

AGREEMENT
BETWEEN
TEAMSTERS UNION
LOCAL 481



And

THE HERTZ CORPORATION

CAR RENTAL DIVISION STATIONS

(Reprint)

October 1, 2024— September 30, 2027

MASTER AGREEMENT AND ADDENDA

Between

**WESTERN AREA OF TEAMSTERS ON BEHALF OF ITS AFFILIATED LOCAL
UNIONS**

and

THE HERTZ CORPORATION

for its

CAR RENTAL DIVISION STATIONS OCTOBER 1, 2024 TO SEPTEMBER 30, 2027

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MASTER AGREEMENT

This Agreement and its attached Addenda, made and entered into this 1st day of October 2024, by and between THE HERTZ CORPORATION, a Delaware Corporation, with its principal place of business at 8501 Williams Road, Estero FL 33928, for its Hertz Brand Car Rental Division Stations located in the cities of Seattle, Washington; Portland, Oregon; Oakland, California; Ontario, California; Sacramento, California; Fresno, California; San Francisco, California; San Jose, California; Long Beach, California; Los Angeles, California; Burbank, California; Orange County, California; San Diego, California; Denver, Colorado; Phoenix and Tucson, Arizona; Albuquerque, New Mexico; El Paso, Texas; Eugene, Oregon; and Salt Lake City, Utah, hereinafter called the "Employer", and the WESTERN AREA OF TEAMSTERS on behalf of its affiliated Local Unions, Local 206, Eugene, Oregon; Local 853, Oakland, California; Local 495, Long Beach, California; Local 150, Sacramento, California; Local 305, Portland, Oregon; Local 104, Phoenix and Tucson, Arizona; Local 222, Salt Lake City, Utah; Local 431, Fresno, California; Local 495, Ontario, California; Local 481, San Diego, California; Local 492, Albuquerque, New Mexico; Local 495, Los Angeles, California; Local 495, Burbank, California; Local 495, Orange County Airport, California; Local 665, San Jose, California; Local 665, San Francisco, California; Local 745, El Paso, Texas; Local 117, Seattle, Washington; and Local 455, Denver, Colorado, hereinafter called the "Union."

ARTICLE 1 – UNION SECURITY (Except Where Restricted by State Law)

SECTION 1. HIRING OF EMPLOYEES: Only members in good standing in the Union shall be retained in employment. For the purpose of this Section, "members in good standing" shall be defined to mean employee members of the Union who tender the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership.

All employees covered by this Agreement shall become members of the Union within thirty-one (31) days from the effective date of this Agreement or within thirty-one (31) days from the date of employment, whichever is later, and shall remain members of the Union in good standing as a condition of continued employment. Only those employees in the job classifications set forth in each attached Addendum shall be covered by this Agreement.

SECTION 2. UNION RECOGNITION: It is agreed that the signing of this Agreement shall constitute a recognition of the Union, and it is further agreed that no member shall be discharged for activity in representing the Union.

SECTION 3. UNION SECURITY: When new or additional employees are needed, the Employer shall use the Union as a non-mandatory hiring source and the Union shall have a reasonable opportunity to refer applicants for the vacancies to be filled, provided, however:

- (a) Selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on, or in any way affected by Union membership, by-laws, rules, regulations, constitutional provisions, or any other aspect or obligation of Union membership, policies or requirements.

- (b) The Employer retains the right to reject any job applicant referred by the Union.
- (c) The Union, through the Business Agent or shop steward, shall be permitted to meet with a new employee within ten (10) days of their first day of employment. The meeting shall be reasonable in duration in light of business needs.

The Employer shall, within ten (10) days of date of hire, forward to the Union a completed hire-in slip, supplied by the Union, containing the employee's name, address, hire date, classification, wage rate and social security number.

SECTION 4. CHECK-OFF: The Employer at the request of the Union is to deduct from the wages of employees, membership dues (and initiation fees) of the Union, and promptly transmit such funds to the Union; provided, that the Employer has received from each employee, on whose account such deductions are made, a written assignment which shall not be irrevocable for a period of more than one (1) year, or beyond the termination date of the applicable collective bargaining agreement, whichever occurs sooner. Dues check-off will be effective only in the case where all employees in the Local Union jurisdiction have signed dues check-off authorization cards.

SECTION 5. NEW ORGANIZATION:

- (a) When a Local Union in the jurisdiction of the Western Area organizes a Hertz Brand RAC unit in the classification covered by the Addenda attached hereto, and is properly recognized and certified by the N.L.R.B., and said Local Union requests inclusion in the Hertz/Western Area Master Agreement, the parties agree that the coverage of The Master Agreement shall extend to the Local Union involved upon certification by the N.L.R.B. The parties further agree to meet within thirty (30) days, unless a longer period is mutually agreed, to negotiate wages, pension, and health and welfare coverage for the Local Addendum.
- (b) If Hertz Rent-A-Car opens a corporate location that is off airport but within the jurisdiction of this Agreement, then The Master Agreement shall apply to same.

SECTION 6. NON-DISCRIMINATION / NON-HARASSMENT:

- (a) Neither the Company nor the Union, in carrying out their obligations under this Agreement shall discriminate or harass in any manner whatsoever against any employee because of race, color, sex, gender, gender identity, sexual orientation, age, non-disqualifying physical or mental disability, marital or veteran status, political or religious affiliation, national origin, or membership in any labor or other lawful organization.
- (b) The Company agrees to continue its present non-discriminatory, non- harassment policy offering equal opportunities for available jobs to qualified applicants without regard for the factors referenced in 'a' above.
- (c) All references in this Agreement to persons of one gender shall mean persons of all genders.

ARTICLE 2 – MANAGEMENT’S RIGHTS

The rights of the Employer shall include, but shall not be limited to, the right to conduct the business, the operation and the direction of the Employer’s working forces. The Employer’s discretion and judgment shall control the selection and retention of employees and the work and duties to which they are assigned, including the right to hire, transfer, schedule, promote, demote, suspend and discharge and the right to make rules and regulations concerning the conduct of the business and the employees, providing the same are not contrary to the terms of this Agreement. The failure of the Employer to exercise its rights under this Article in any respect shall not be taken as a waiver of its rights.

ARTICLE 3 – SENIORITY

SECTION 1. SENIORITY ESTABLISHED:

- (a) Seniority shall be separate for each city or agreed designated lesser unit. An employee’s seniority shall be by last date of hire in the employee’s job classification.

A list of employees in the order of their seniority in job classification shall be posted in a conspicuous place at the place of employment. Such lists shall be kept current and copies shall be mailed to the Union quarterly. However, up to forty-five (45) days after the posting, an employee who believes there is a controversy of his/her seniority standing on such list shall submit his/her complaint through the grievance procedure. If no controversy exists after forty- five (45) days of the posting of the seniority list, the list shall be deemed established.

SECTION 2. LAYOFF AND RECALL:

- (a) Reduction of forces due to lack of work shall be by seniority in a job classification. Each employee will be given five (5) workdays’ notice (or five (5) workdays’ pay in lieu of notice) of layoff except in case of an Act of God or Civil Riots. Such notice will not be in addition to any Federal or State WARN or WARN-type notice or pay in lieu of notice. Upon layoff, the Company will seek from the employee his/her current address, email (if any) and cell phone number. The last employee hired in a job classification shall be the first laid off. In cases of reduction in forces due to lack of work, employees may at the time of layoff exercise their seniority in any classification, provided they are otherwise qualified. Such employees will be paid the appropriate rate of the classification they enter into. When such employees’ original job becomes available, they shall be returned to it. Recall shall be in the reverse order into the position laid off from, provided the employee is capable and qualified.
- (b) All employees are to be given written notice, or notice posted on a bulletin board of impending layoffs not later than the end of the last shift worked prior to the commencement of such layoffs.

