Eligibility

A. Drivers on USPS contracts with headout points in the Southern states geographic area covered by WD No. 1977-0193 and the Western states geographic area covered by WD No. 1977-0194

will be entitled to one (1) week of paid vacation after one year of service with the Company or successor, two (2) weeks after two years, three (3) weeks after ten years, and four (4) weeks after twenty years.

B. Drivers on USPS contracts with headout points in the Eastern states geographic area covered by WD No. 1977-0195 will be entitled to two (2) weeks of paid vacation after one year of service with the Company or successor, three (3) weeks after ten years, and four (4) weeks after twenty years.

C. Drivers on USPS contracts with headout points in the Central states geographic area covered by WD 1977-0196 and the Northeastern states geographic area covered by WD 1987-0310 will be entitled to two (2) weeks of paid vacation after one year of service with the Company or successor, three (3) weeks after ten years, and four (4) weeks after fifteen years.

D. Drivers performing non-USPS work will be entitled to one (1) week of paid vacation after one year of service with the Company, two (2) weeks after two years, three (3) weeks after ten years, and four (4) weeks after twenty years.

Section 2. Vacation Calculation and Pay

A. Vacations are calculated from anniversary date to anniversary date. Regular Drivers performing USPS and non-USPS work from time to time shall have vacation weeks awarded on a pro rata basis depending upon hours worked in each category.

B. The amount of vacation pay all Regular Driver(s) receive per week shall be based on the average number of hours worked the previous anniversary year with a maximum of forty (40) hours per week.

C. For the term of this Agreement, unused vacation will be cashed in and paid to the Regular Driver at the end of the Regular Driver's anniversary year.

Section 3. Vacation Scheduling

A. Choice Vacation scheduling will be assigned by the Company in accordance with its business needs on a seniority basis for written requests of up to two (2) weeks.

1. A minimum of seven percent (7%) of the Regular Drivers for the Terminal, as determined at the time of the Choice Vacation approval, will be allowed vacation in any week. In applying the percentage, any fraction of .51 or greater will result in one additional Driver being allowed off.

2. A minimum of eight percent (8%) or one (1) Driver, whichever is greater, as determined at the time of the Choice Vacation approval, will be allowed off in outlying domiciles in any week. In applying the percentage, any fraction of .51 or greater will result in one additional Driver being allowed off.

B. Requests for Choice Vacation shall be made by the Regular Driver(s) and received by the Company between January 1st and March 1st of each year for vacation requests for consecutive week periods, not to exceed a two (2) consecutive week period(s) per Choice. (NOTE: one week can equal 32 hours if the vacation falls during the holiday week).

1. The Choice Vacation Year will be March 15th of one year through March 14th of the following year.

2. The vacation week during the Choice Vacation Year will be from Saturday through Friday.

3. Choice Vacation leave requests will be made in writing with a copy verifying receipt given to the requesting Driver. Such vacation request(s) will be approved/disapproved by the Company by March 15th.

(a). Each Regular Driver will mark his or her vacation request(s) as "1st Choice", "2nd Choice", "3rd Choice", etc. The senior-most Regular Driver at each Terminal or Domicile will be allowed their first two (2) Choice Vacation selections (if available) before it moves to the

next less-senior Regular Driver's first two (2) picks, and so forth down the seniority list.

(b). The subsequent 3rd, 4th, etc. picks for Choice Vacation submitted by Regular Drivers will then be assigned by seniority. This process will continue at two (2) picks per Regular Driver, until all Regular Driver(s) Choice Vacation have been assigned.

C. Requests for vacation time other than for Choice Vacation, may be submitted by Regular Drivers after March 1st.

1. Such requests will be approved/disapproved by the Company on a first come, first served basis in accordance with the Company's business needs. Such vacation requests will be acted upon and the driver will be notified in writing within five (5) calendar days of the request when possible.