- (c) Recall: In the event of a layoff, an employee so laid off shall be given ten (10) days' notice of recall by overnight delivery (UPS) to the employee's address of record with the Employer. The employee must respond to such notice within five (5) days after receipt thereof and actually report for work in seven (7) days after receipt of notice unless otherwise mutually agreed to. In the event the employee fails to comply with the above, he/she shall lose all seniority rights under this Agreement.

SECTION 3. SENIORITY BROKEN: Seniority shall be broken by: (a) discharge, if not reinstated; (b) a resignation or quit; (c) layoff from the Employer exceeding the employees seniority, but not to extend beyond one year; (d) promotion out of the bargaining unit except as agreed to in local addenda; (e) as provided in Section 2.(c) above; (f) absence from work due to a non-occupational injury or illness for 18 months; (g) absence from work due to an occupational injury or illness of 24 months or more; (h) failure to return from an approved leave of absence; (i) being absent from work for three (3) days without notifying the Employer unless due to a condition beyond the employee's control.

SECTION 4. SENIORITY AND LEAVE OF ABSENCE: A leave of absence granted by the Employer shall not interrupt the continuity of seniority, providing the employee on such leave does not take another job.

SECTION 5. RULES: The application of seniority provided the employee is capable and qualified as it relates to starting time, shift preference, workweek, workday, overtime, classification work on premium days, job bidding, or general working rules shall be a matter of agreement between the Local Unions involved and the Employer, subject to the grievance procedure when no agreement can be reached by the parties. There shall be at least one shift bid per year and others as needed by the Employer.

ARTICLE 4 – WORKWEEK – OVERTIME

SECTION 1. WORKWEEK:

- (a) The workweek shall consist of five (5) consecutive days of eight (8) hours each, except as otherwise provided in this Agreement or separate Addenda. Lunch periods shall be unpaid and not exceed thirty (30) minutes unless additional unpaid time is granted by the Employer.
- (b) Where feasible and practical, the Company, by mutual agreement with the Union and the employees, may establish a workweek of four (4) consecutive ten (10) hour days.
- (c) Should the Company and any signatory Local Union agree to establish a workweek of four (4) consecutive ten (10) hour days, it is agreed that overtime shall only be paid for all hours worked in excess of ten (10) hours in any one (1) day or forty (40) hours in any one (1) week. The effects of the workweek as it relates to holidays, sick days and vacation shall be negotiated locally, not to exceed current contractual levels.

- (d) The regular scheduled day shift shall start not earlier than 7 a.m. and end not later than 6 p.m. No night shift premium shall be paid for work performed between these hours on a regularly scheduled day shift.
- (e) Employees hired after 11/30/82 may be scheduled to work at various starting times during their work week.

SECTION 2. OVERTIME:

- (a) Overtime shall be paid for on the basis of time and one-half (1½x) the employee's straight time hourly rate for all hours worked in excess of eight (8) hours in any one (1) day or forty (40) hours in any one (1) workweek. Each employee will be paid time and one-half (1½) times for hours worked on his/her scheduled day off.
- (b) **MANDATORY OVERTIME.** All overtime will be assigned by classification seniority in accordance with Article 11, Section 5. Workers can volunteer by seniority; if insufficient workers volunteer, the Company can mandate work by inverse order of seniority. Employees may make one phone call of reasonable duration, if necessary, to arrange for childcare, etc., when required to work mandatory overtime.
- (c) When an employee reports to work on his/her regular shift and notifies the Company at that time that he/she will not be able to work overtime beyond his/her shift then forced overtime, if necessary, will exclude that employee unless said employee is the only available person.

SECTION 3. PROTECTION OF CONDITIONS: Wages, hours or other conditions now in effect which are more beneficial to the employees than those stipulated in this Agreement shall not be reduced or discontinued.

SECTION 4. CALL BACK – CALL IN: Any employee ordered to and reporting for work at a time outside of his/her regular workday, when such work is not continuous with his/her regular workday, shall be guaranteed four (4) hours of pay.

The sixth (6th) and seventh (7th) day shall be a guaranteed eight (8) hour day.

When an emergency "call-back" occurs, the employee called shall be paid at one and one-half (1½) times the regular rate for the classification of work performed. This is not to be considered a part of the split shift.

SECTION 5. WORK IN OTHER CLASSIFICATIONS: When an employee is requested to do work in a higher rated classification he/she shall receive the rate of pay for all hours of work in the higher rated classification. When an employee is requested to work in a lower rated classification for less than a full day, he/she shall receive his/her regular rate for all work performed.

SECTION 6. There shall be no pyramiding of pay under this Agreement.

SECTION 7. A split shift shall be any shift with more than a one hour break in the work period. There shall be no split shifts except by mutual Agreement.

SECTION 8. Except as otherwise provided for in the addenda, the period from Friday through Thursday shall be considered the workweek for all pay purposes, including the calculation of overtime.

ARTICLE 5 – HOLIDAYS AND HOLIDAY PAY

SECTION 1. ELIGIBILITY AND QUALIFICATIONS: Unless specifically addressed in the Addenda, the following holidays shall be paid at the employee's basic rate, including shift premium, when not worked, irrespective of the day on which they fall, providing, with the exception of labor day, the employee has completed the probationary period:

January First
Memorial Day
July Fourth
Labor Day
Thanksgiving Day
Day after Thanksgiving
December Twenty-Fifth
Five (5) Floating Holidays

Each employee must request a floating holiday at least two weeks in advance. The employee must have the Employer's approval, which will not be unduly withheld; moreover, the Company will make reasonable efforts to make floaters available. Employees shall not be required to work on their floating holidays. Seniority will apply if more than one employee requests the same day. Final approval will be granted two weeks prior to the day in question and once approved cannot be withdrawn or changed.

All floating holidays must be taken during each calendar year or they will be cashed out by separate check no later than the second payroll period of January to eligible employees on the payroll as of the preceding December 31. The Employer will notify each employee June 1 and September 1 each year of his remaining floating holidays to be taken that year. If the Employer fails to notify an employee of final approval for using a floating holiday ten calendar days prior to the day in question, the day off shall be granted.

New employees shall accrue floating holiday eligibility at the rate of \$0.50 days per month worked during the calendar year hired, and thereafter shall have eligibility for five (5) floating holidays. Floaters will be allowed to be taken in succession, where practicable. All floating holidays must be taken in full increments.

Bids for fixed holidays will be posted two weeks in advance of the holiday. Such bids will come down in eight days and final assignments will be posted five days prior to the holiday.

SECTION 2. Any employee working on the above-mentioned holidays shall be paid for hours worked at one and one-half times (1½x) his regular rate of pay. This shall be inclusive of shift

premium.

SECTION 3. In the event a holiday falls during the employee's vacation, the employee shall receive an additional day off with pay, or an additional day's pay. The employee may make this election provided he/she gives fourteen days prior written notice to his/her supervisor.

SECTION 4. In order to be eligible for holiday pay for a fixed calendar holiday when no work is performed, an employee must be available for work on his/her last scheduled workday immediately prior to a holiday and on his/her first scheduled workday immediately following the holiday unless the employee can show a justifiable excuse to his/her Employer and the Union. The employee must work his/her entire scheduled shift preceding the holiday and following the holiday in order to be paid for the holiday, unless excused by management. Employees on voluntary time off (VTO) shall not be denied holiday pay eligibility or holiday pay when applicable.

In order to be eligible for holiday pay when scheduled to work on the holiday, the employee must work the entire holiday shift and satisfy the requirements set forth above. The definition of an "entire shift" shall exclude tardiness up to ninety (90) minutes. Such exclusion shall be limited to the purpose set forth herein.

An employee will be given five (5) days' notice to work on a holiday except in the case of emergency. Any employee who is laid off or discharged other than for proven theft, at the end of his/her work week, shall receive pay for any holiday that falls on the first day of the employee's shift the following week.

ARTICLE 6 – VACATIONS

SECTION 1. Unless specifically addressed in the Addenda, the following shall apply:

- (a) Each employee with one year of continuous service shall, on his/her anniversary date of hire, receive with pay, ten (10) days' vacation for one (1) year of service; fifteen (15) days for five (5) years of service; twenty (20) days for ten (10) years of service; twenty-five (25) days for twenty (20) years of service, and thirty (30) days for thirty (30) years of service. Eligibility for vacation pay is predicated on the employee receiving minimum of 1,450 hours of pay in the one (1) year qualifying period. An employee who has received less than 1,450 hours pay during the qualifying year will receive a pro-rata share of his/her entitlement as defined above.
- (b) Employees who are otherwise entitled to vacation under this Article may elect not to take such vacation, to the extent the vacation exceeds five (5) days. Employees must elect during the regular vacation bidding period which weeks they are bidding as actual vacation weeks and which weeks shall be cash in lieu of vacation. In that event, employees shall be paid an equivalent amount, in the usual manner that such payments are made. Such payment shall be made once during the vacation year, and upon two weeks' advance notice, in writing, given by the employee to his/her employee relations representative. Vacation shall not be carried over from year to year, and must be taken or "cashed out" as described herein, each year.

- (c) All employees covered by this Agreement whose services terminate for any reason, shall receive pro-rated vacation with pay for those months for which no vacation has been paid on the following basis: Employees who have completed more than six (6) months and less than five (5) years of employment, one-twelfth (1/12th) of the two weeks wage exclusive of overtime for each completed calendar month of employment; employees who have completed five (5) years and less than ten (10) years of employment, one-twelfth (1/12th) of three (3) weeks wage, exclusive of overtime, for each completed calendar month of employment; employees who have completed more than ten (10) years and less than twenty (20) years of employment, one-twelfth (1/12th) of four (4) weeks wage, exclusive of overtime, for each completed calendar month of employment ; employees who have completed more than twenty (20) years of employment, one-twelfth (1/12th) of five (5) weeks wage, exclusive of overtime, for each completed calendar month of employment; and employees who have completed more than thirty (30) years of employment, one-twelfth (1/12th) of six (6) weeks wage, exclusive of overtime, for each completed calendar month of employment.

SECTION 2. Vacation pay shall be calculated on the basis of an employee's straight time hourly wage, including any shift premium.

SECTION 3. Vacation assignments shall be made at the Employer's discretion whenever practicable, according to seniority. The vacation schedule shall be posted annually from December 1st through and including February 1st and employees shall exercise their choice by bidding seniority. The list shall be closed as of February 1st and subsequent changes shall be made only by permission of the Employer. If time that was previously bid for subsequently becomes available, employees may exercise seniority for those dates. At least two (2) weeks advance notice of vacations shall be given each employee.

When an employee splits his/her vacation time off, he/she will exercise his/her seniority for the first choice, but will drop to the bottom of the seniority list for his/her second choice.

ARTICLE 7 – HEALTH AND WELFARE

SECTION 1. For each eligible employee, payment of the premium and administration cost of Health and Welfare Plans stated in the Addenda attached hereto shall be made in the manner provided therein.

SECTION 2. Premiums must be paid by the tenth (10th) day of the current month. Any Employer who fails to provide his employees with insurance benefits described above and who fails to pay the required premiums by the tenth (10th) day of the current month shall be held personally responsible to the employee herein covered for the benefits which would have been provided by such insurance coverage. It shall not be a violation of this contract for the Union to take necessary action upon failure of the Employer to pay premiums as above provided.

ARTICLE 8 – PENSION

The Employer shall pay into the Western Conference of Teamsters Pension Trust on a fiscal-month basis. Employees are paid on a weekly basis; therefore, either four (4) or five (5) weeks are included in each fiscal month. Contributions will be remitted on a maximum of one hundred sixty (160) straight-time hours for eight (8) months (4 weeks) and on a maximum of two hundred (200) straight-time hours for four (4) months (5 weeks) throughout the year. The Employer will determine the fiscal months for reporting purposes on an annual basis. Under no circumstances is the Employer required to remit contributions on more than two thousand eighty (2,080) hours, per year, per employee.

Effective October 1, 2024 (based upon straight time compensable hours), the Employer agrees to contribute to the Western Conference of Teamsters Pension Trust, a maximum of Two Dollars and Eighty-Nine and one-half Cents (\$2.895) per hour which includes eighteen cents (\$0.18) for the Program for Enhanced Early Retirement (PEER 84).

Effective October 1, 2025 (based upon straight time compensable hours), the Employer agrees to contribute to the Western Conference of Teamsters Pension Trust, a maximum of Two Dollars and Ninety-Nine and one-half Cents (\$2.995) per hour which includes eighteen cents (\$0.18) for the Program for Enhanced Early Retirement (PEER 84).

Effective October 1, 2026 (based upon straight time compensable hours), the Employer agrees to contribute to the Western Conference of Teamsters Pension Trust, a maximum of Three Dollars and Four and one-half Cents (\$3.045) per hour which includes nineteen cents (\$0.19) for the Program for Enhanced Early Retirement (PEER 84).

For new employees hired on or after October 1, 2021, the Employer shall pay an hourly contribution rate of ten cents (\$0.10) (including PEER/84) during the probationary period as defined in the applicable addendum, but in no case for a period longer than the first 90 calendar days from an employee's first date of hire. If and when this period is completed, the full standard contribution rate shall apply. Contributions shall be calculated on the same basis as described above.

The contributions required to provide the Program for Enhanced Early Retirement (PEER) will not be taken into consideration for benefit accrual purposes under the Plan. The additional contribution for PEER must at all times be 6.5% of the basic contribution and cannot be decreased nor discontinued at any time.

The total amount due for each calendar month shall be remitted in a lump sum not later than ten (10) days after the last business day of each month. The Employer agrees to abide by such rules as may be established by the Trustees of said Trust to facilitate the determination of the hours for which contributions are due, the prompt and orderly collection of such amounts and the accurate reporting and recording of such hours and such amounts paid on account of each member of the bargaining unit. Failure to make all payments herein provided for within the time specified shall be a breach of this Agreement.

As the material part of the consideration for the foregoing, the Union, on behalf of its members, does now hereby release the Employer signatory hereto from any and all obligations to continue or

maintain the Employer (or Employer-employee) retirement plan, which the Employer may have in existence on the effective date hereof. The provision of the foregoing shall not be deemed to constitute a waiver by the Union nor any employee, of any rights, privileges, or benefits which may have accrued to any employee under the terms of any Employer Plan.

ARTICLE 9 – TEAMSTERS NATIONAL 401K

SECTION 1. The Employer hereby agrees to participate in the Teamsters-National 401(k) Savings Plan (the Plan) on behalf of all employees represented for purposes of collective bargaining under this Agreement.