2. Requests turned in on the same day will be treated as having been received at the same time. Approval will be based upon seniority.

3. A Regular Driver may not submit more than four (4) vacation requests (other than for Choice Vacation) on any day.

4. The Company can approve the use of vacation in applicable daily increments of eight hours or the applicable daily hours of the Regular Driver's normal workweek schedule.

D. Vacation time will not be granted during the period from the Saturday after Thanksgiving through December 31st, unless the Company agrees otherwise.

F. The Company shall retain a record of all disapproved vacation requests in the order they were received and denied. This will be used to fill cancelled vacation time or for the approval of additional vacation time.

G. The Company will exert its best effort to accommodate vacation leave requests in accordance with this section.

ARTICLE 32.

HOLIDAYS, HOLIDAY SCHEDULING, AND HOLIDAY PAY

Section 1. Holidays

All Regular Drivers are eligible for and shall be paid for the following holidays:

New Year's Day	Labor Day
Martin Luther Day	Columbus Day
President's Day	Veteran's Day
Memorial Day	Thanksgiving Day
July 4th	Christmas Day

All nationally recognized holidays set forth herein will be observed on the days observed by the USPS.

Section 2. Holiday Scheduling

As many Regular Drivers as possible, subject to protection of USPS and other Customer service schedules, who wish to be off work on a recognized holiday will complete the "time off" request form and turn same into the Company within twenty-one (21) calendar days prior to the holiday. Those drivers permitted to have the holiday off will be scheduled by the Company on the basis of seniority and will be notified by the Company ten (10) calendar days prior to such holiday if they will be permitted to be off work on the holiday. All other Regular Drivers will be required to work on the holiday.

The pecking order for holiday work scheduling shall be:

- All Bid Drivers on a voluntary basis on their own bid run.
- All Extra Board Drivers on a voluntary basis.
- All Bid Drivers on a voluntary basis for bid runs other than their own.
- All Casuals on a voluntary basis.
- Mandated Extra Board Drivers in reverse seniority order.
- Mandated Bid Drivers on their regular bid run.

Section 3. Holiday Pay

Drivers required to work on those holidays set forth herein shall be paid holiday pay in addition to the regular pay for the run involved.

The Regular Driver must complete the holiday (if scheduled) and either the scheduled day prior to the holiday or the scheduled day after the holiday in order to be eligible to receive holiday pay in accordance with this Section.

Holiday pay for all Regular Drivers shall be computed at eight (8) hours times the Regular Driver's regular hourly rate of pay provided the driver(s) work **or are otherwise compensated for** 32 or more hours during the week preceding the holiday week. Otherwise, the amount of holiday pay shall be pro-rated based on the highest number of hours worked in such two-week period.

Regular Drivers qualifying for holiday pay on any of the above listed holidays will have the option of receiving holiday pay for the day the holiday falls or banking the hours for future time off with pay.

A. Regular Drivers who exercise the option of banking the hours for future time off with pay may cash in banked holiday pay at any time during the year at their discretion. Such payments will be included with their regular pay check or direct deposit. If a Driver elects to receive a payment in cash for a banked holiday(s), the Driver must request the cash payment no later than the end of the pay period preceding the payroll date on which the payment will be received.

B. Drivers may carry over up to **104** hours of banked holiday hours from his/her anniversary date to anniversary date. Banked holidays in excess of **104** hours, will be cashed in at the end of each anniversary date. Payment for unused banked holidays at the end of the Driver's anniversary date year will be annotated as "ADJ HOL", and income taxes will be withheld from that amount separate from the amount of the employee's regular wages for that pay period.

C. Current employees as of June 30, 2012, who have more than 80 hours of banked holiday hours will be "grandfathered" to continue carrying over their banked holiday hours that exist at that time.

ARTICLE 33.

MONITORING DEVICES

Section 1. Electronic Monitoring Equipment.

The Company shall have the right to introduce and use electronic monitoring equipment ("EME") on any and all Company owned equipment, including without limitation, global positioning satellite ("GPS") devices, tracking devices, timekeeping devices, log verification devices, locators, on board computers and monitors and on-board camera and event recorders.. If necessary for a driver to perform his or her duties, the Company will provide reasonable training on the use of the devices. Prior to implementation by the Company of the use of new types of EME, the Company shall notify the Union and, upon request, shall meet to explain the equipment and intended use.

Section 2. On-Board Camera and Event Recorders.

A. The primary purpose of the on-board cameras and event recorders **(i.e. DriveCam)** is to be a tool to assist **Regular** Drivers to operate their vehicles safely and to improve and **take appropriate corrective action with respect to** unsafe driving actions.

On-board cameras or event recorders shall also be used to exonerate a **Regular** Driver of alleged wrong doing, as well as to protect the interest of the Company when necessary and possible.

B. On-board cameras or event recorders may view the exterior and interior of the vehicle. On-board cameras operate on a continuous loop, but no live feed or constant recording or monitoring by the Company will occur. A recording is only saved when triggered by unusual events (e.g., accident, hard braking, swerving or other significant irregular movement) or when manually triggered by the **Regular** Driver. All **Regular** Drivers will be informed that when triggered, the on-board camera will record and save limited (the 10 seconds before and 10 seconds after the triggering event) video and sound data (including conversations) in the vehicle. However, any audio recorded on the on-board camera or event recorders shall not be subject to discipline.

C. No Regular Driver shall receive discipline based solely on information collected or obtained by an on-board camera or event recorder. Discipline shall not be deemed to be *"based solely on information obtained by an on-board camera or event recorder"* if the Company provides the opportunity to the Regular Driver to review the recorded event and to provide an explanation, as set forth below:

1. **In the event a Regular Driver is identified as having committed a driving or rule infraction through the triggering of the on-board camera or event recorder the recorder clips shall be shown by the Safety Director or Terminal Manager or his or her designee to the Regular Driver involved and the designated Union steward (unless the driver waives representation).**

2. **The Regular Driver will be given an opportunity to supply a rationale of why the recorded event was not a bona fide infraction. If the explanation is accepted by the Company, the event will be dismissed, with no further action taken.**

3. If the Regular Driver's explanation is not accepted and the recorded event is not dismissed as provided in 2, above, and constitutes a first offense within the immediately preceding twelve (12) months of the current infraction date, the Company will provided appropriate coaching and/or retraining to the Regular Driver, which shall be administered by the Safety Director or the Terminal Manager, or his or her designee.

   (a). The coaching or retraining will be provided to the affected Regular Driver in private unless the Regular Driver requests the attendance of a Union steward.

   (b). The subject, date, and type (e.g., handout, video, booklet, DOT regulations, etc) of coaching or retraining provided shall be recorded on a standard form maintained by the Company.

   (c). The coaching or retraining shall not be considered discipline, but a record of the coaching or retraining shall be maintained for twelve (12) months.

4. If the recorded event is not dismissed as provided in 2, above, and does not constitute a first offense within 3, above, Article 4.A. shall be controlling, except discipline shall be imposed on a rolling twelve (12) month basis.

D. The Company will provide copies of the Event report for the Regular Driver in the Terminal who is called upon to review the video clip to the appropriate local APWU representative, up request, if readily available or within a reasonable period of time. The Event reports will include, but not be limited to:

   1. Date of alleged infraction
   2. Driver name
   3. Truck number
   4. Triggering event
   5. Type of alleged driving infraction
   6. Date reviewed with Driver (as appropriate)
   7. Disposition of alleged infraction

ARTICLE 34.

REFERRAL BONUS INCENTIVE

Drivers will be rewarded for attracting other quality employees to work for the Company. Employees will receive a $300.00 bonus if:

1. He/She refers a full-time employee for employment with Salmon Companies' Des Moines or Kansas City terminals by submitting the designated form to the Terminal Manager before the employee is hired; and
2. The referred applicant is hired within 90 days of the referral; and,
3. The new hire successfully completes his/her 90-day probationary period.