SECTION 2. The Employer will make or cause to be made payroll deductions from participating employees' wages, in accordance with each employee's salary deferral election subject to compliance with ERISA and the relevant tax code provisions. The Employer will forward the withheld sum to State Street Bank or its successor at such time, in such form and manner as required pursuant to the Plan and Declaration of Trust (Trust).

SECTION 3. The Employer will execute a Participation Agreement with the Western Area of Teamsters and the Trustees of the Plan evidencing Employer participation in the Plan effective prior to any employee deferral being received by the Plan.

SECTION 4. In addition, the Employer agrees to require the payroll system to provide separate paycheck deductions so that the Plan may allow participant loans. The Employer further agrees, at such time as it is administratively feasible, to require the payroll system to provide separate paycheck deductions so that the Plan may allow after-tax contributions.

ARTICLE 10 – NO STRIKE - NO LOCKOUT

SECTION 1. During the life of this Agreement, no strikes or work stoppages shall be caused or sanctioned by the Union, no employee shall engage in any strike or work stoppage including, but not limited to, a sympathy strike, and no lockouts shall be entered upon by the Employer. Any action of the Employer in closing his stations during a general strike, riot or civil commotion, for the protection of his station and property, shall not be deemed a lockout.

SECTION 2. It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action in the event an employee refuses to enter upon any property of another company involved in a lawful primary labor dispute or refuses to go through or work behind any lawful primary picket line of another company, including the lawful primary picket line of the Union party to this Agreement.

SECTION 3. This Article shall not apply either against the Employer or the Union where negotiations must be held during the life of this Agreement to negotiate wages as set forth in the Addenda attached hereto. Five (5) days' notice at any time after the anniversary date set forth in an Addendum is required on both the Employer and the Union to evoke a strike or lockout. Such strike or lockout can only pertain to the items re-opened in that Addendum.

ARTICLE 11 – CONDUCT OF EMPLOYEES

SECTION 1. The Employer will not discharge or suspend any employee without just cause and shall give two warnings of the complaint against such employee in writing to the Union Business Agent and the employee before he or she is discharged or suspended for a repetition of the same complaint. (Such notice shall expire after nine (9) months.) Discharge or suspension must be by proper written notice to the employee affected with a copy sent to the Union Business Agent. No progressive discipline need be given in the case of proven dishonesty, being under the influence or possession of or trafficking in, illegally obtained prescription drugs or other drugs, narcotics or other illegal substances, or intoxicating beverages or possessing or drinking the latter, while on duty and/or Company premises; failure to immediately report any accident which has resulted in personal injury or property damage, permitting unauthorized persons to ride in the Employer's vehicle, willful destruction of property of the Employer, proven theft, becoming involved in a motor vehicle accident while driving the Employer's vehicle as a result of negligence or recklessness, loss of driver's license, gross insubordination; i.e., continued refusal of a direct order from supervision, said order being given three times; using an Employer's vehicle for personal use without permission; fighting, threatening or provoking violence; intentionally sleeping on the job and surreptitiously or in any other manner, without the consent of all those involved, video or audio taping co-workers, customers, or any persons on any part of the Company facilities whether during working hours or not. Unlawful harassment, including but not limited to sexual harassment, may warrant immediate termination, given the factual circumstances. The reprimand, warning, suspension or discharge will be given to the employee in writing, copy to the Business Agent, within ten (10) days of knowledge of the occurrence, or conclusion of the Company investigation, exclusive of Saturdays, Sundays and Holidays. If not presented within such period, the right to discipline, suspend or discharge shall be waived.

Except in cases involving one of the cardinal infractions set forth above, the employee who is subject to being suspended shall be allowed to remain on the job until such time as the notice of suspension is sustained under the grievance procedure, not to exceed two calendar months, or until the next meeting of the Board of Adjustment, whichever comes first, provided such case is added to the docket.

SECTION 2. An employee may request an investigation of his discharge or suspension or any warning notice and the Union Business Agent shall have the right to protest any such discharge, suspension or warning notice. Any such protest shall be presented to the Employer in writing within ten (10) days, exclusive of Saturdays, Sundays, and holidays, after the discharge, suspension or warning notice, and if not presented within such period, the right of protest shall be waived.

SECTION 3. The Employer shall give to a discharged employee a written notice of termination and at the same time send a copy to the Local Union Business Agent.

SECTION 4. All new employees will receive a copy of the Company Rules and Article 11, Section 1 of the Master Agreement, and shall sign, indicating receipt for same.

ARTICLE 12 – GRIEVANCE PROCEDURE

SECTION 1. In the event a misunderstanding or dispute regarding the interpretation or enforcement of this Agreement occurs, it shall be submitted in the following manner:

| | |
|---------------|---|
| STEP 1 | By the representative of the Union and the employee involved to the Manager within ten (10) days of the occurrence or, if due to improper pay, within thirty (30) days. An answer shall be given within three (3) days or such extended time as may be mutually agreed. |
| STEP 2 | By the Business Agent to the General Manager. It shall be presented and answered in writing within five (5) days or such extended time as may be mutually agreed. |
| STEP 3 | If a satisfactory settlement has not been reached in Step 2. above, the matter shall be referred to a Board of Adjustment. |

SECTION 2. BOARD OF ADJUSTMENT.

- (a) The Board of Adjustment shall consist of two (2) representatives of the Union and two (2) representatives of the Employer. Members of the Board will be persons who have not been directly involved in, or a subject of the dispute. A decision of such Board shall be final and binding on all parties. In the event that the Adjustment Board is unable to reach a decision on any such matter, the Board shall select an impartial arbitrator to hear the case. The arbitrator's decision shall be final and binding.

If the Board cannot agree on an arbitrator, said arbitrator shall be selected from a list of seven (7) names furnished by the Federal Mediation Service, with each side striking one (1) name in order to reduce the list to one (1) person who will be the arbitrator. However, upon mutual agreement, the parties may request a second panel of arbitrators.

The Local Union and the Employer agree all warning letters shall not be referred to the Board of Adjustment unless said warning letter is relied upon to support a subsequent and timely suspension or discharge. Employees must file timely grievances on warning notices as provided in Article 12, Section 1, in order for the Board of Adjustment to adjudicate them.

- (b) The Board of Adjustment including its Chairman, and an Arbitrator, shall not have the power or right to add to, delete, change or modify this Agreement or any part thereof. The Board of Adjustment shall have the authority in its hearing process to accept or reject any or all arguments pertaining to the issues in each case, including, but not limited to, timeliness, whether or not properly before the committee, etc. and further to order full, partial or no compensation for time lost.
- (c) The expenses of the Arbitration shall be borne equally between the Local Union and the Employer.

SECTION 3. When an Arbitrator or Board of Adjustment or a Grievance settlement calls for the

Company to pay a penalty as a result of employees other than bargaining unit employees doing bargaining unit work, the penalty will be time and one-half (1 1/2).

SECTION 4. Monetary awards resulting from grievance adjudication shall be paid to the employee affected within a reasonable period of time after the Board of Adjustment decision. Such awards shall be received by the second payday after the award is granted with a copy of the check sent to the Local Union.

ARTICLE 13 – SUPERVISORY EMPLOYEES

SECTION 1. It is understood that employees not covered under this Agreement shall not perform work within the jurisdiction of the Union except in the case of an emergency or for purposes of instruction or training or where the complement of regular employees is temporarily reduced by reason of absence not to exceed one (1) day of any employee due to illness or other legitimate reasons, or where the workload is temporarily increased.

ARTICLE 14 – SICK LEAVE AND BEREAVEMENT

SECTION 1. SICK LEAVE: Unless specifically otherwise provided for in the Addenda, all employees covered by this Agreement with one year or more seniority shall receive ten (10) days of sick leave with pay including shift premium as of January 1, and annually thereafter, commencing with the first day of illness. Eligible employees may take up to five (5) of these days as floating holidays pursuant to the rules set forth in Article V herein. An employee who reaches his anniversary date during the calendar year shall receive a pro rata share of his sick pay to January 1 of the following year. Thereafter, he shall be entitled to the full amount of each calendar year. Sick leave may be taken in increments of one hour. Hours paid but not worked under this section shall not be counted as time worked for purposes of overtime eligibility or calculation in all sections of the Agreement.

SECTION 2. UNUSED CASH OUT: Unused sick leave as of December 31 shall be granted no later than the second payroll period of January to each eligible full time regular employee, by separate check, at the current daily rate in an amount not to exceed the maximum outlined above or by mutual agreement between Employer and the employee as paid time off to be taken at a time mutually agreed upon. Those employees who have not used any of their allotted sick leave by December 31 of each year will be cashed out at 150% the value of the allotted sick leave. Any use of sick pay shall void this premium with the exception that the use of sick pay as floating holidays, as set forth in Section 1 above, shall not void the premium.

SECTION 3. PAYMENT: On resignation, discharge (other than for proven theft and the other "cardinal" offenses set forth in Article 11, Section 1), permanent disability, retirement or death, an employee or the employee's estate shall collect cash payment for all unused sick leave. Such unused sick leave pay shall be pro-rated.

SECTION 4. HOSPITAL LEAVE: Each regular full-time employee with one year or more seniority shall receive six (6) days of hospital leave each year. Such hospital leaves to be used prior to the sick leave as described in Sections 1 through 3 above. Such hospital leave is to be used only when the employee is admitted as a patient in a regularly constituted, fully equipped, licensed

hospital; said leave to be requested within forty-eight (48) hours of the expected hospitalization or as soon thereafter as is practicable.

The employee will be paid his regular straight time hourly rate of pay for eight (8) hours each day while confined in said hospital until he/she reaches the limits herein contained. The employee may accumulate unused hospital days for a maximum of eighteen (18) days.

Hospital leave shall be integrated with any State Accident and Sickness Disability Benefits Program.

It is the intention of the parties that the hospital leave program will provide forty-eight (48) hours of coverage in calendar year accumulative to one hundred and forty-four (144) hours over a three (3) year period.

Where a State maintains an Accident and Sickness Disability Program, the liability of the Employer will be limited to the total hours as set forth above.

SECTION 5. BEREAVEMENT: A regular full-time employee who has successfully completed his/her probation, shall be paid for time lost at his/her current hourly rate not to exceed five (5) days' pay in the event of a death in his "immediate family." "Immediate family" shall be the employee's father, mother, children, spouse, stepchild, brother, sister, and qualifying domestic partner.

A regular full-time employee who has successfully completed his/her probation, shall be paid for time lost at his/her current hourly rate not to exceed three (3) days' pay in the event of a death of a grandparent, grandchild, stepfather, stepmother, current mother-in-law or father-in-law. Where the funeral occurs more than 300 miles from the employee's home and the employee attends the funeral, such leave will be five (5) days. This Death Benefit will be paid as soon as possible. Employees may use sick leave for bereavement purposes. Such usage will not forfeit the premium set forth in Section 2, above. Vacation and/or floating holidays may also be used to supplement bereavement.

SECTION 6. LEAVE OF ABSENCE: A personal leave of absence without pay not to exceed thirty (30) days may be granted by the Employer for a legitimate reason provided the requirements of the operation permit. Such a leave of absence can be renewed for two (2) additional thirty (30) day periods provided said employee secures permission from the Employer for each thirty (30) day extension, and further provided the operating efficiency of the Employer is not impeded. Seniority shall not be interrupted during said leave of absence. Any request for leave shall be submitted for approval to the Area Manager or Human Resources Business Partner and shall not be unreasonably denied.

SECTION 7. FMLA: Employees who have worked for the Employer for a minimum of twelve (12) months continuously and worked at least 1250 hours during the past twelve (12) months shall be entitled to take a total of twelve (12) weeks unpaid leave during any twelve (12) month period as set forth in the Family and Medical Leave Act of 1993.

Such leave shall be granted for the birth or adoption of a child, and to care for such child; for the placement of a child for foster care; to care for the employee's seriously ill spouse, child or parent;

and because of a serious health condition that makes the employee unable to perform his or her job functions.

If foreseeable, the employee is required to provide the Employer with at least thirty (30) days advance notice before FMLA leave begins. If the leave is not foreseeable, the employee is required to give notice as soon as is practicable. The employee may elect, or the Employer may require, the employee to substitute vacation leave or other accrued time off, including accrued sick leave if the leave is taken for the employee's own serious health condition, for part of the twelve (12) week leave period. The employee's seniority rights shall continue as if the employee had not taken leave under this section, and the Employer will maintain health insurance coverage during the period of the leave in the same manner as is usual under this Agreement with employees continuing normal "cost sharing" deductions, if any.

The Employer has the right to require medical certification of a need for leave under this Act. In addition, the Employer has the right to require a second opinion at the Employer's expense. If the second opinion' conflicts with the initial certification, a third opinion from a health care provider selected by the first and second opinion health care providers, at the Employer's expense, may be sought, which shall be final and binding. Failure to provide certification shall cause any leave taken to be treated as an unexcused absence. As a condition of returning to work, an employee who has taken leave due to his/her own serious health condition must be medically qualified to perform the functions of his/her job.

No employee will be disciplined for requesting or taking FMLA under the contract absent fraud, misrepresentation, or dishonesty.

Any disputes arising under this provision shall be subject to the grievance procedure. The provisions of this section are in response to the Federal FMLA and shall not supersede any state or local law which provides for greater employee rights.

SECTION 8. FMLA EXTENSION: Employees eligible under Section 7 of this article may choose to extend a leave of absence taken pursuant to the FMLA for a period not to exceed the three (3) months following the end of such leave. It is specifically understood that this additional leave period is not subject to the requirements of the FMLA and that the Employer is not required to maintain health insurance coverage during the extended leave period.

SECTION 9. MEDICAL LOA: In the event of illness, injury or pregnancy, an employee with seniority status will be given a leave of absence, not to exceed six (6) months, after satisfactory medical evidence has been submitted to the Employer. If the illness, injury or pregnancy continues beyond six (6) months, an additional six (6) months may be granted upon submission of satisfactory medical evidence. Seniority shall not be interrupted during such leave of absence. This leave shall not be in addition to the leave provided by Sections 7 and 8.

ARTICLE 15 – GENERAL PROVISIONS

SECTION 1. LEAD WORKERS/WORKING FOREMEN AND DISPATCHERS:

- (a) The Company's past practice regarding the appointment and retention of Lead

Workers/Working Foremen and Dispatchers shall continue, that being the Company has the right to appoint and retain all employees in these classifications irrespective of any other provision of this Agreement. All such employees who are appointed by Management to perform the function of Lead shall receive the "Lead" premium in addition to the hourly rate for Vehicle Service Attendant.