In addition, a second referral bonus of $200.00 will be paid when the full-time employee completes one (1) year of employment.

ARTICLE 35.

SAFE DRIVING AND COMMITMENT AWARDS PROGRAM

The Company has established a Safe Driving and Commitment Awards Program to promote and recognize Safe Driving and Peak Performance at Salmon Companies. Under the Program, drivers would have the opportunity to achieve 3 types of awards which would include different benefit amounts. The benefits would be primarily in the form of award points that could be redeemed for a variety of merchandise and/or Salmon Companies logo items.

<u>Safe Driving "Spirit" Award</u>

Criteria – A driver would earn this award by completing 2,080 hours without having a disqualifying event.

Awards & Recognition – 10,000 points ($50 approx value) + Recognition Certificate

Safe Driving "Star" Award

Criteria – A driver would earn this award after earning 10 consecutive Safe Driving Spirit Awards with no break due to a disqualifying event between any of the 10 awards.

Awards & Recognition – 50,000 points ($250 approx value) + Safe Driving Star Award Pin + Recognition Certificate

Disqualifying Events

Any of the following single events are considered disqualifying events:

1. Preventable collision/accident in any owned or leased Company vehicle.
1. CSA BASIC violation for items under the driver's control (e.g. moving violation, log book violation, etc.)
2. Written discipline for: (a) distracted driving (e.g. using prohibited mobile communication device, etc.); (b) failure to wear a seat belt; or (c) following too close.

25 Year Commitment Ambassador Award

Criteria – A Regular Driver will earn this award after 25 years of dedicated, consecutive years of service.

Awards & Recognition – 20,000 points ($100 approx value) + Signature Commitment Ambassador Ring (or pendant or char at the Regular Driver's choice) + Recognition Certificate.

Program Changes

The Company reserves the right to modify, amend, replace, or terminate this program without bargaining with the Union, such bargaining being specifically waived. In the event the Company terminates this program the Employees will be notified prior to such termination date so they may apply accrued points to the Program prior to such date.

ARTICLE 36.

ENTIRE AGREEMENT

It is expressly understood and agreed that this Agreement represents the entire Agreement of the parties and that no other agreements or conditions either express or implied exist. Past practices which are in existence as of the date of this Agreement shall continue to exist unless the Parties agree to modify the practice as provided herein.

Any amendments to this Agreement must be reduced to writing and signed by representatives of both the Company and the Union.

ARTICLE 37.

SEPARABILITY AND SAVINGS

If any term of this Agreement becomes invalid or unenforceable by reason of any existing or future federal or state law, directive, order, rule, regulation or decision by a court of last resort, such invalidity or unenforceability will not affect or impair any other terms or provisions of this Agreement.

ARTICLE 38.

DURATION

This Agreement shall be in full force and effect from date of ratification **(August 3, 2015)** through and including **May 31, 2019**.

IN WITNESS WHEREOF, the Parties execute this Agreement on the date designated below.

Dated: August 10, 2015

By: _____

Richard Phillips
APWU Lead Negotiator

By: _____

David Bachman
Mail Contractors of America

Memorandums of Understanding

Between

Pat Salmon & Sons, Inc.

And

American Postal Workers Union, AFL-CIO

1. Re: Extension of Collective Bargaining Agreement, Des Moines and Kansas City contracts.

The parties have reached tentative agreement on the terms of renewal of these two CBA's, subject to the ratification vote which will take place on or before August 15, 2015. Accordingly, the parties agree to extend the terms and conditions of these two CBA's during this ratification process.

2. Re: Health Care Participation, Des Moines and Kansas City contracts.

The parties agree that due to the potential impact of the pending ACA litigation before the U.S. Supreme Court, the parties agree that they will meet to discuss and negotiate the impact of the decision of the U.S. Supreme Court upon the healthcare provision of the Collective Bargaining Unit and Agreement, within 90 days of the date of the U.S. Supreme Court decision.

Dated: June 24, 2015

By: _____

Richard Phillips
APWU Lead Negotiator

By: _____

David Bachman
Mail Contractors of America

Postal Contract Head-Out Point (Per Respective USPS Contract Designation)	Hourly Wage Rates Contract Start/Biennial Renewal Date						Hourly Base Health, Welfare & Pension Benefit Contract Start/Biennial Renewal Date					
	7/1/14–6/30/16			7/1/15–6/30/17			7/1/14–6/30/16			7/1/15–6/30/17		
	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)
Southern States, including all portions of Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee and Texas, except:	19.21	18.87	10.86	19.40	19.06	9.52	4.63	4.63	4.02	4.70	4.70	4.02
Atlanta, GA Area: Counties of Clayton, Cobb, DeKalb, Fulton and Gwinnett in GA.	20.84	19.88	10.86	21.05	20.08	9.52	4.63	4.63	4.02	4.70	4.70	4.02
Dallas – Fort Worth, TX Area: Colin, Dallas, Dentson, Ellis, Johnson, Kaufman, Rockwell and Tarrant in TX.	19.49	18.55	10.86	19.68	18.73	9.52	4.63	4.63	4.02	4.70	4.70	4.02
Houston, TX Area: Counties of Brazoria, Ford Bend, Harris, Liberty and Montgomery in TX.	22.22	21.80	10.86	22.44	22.02	9.52	4.63	4.63	4.02	4.70	4.70	4.02
Memphis, TN Area: County of Crittenden in AR, and County of Shelby in TN.	20.06	19.62	10.86	20.26	19.82	9.52	4.63	4.63	4.02	4.70	4.70	4.02
Nashville, TN Area: Counties of Davidson, Summer and Wilson in TN.	20.84	20.43	10.86	21.05	20.63	9.52	4.63	4.63	4.02	4.70	4.70	4.02
New Orleans, LA Area: Parishes of Jefferson, Orleans, St. Bernard and Tammany in LA.	20.55	20.10	10.86	20.75	20.30	9.52	4.63	4.63	4.02	4.70	4.70	4.02

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	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)
North Eastern States, including all portions of Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont, except:	19.89	19.50	15.37	20.09	19.69	15.52	5.24	5.24	3.81	5.32	5.32	4.02
Boston – Springfield, MA – Hartford, CT Area: Counties of Hartford, Middlesex, and Tollandin in CT, and Counties of Essex, Hampden, Hampshire, Middlesex, Norfolk, Plymouth, and Suffolk in MA.	21.51	20.99	15.37	21.73	21.20	15.52	5.24	5.24	3.81	5.32	5.32	4.02
New York City, NY Area: Counties of Essex, Hudson, Morris, and Union in NJ, and Counties of New York City (Bronx, Kings, New York, Queens, Richmond), Nassau, Rockland, Suffolk, and Westchester in NY.	22.47	22.08	15.37	22.70	22.30	15.52	5.24	5.24	3.81	5.32	5.32	4.02

APPENDIX A – WAGES/BENEFITS[1]
(Des Moines CBA)