- (b) Lead Worker/Working Foreman and Dispatcher will be on separate seniority lists for all conditions of the Agreement except layoff. If laid off they will be permitted to take a position in the classification over which they supervise using Company seniority.
- (c) The following shall apply to those occupying the position of Lead Worker/Working Foreman and Dispatcher as of October 1, 1991 and to any employee who has ever held that position prior to that date:

Lead Worker/Working Foreman and Dispatcher, where designated by the Employer, shall receive 10% over the top rate of those whom they lead to a maximum of \$1.00 per hour above that rate. Any employee currently earning \$1.00 per hour or more above the top rate will be frozen and "red-circled" at that rate.

The following shall apply to those appointed Lead Worker/Working Foreman and Dispatcher after October 1, 1991 and who have never held that position prior to that time:

Lead Worker/Working Foreman and Dispatcher, where designated by the Employer, shall receive 10% over the rate he/she is currently paid, not to exceed \$1.00 per hour above that rate .

- (d) A Lead Worker/Working Foreman, Dispatcher shall be selected by the Employer where it deems necessary. The duties and responsibilities of a Lead Worker/Working Foreman shall include the right to instruct employees, assign work, report violations of approved Company rules and generally direct the work force; however, they shall not have the right to hire, fire or discipline employees.

SECTION 2. UNIFORMS:

- (a) The Employer agrees that uniforms, and clothing necessary as protection to the employees because of the nature of the work performed, shall be furnished, maintained and laundered by the Employer at no cost to the employee, providing the uniform is worn in the prescribed manner. The employee will be held responsible for these items except for normal wear and tear.
- (b) Employees shall receive a clean uniform for each workday.
- (c) The Employer agrees that service and maintenance of the uniforms will be handled by a Union establishment, where possible.

SECTION 3. WORK EQUIPMENT: The Employer agrees to furnish the following equipment to

employees if necessary for the performance of the employee's work: rain gear, waterproof boots, rubber aprons, gloves, goggles, masks and tools (not mechanic's tools), and protective clothing necessary for the employee's health. If prescription safety glasses are required by the Employer, the Employer shall furnish such glasses of a type and kind of its own choosing; if the employee desires a different type or kind, then the employee shall furnish such.

The above equipment shall be used or worn in the manner prescribed by the Employer, and employees will be held responsible for these items except for normal wear and tear.

SECTION 4. REST PERIODS: All employees shall be granted a fifteen (15) minute rest period during each half shift. The Employer shall determine the time for the rest period and shall, when possible, establish them halfway through the respective shift. Unless approved by management, rest periods shall not be taken in customer service areas.

Employees shall be allowed a rest period of not less than 15 minutes, on the employer's time, for each four (4) hours of working time. Rest periods shall be scheduled as near as possible to the midpoint of the work period. No employee shall be required to work more than three hours without a rest period.

SECTION 5. PHYSICAL EXAMINATIONS: Any Employer who requests the employee to take a physical examination must bear the cost of said examination and must compensate the employee for work time lost. New applicants required to take physical examinations before being employed will not be compensated for time, but full cost of the physical examination must be borne by the Employer.

SECTION 6. RESPONSIBILITY: Employees shall not be responsible for damaged, lost or stolen property except in a case of proven negligence or failure to follow the Employer's instruction.

SECTION 7. COMPENSATORY INJURIES:

- (a) In case of compensatory injuries under the Workers' Compensation Act, where the employee is able to continue on the job but is required to visit a doctor for treatment upon his orders, such employee shall be allowed a maximum of three (3) hours of each doctor's visit without a deduction in pay.
- (b) Time lost shall be paid by the Employer for the first three (3) days of an industrial accident or injury in the event compensation is not paid under the Workmen's Compensation Laws. This time loss compensation is not deductible from sick leave time, nor will it be paid if the industrial claim is denied.
- (c) The Employer will not prorate vacations based on workers compensation time off up to six (6) months.

SECTION 8. JURY DUTY:

- (a) Employees who are called for examination for jury duty and/or who serve as jurors shall be paid the amount of wages lost as a result of such call or service with proper documentation provided to the Company. The employees shall return to work

promptly after being released from jury examination or service.

- (b) Jury duty will be considered work time except for payment of overtime.
- (c) Those employees scheduled on swing or graveyard shift when impaneled on or called for jury duty shall be considered temporary day shift while on jury duty. In the event such an employee is on a full day court recess, the employee shall remain on his or her temporary schedule until the conclusion of his or her jury duty service.

SECTION 9. EMPLOYMENT AGENCY FEES: If employees are hired through an employment agency, the Employer is to pay the employment agency fee.

SECTION 10. UNION REPRESENTATIVES: Accredited representatives of the Union, upon making their presence known to management, shall have access during the business hours to the premises of the Employer where members of the bargaining unit work, providing that no conferences and meetings between employees and Union representatives shall in any way hamper or obstruct the normal flow of work.

SECTION 11. PRESERVATION OF WORK: In the event of an increase in the work presently performed by members of the bargaining unit, the Employer agrees that such work shall continue to be performed by members of the Local Union involved.

SECTION 12. TOOL PROTECTION FOR MECHANICS OR EQUIVALENT: The Employer shall reimburse the employee for a major loss of required hand tools due to fire, catastrophe or theft on the Employer's premises. In cases of theft, evidence of forced entry must be present as it specifically applies to the building and/or toolbox. The employee is responsible to ensure that his/her toolbox is locked at the end of the shift. A major loss is defined to include a hand tray of tools, top box of tools, and/or a tool that is valued at Fifty Dollars (\$50.00) or more. It is not intended that this clause shall apply to the occasional loss of a single tool or small combination of tools due to petty pilferage and/or carelessness or forgetfulness on the part of the employee. Power tools furnished by employees are covered.

Claims will be honored only for tools which have been listed on an appropriate inventory form filed with the Employer. It shall be the responsibility of the Service Manager and/or other representative of the Employer to examine and approve all inventories submitted by employees and, except for impact wrenches, employees may be required to remove from the premises of the Employer any special tools and/or tools that the Employer deems to be in excess of the requirements of the employment.

Reimbursement in any case of loss shall be premised upon replacement value, and it is understood and agreed that any and all tools listed on any inventory list which is approved by the Employer shall be covered.

The Company will pay half the cost of replacing tools required by the Company when and if necessary to convert to the Metric System.

SECTION 13. HIKERS - Shuttlers are not to perform Vehicle Service Attendant work.

SECTION 14. PART-TIME EMPLOYEES: The Employer, at its discretion, may employ persons in the classifications covered by each Addendum on a part-time basis. Such employees will be covered by the terms of the Master Agreement as amended by the applicable Addendum with the following exceptions:

- (a) A part-time employee will be paid holiday pay only if he/she would have been scheduled to work on a holiday and only in an amount for the hours he/she would have been scheduled to work. If the part-time employee works on the holiday, he/she will be paid straight time at his/her regular rate for the hours worked in addition to the above. Payment of holidays and sick days for part-time employees shall be computed based on the employee's regular straight time hourly rate for the average hours worked during the preceding thirteen (13) weeks, as in (b), below.
- (b) A part-time employee will accumulate vacation in accordance with his Addendum except that his/her vacation pay shall be computed based on his/her regular straight time hourly rate for the average hours worked during the preceding thirteen (13) weeks.
- (c) The Employer, at its discretion, will determine the hours to be worked by part-time employees. A part-time employee who refuses to work the scheduled hours is considered to have resigned.
- (d) Part-time employees will be laid off in a classification prior to regular full-time employees in order of seniority. Part-time employees will be recalled in order of seniority to work hours scheduled by the Employer. An employee who refuses to accept such hours will be considered to have resigned. The Employer, at its discretion, may employ regular full-time employees prior to recalling part-time employees.
- (e) Article 4, "Work Week - Overtime" of the Master Agreement shall not be applicable to part-time employees. However, overtime shall be paid to part-time employees on the basis of time and one-half (1 1/2) the employee's straight time hourly rate for all hours worked in excess of eight (8) in any one (1) day or forty (40) in any one (1) week.
- (f) The number of part-time employees that may be employed in the Vehicle Service Attendant classification will be as negotiated by representative of the Employer and the Union and set out in the separate Addenda.
- (g) Pay Pension contributions on all part-time employees as set forth in Article 8 herein. Part-time eligibility for H & W will be as negotiated by representatives of the Employer and the Union and set out in the separate Addenda.
- (h) No combination of part-time employees shall be used to eliminate full-time employees.
- (i) Part-time employees who have worked a minimum of four (4) consecutive hours

will be entitled to a paid break.