Postal Contract Head-Out Point (Per Respective USPS Contract Designation)	Hourly Wage Rates — Contract Start/Biennial Renewal Date						Hourly Base Health, Welfare & Pension Benefit — Contract Start/Biennial Renewal Date					
	7/1/14–6/30/16			7/1/15–6/30/17			7/1/14–6/30/16			7/1/15–6/30/17		
	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)
Central States, including all portions of Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, N. Dakota, S. Dakota and Wisconsin, except:	19.46	17.62	13.34	19.65	17.50	13.48	5.03	5.03	4.02	5.11	5.11	4.02
Chicago, IL – Milwaukee, WI Area: Counties of Cook, DuPage, Kane, Lake, McHenry and Will in IL, and Counties of Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington and Waukesha in WI.	22.01	21.24	13.34	22.23	21.45	13.48	5.03	5.03	4.02	5.11	5.11	4.02
Detroit, MI – Detroit Area: Counties of Macomb, Oakland and Wayne in MI.	21.21	20.62	13.34	21.42	20.82	13.48	5.03	5.03	4.02	5.11	5.11	4.02
Kansas-Missouri Area: Counties of Johnson and Wyandotte in KS, and Counties of and Cass, Clay, Jackson and Platte in MO.	21.00	19.50	13.34	21.21	19.69	13.48	5.03	5.03	4.02	5.11	5.11	4.02
Minneapolis – St. Paul, MN Area: Counties of Anoka, Dakota, Hennepin, Ramsey and Washington in MN.	21.59	20.57	13.34	21.80	20.787	13.48	5.03	5.03	4.02	5.11	5.11	4.02

[1] Each designated date range specifies three of the occupation titles for drivers: (a) Tractor Trailer Driver(2); (b) Truck Driver(2) ; and (c) Light Vehicle Driver(1). The hourly rates in this Appendix are subject to biennial economic adjustment, and are to be adjusted, as set forth in Article 28, Section 2 of the Agreement as to wages and Article 29, Section 4 as to base health, welfare and pension benefits.

Postal Contract Head-Out Point (Per Respective USPS Contract Designation)	Hourly Wage Rates — Contract Start/Biennial Renewal Date						Hourly Base Health, Welfare & Pension Benefit — Contract Start/Biennial Renewal Date					
	7/1/14–6/30/16			7/1/15–6/30/17			7/1/14–6/30/16			7/1/15–6/30/17		
	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)
Eastern States, including all portions of Delaware, Maryland, Ohio, Pennsylvania, Virginia, and West Virginia, except:	19.53	19.16	10.86	19.73	19.36	10.97	4.99	4.99	4.02	5.06	5.06	4.02
Baltimore, MD – District of Columbia Area: The District of Columbia, the City of Baltimore and Counties of Anne Arundel, Baltimore, Carroll, Charles, Harford, Howard, Montgomery and Prince Georges in MD, and the Cities of Alexandria, Falls Church, Fairfax and Counties of Arlington, Fairfax, Loudoun and Prince William in VA.	20.91	20.53	10.86	21.12	20.73	10.97	4.99	4.99	4.02	5.06	5.06	4.02
Cleveland – Akron – Cincinnati – Columbus, OH Area: County of Dearborn in IN, Counties of Boone, Campbell and Kenton in KY, and Counties of Clermont, Cuyahoga, Delaware, Franklin, Geauga, Hamilton, Lake, Medina, Pickaway, Portage, Summit and Warren in OH.	20.49	20.11	10.86	20.70	20.31	10.97	4.99	4.99	4.02	5.06	5.06	4.02
Philadelphia, PA Area: Counties of Bucks, Chester, Delaware, Montgomery and Philadelphia in PA, and Counties of Burlington, Camden, Gloucester, Atlantic, Salem, Cumberland and Cape May in NJ.	21.65	21.32	10.86	21.86	21.53	10.97	4.99	4.99	4.02	5.06	5.06	4.02
Pittsburgh, PA Area: Counties of Allegheny, Beaver, Washington and Westmoreland in PA	21.00	19.62	10.86	21.21	19.82	10.97	4.99	4.99	4.02	5.06	5.06	4.02