- (j) Part-time employees switching between full and part-time shall have vacation entitlement according to the 1450 hour standard, i.e., shall have full-time entitlement if they have worked 1450 or more hours in the vacation year. Vacation will be pro-rated using the thirteen week average formula if less than 1450 hours have been worked.
- (k) Part-time employees will work regular scheduled short shifts. In addition they may be used during peak periods or to cover for an emergency. Part-time employees by location will not be on call to deprive regular employees of overtime work except if all regular employees in the location reject overtime.
- (l) Employees classified as part-time will still be considered part-time even though they may be working a regular shift temporarily. A regular full-time employee who transfers to part-time will be considered part-time for lay-off purposes.

SECTION 15. PERSONNEL FILES: Employees have a right to review a copy of their own personnel file upon request. Reviews will be promptly scheduled by the Employer.

SECTION 16. INTOXICATION: In the event an employee is suspected of being under the influence of drugs or alcohol and appears to be impaired, the Company, if requested, will provide either round-trip transportation or return the employee to his/her home when an employee is required to take an off-site drug test for any reason permissible under this Agreement or applicable Addenda.

SECTION 17. SEASONAL EMPLOYEES: Seasonal employee provisions will be as negotiated by representative of the Employer and the Union and set out in the separate addenda.

SECTION 18. PAYROLL ADJUSTMENTS: Payroll shortages involving fifty dollars (\$50.00) or more will be corrected and the payment will be made available to the employee at his/her reporting location via Wisely card within forty-eight (48) hours of the reported shortage or on the next business day (Monday-Friday, not including holidays) on which the employee is working, whichever is later. At the employee's option, the shortage will be corrected on the next payroll cycle in accordance with the next paragraph.

Errors of less than fifty (\$50.00) dollars will be corrected in the following payroll cycle, provided the Company has notice of the error by Friday of the preceding week.

ARTICLE 16 – LEGAL REQUIREMENTS

SECTION 1. LEGISLATION: If in any State wherein this contract is executed, any provision of this Agreement is or becomes invalid, under any court ruling or Federal or State Law ruling or regulation, then such provision shall be modified to comply with its requirements or shall be re-negotiated for the purpose of adequate replacement if possible and legal. If such negotiations shall not result in mutually satisfactory agreement within sixty (60) days, either party shall be permitted

all legal or economic recourse only on the item in re-negotiation.

SECTION 2. Nothing contained in this Agreement shall be construed so as to require the Employer to violate any applicable law.

ARTICLE 17 – ADDENDA

SECTION 1. Minimum wage rates as well as job classifications and modifications for the employees covered by this Agreement have been established by negotiations between representatives of the Employer and the Union and are set out in the separate Addenda, attached hereto and forming a part of this Agreement as if set out in full herein.

ARTICLE 18 – VSA PRODUCTIVITY

- a. Setting the Standards:
 - i. Each location will have its own standard.
 - ii. The standards will be set by time and motion studies conducted at each location by an expert agreed to by the parties.
 - iii. No later than one month after ratification, the Union and the Company will agree on the expert who will conduct the studies.
 - iv. The results of the studies will be reviewed and audited by the IBT and based on that review and audit, a numerical standard will be agreed to by the parties for each location.
 - v. The process outlined in part b below may be implemented at a location once the agreed to numerical standard is established at that location.
 - vi. Once agreed to, the numerical standards will not be grievable, *i.e.*, no grievance may be filed that claims the numerical standards are too high or otherwise unreasonable so long as the methods of operation and/or the physical layouts remain the same.
- b. Putting the Standards in Place:
 - i. All VSAs at a location will have the same standard.
 - ii. The Company's systems will be used to track productivity. The standard will be applied at each location only when the Company has the means/system to accurately measure productivity at that location.
 - iii. There will be a 60-day "break-in" period during which the Company will explain the program to the employees and will track VSA productivity but will not take any action to enforce the standard.
 - iv. Upon the successful completion of the 60-day break-in period at a location, the Company will implement that location's productivity standard.
- c. Applying the Standards:
 - i. The standard will be implemented based on a calendar month, *i.e.*, no daily

- or weekly production standard.
- ii. Non-working time, *e.g.*, breaks, meals, team huddles, lack of cars to clean, severe weather, equipment failure, etc., will not be counted for purposes of determining productivity.
 - iii. The Company will produce a monthly report on each VSA's production and provide the employee and the Union with a copy of the report.
 - iv. A 5-step disciplinary process will be used to enforce the standard, *i.e.*, counseling, oral warning, written warning, suspension, termination. An employee's disciplinary progression will expire after nine (9) months. Discipline under the productivity standards will only apply to failure to meet the standards, *i.e.*, cannot be used to support progressive discipline for non-productivity matters.
 - v. Subject to the normal grievance process and rules, the Union may file a grievance to challenge just cause for the discipline based on circumstances of each case, including but not limited to when the Union contends that the standard was not applied correctly or fairly.
- d. Miscellaneous:
- i. A location's productivity standard will not change during the term of the contract except by written agreement between the Union and the Company.
 - ii. The VSA productivity standards and implementation agreements supersede and supplant any locally negotiated or imposed productivity standards and may not be modified by any Local agreement or local practice.

ARTICLE 19 - TEAMSTERS D.R.I.V.E.

The Employer agrees to deduct from the paycheck of all employees covered by this Western Area Agreement voluntary contributions to D.R.I.V.E. (Democratic / Republican / Independent / Voter Education). D.R.I.V.E. shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from his/her paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The employer shall transmit to DRIVE National Headquarters on a monthly basis, in one check the total amount deducted along with the name on whose behalf a deduction is made, the employee's Social Security Number and the amount deducted from the employee's paycheck.

ARTICLE 20 – TERM OF AGREEMENT

SECTION 1. It is agreed and understood that the above written provisions are binding upon the Employer and the Union, unless otherwise modified in one of the attached Addenda, in which event the provision of the Addenda will take precedence.

SECTION 2. It is further agreed that the Addenda, attached to this Agreement shall continue in effect unless there is an Addendum reopener, in which event either party will notify the other party on sixty (60) days' written notice prior to October 1 of any subsequent year.

from year to year thereafter, unless either party hereto shall have given written notice to the other of their desire to amend same and such notice must be given at least sixty (60) days prior to September 30, 2027, during which time changes, if any, shall be negotiated.