Postal Contract Head-Out Point (Per Respective USPS Contract Designation)	Hourly Wage Rates — Contract Start/Biennial Renewal Date						Hourly Base Health, Welfare & Pension Benefit — Contract Start/Biennial Renewal Date					
	7/1/14–6/30/16			7/1/15–6/30/17			7/1/14–6/30/16			7/1/15–6/30/17		
	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)
Western States, including all portions of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming, except:	20.77	20.05	11.96	20.98	20.25	12.08	4.96	4.96	4.02	5.03	5.03	4.02
Los Angeles, CA Area: Counties of Los Angeles and Orange.	21.63	21.25	11.96	21.85	21.47	12.08	4.96	4.96	4.02	5.03	5.03	4.02
San Francisco, CA Area: Counties of Alameda, Contra Costa, Marin, San Francisco, and San Mateo.	21.89	21.44	11.96	22.11	21.66	12.08	4.96	4.96	4.02	5.03	5.03	4.02
Portland, OR Area: Counties of Clackamas, Marion, Multnomah, Polk, and Washington in OR, and County of Clark in WA.	21.65	20.91	11.96	21.86	21.12	12.08	4.96	4.96	4.02	5.03	5.03	4.02

Appendix B

The following MC of A Provisions and Company modifications thereto will continue to apply to the Des Moines terminal which changes may be unilaterally made by the Employer without any obligation to engage in collective bargaining with the Union.

- Safe Driving Award
- Million Mile Club
- Award Points and Merchandise Options
- Emergency Paycheck Advancements and Loans
- Voluntary Term Life Insurance
- Voluntary Dental Coverage
- Voluntary Short-Term Disability
- Voluntary Long Term Disability
- Voluntary Vision Coverage
- Toll Tickets and Other Advances
- Holiday Bonus
- Referral Bonus

Appendix C

In accordance with Article 4 above, Regular Drivers are authorized to transport passengers only under the following three (3) circumstances:

1. **Emergency Situations**. A Regular Driver may choose to transport a person(s) when aid is being rendered in the case of an accident or other emergency. Examples of emergency situations include the transporting of an injured person to a medical care facility when no other reasonable mode of transportation is available and transporting a stalled motorist to the nearest available and safe telephone.

2. **Authorized Postal Official.** A Regular Driver may transport an authorized postal official when that official has requested such transport for a legitimate business reason. If a Regular Driver transports a postal official or a Regular Driver receives advance notice that a postal official desires to ride with him/her, the Regular Driver should inform his/her immediate supervisor.

3. **Fellow Employees.** A Regular Driver may transport other Company employees when authorized in advance **by** his/her immediate supervisor.

Appendix D

Salmon Companies

Summary of Medical Benefits

Customer Service 1-800-238-8379
www.arkbluecross.com

Benefit	Base Plan		Buy Up Plan	
	In Network	Out of Network	In Network	Out of Network
Deductible & Maximums				
Calendar Year Deductible (Combine in and Out of Network Deductible)				
Individual Family	$1,500 $3,000	$1,500 $3,000	$250 $500	$250 $500
Co-Insurance	80% / 20%	60%/40%	80% / 20%	60%/40%
Out of Pocket Calendar Year Maximum (includes Deductible)				
Individual Family	$4,500 $9,000	$13,500 $27,000	$3,250 $6,500	$12,250 $24,500
Lifetime Benefit Maximum	None			
Office Visits				
Primary Care Specialist	$30 $50	40% After Deductible	$30 $50	40% After Deductible
Emergency Medical Care				
Emergency Room / Accident	Deductible & Co-Insurance			
Ambulance	Coverage is limited to $1,000/trip (ground or water) and $5,000/trip (air) with one trip per calendar year			
Outpatient Surgery				
Facility fee (e.g., ambulatory surgery center)	20% After Deductible	40% After Deductible	20% After Deductible	40% After Deductible
Hospital Stay				
Facility fee (e.g., hospital room)	20% After Deductible	40% After Deductible	20% After Deductible	40% After Deductible
Prescription Plan Pays				
1st Tier	$10		$10	
2nd Tier	$50		$50	
3rd Tier	$75		$75	