DocuSigned by:

F149415A0C694477

Damascus Castellanos, Secretary-Treasurer
IBT Industrial Trades Rep – International
Brotherhood of Teamsters

DocuSigned by:

29E9C9101018FA4C2

ERIC LEEF
Executive Vice President & Chief Human
Resources Officer – The Hertz Corporation

Date: 1/14/2025

Date: 1/14/2025

LETTER OF UNDERSTANDING

INCENTIVE PLANS: The Company shall not discipline employees for not participating in the Incentive Plan ("The Plan"), nor use the plan to discipline employees, but reserves all disciplinary rights under Article 11 of the Master Agreement.

SO AGREED:

DocuSigned by:

Rocco Salo
ROCCO SALO

IBT Industrial Trades Director - International
Brotherhood of Teamsters

DocuSigned by:

James Bowling
JAMES BOWLING

The Hertz Corporation Inc.

Date: 7/21/2022

Date: 7/21/2022

LETTER OF UNDERSTANDING

MECHANICS EFFICIENCY PROGRAM:

- The Mitchell Retail Flat Rate Manual will be used as the primary book with Chilton's Flat Rate Manual as the second book. If a task does not appear in either book, factory time plus ten percent (10%) will be used as a flat rate.
- R.O.s will not be clocked until the vehicle has been stalled and racked. The R.O. will be clocked off at the end of the job and the mechanic will locate his/her next assignment.
- No Mechanic or Tire and Lube employee will be disciplined unless he/she drops below eighty percent (80%) efficiency regardless of the mechanics history or the group average. The Company will use non-punitive coaching and review methods for enhancement of performance prior to discipline.
- Mechanics Stewards will be invited to the monthly meetings for observation purposes.
- The Company will continue to provide specialty tools as needed.
- The Company will give extra time when complications arise.
- The Company will make shop manuals available for all vehicles in the fleet.
- The Company will use VSA's to keep the shop line orderly.
- The Company will continue to make training available to the mechanic staff.
- Shop employees at or above one hundred percent (100%) will not be required to attend monthly review meetings with their managers. Those meetings will be voluntary for those employees.
- The Company will establish quarterly Employee/Manager meetings to improve overall shop performance.
- The Company will create a positive recognition program in addition to the current incentive program.
- The resetting of the maintenance lights will be included with the P.M. time.

SO AGREED:

DocuSigned by:
Rene Cole

RECOGNIZING
IBT Industrial Trades Director - International
Brotherhood of Teamsters

DocuSigned by:
Michael Bowling

LANCASHIRE BOWLING
The Hertz Corporation Inc.

Date: 7/21/2022

Date: 7/21/2022

SAN DIEGO - MECHANICS, UTILITY MECHANICS, VEHICLE
SERVICE ATTENDANTS & MECHANIC HELPERS

ADDENDUM

THE HERTZ CORP. AGREEMENT OCTOBER 1, 2024 to SEPTEMBER 30,-2027

LOCAL NO. 481, SAN DIEGO, CALIFORNIA

MECHANICS, UTILITY MECHANICS, VEHICLE SERVICE ATTENDANTS AND
MECHANIC HELPERS

CAR RENTAL DIVISION

1. WAGES

Wages shall be as set forth in Exhibit "A" hereto.

2. PROBATIONARY PERIOD

The Probationary Period shall be ninety (90) days. This period may be extended by one (1) thirty (30) day increment to one hundred twenty (120) days by mutual agreement between the Employer and the employee with notification in writing to the Union. Each such probationary employee may be terminated with or without cause and without recourse to the Grievance Procedure during his/her probationary period.

3. SHIFT PREMIUM

Employees who work on shift of which half or more of the working hours are scheduled between the hours of 6:00 p.m. and 6:00 a.m. will be paid the night shift premium of Fifty Cents (\$0.50) per hour for the hours worked.

4. OVERTIME

All time worked in excess of eight (8) hours and less than eleven (11) hours in one day and/or forty (40) hours in one week shall be paid for at the rate of one and one-half (1½) times the employee's regular straight time pay. The rate shall be two (2) times the employee's regular straight time rate for all hours worked in excess of eleven (11) hours in one day.

All hours worked by an employee on his/her sixth (6th) consecutive day within his/her regular scheduled workweek shall be paid for at one and one half (1½) times their regular straight time rate. All hours worked by an employee on his/her seventh consecutive day shall be paid for at two (2) times the employee's regular straight time rate of pay. [Example: Each employee has two (2) consecutive days off. If an employee works one of either of his/her days off, all hours will be paid at one and one half (1½) times their regular straight time rate. If the employee works both of his/her days off, the first day will be paid at one and one half (1½)

**SAN DIEGO - MECHANICS, UTILITY MECHANICS, VEHICLE
SERVICE ATTENDANTS & MECHANIC HELPERS**

times their regular straight time rate and the second day at two (2) times their regular straight time rate.

The opportunity to work time and one half (1½) for each employee shall be exhausted prior to offering double (2) time work.

The Company has agreed to provide a two (2) hour notice for mandatory overtime.

The Company has agreed that when mandatory overtime is called, the first hour will be guaranteed.

The Company has agreed that as a continuation or extension of a shift mandatory overtime is limited to three (3) hours, voluntary thereafter.

Sixth day Mandatory Overtime will be limited to eight (8) hours. Weekly mandatory overtime assignments will be limited to a total of twenty (20) hours unless the employee agrees to work more. There will be no Mandatory Overtime on the seventh consecutive day unless mutually agreed between the Company and the employee.

The Company has agreed to offer all Walk Time/ Voluntary Time Off by seniority and classification.

The Company shall post a Walk Time interest list each day it is offered, and employees will be approved based on seniority.

5. PARKING

The company agrees to paid parking for employees at the designated lot at no more than eight dollars (\$8.00) per month, per employee.

6. TOOL REIMBURSEMENT

The Company will reimburse Journeymen Mechanics, Mechanics and Utility Mechanics up to twelve hundred (\$1,200.00) each contract year for the purchase of tools to utilize in service within the Company. Administration will be by the Company in accordance with procedures and rules established over time with Local 481 in San Diego.

In the event tools are requested by an employee above and beyond the tool allowance and the Company determines the requested tool to be necessary, the Company will purchase the tool.

7. MECHANIC TRAINING

Any Journeyman hired before the ratification of the parties' 2015-'20 Agreement who has or obtains and maintains a Company designated ASE Certification(s) from the below list shall

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times their regular straight time rate and the second day at two (2) times their regular straight time rate.

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receive an hourly premium for certifications possessed or obtained and maintained from the list effective with the ratification of the successor to the parties' 2010-'15 CBA:

ASE Certifications

- Engine Repair
- Automotive Transmission
- Suspension and Steering
- Brakes
- Electrical/ Electronic Systems
- Heating and Air Conditioning
- Engine Performance
- Auto Maintenance and Light Repair

ASE hourly premiums shall be made in accordance with the following schedule for Certifications possessed or obtained and maintained:

\$0.25 for each of the first three (3) Certifications

\$0.35 for each fourth (4th) certification

\$0.40 for each Certifications five (5) through eight (8)

A Journeyman hired on or after the date of the aforementioned ratification must, as a condition of continued employment, possess and maintain a minimum of four ASE Certifications from the above list within twenty-four (24) months of the date of hire. ASE hourly premiums shall be made in accordance with the above premium schedule.

Any Utility Mechanic hired before the ratification of the parties' 2015-'20 Agreement who has or obtains and maintains a Company designated ASE Certification(s) from the below list shall receive an hourly premium of \$0.25 for each Certification possessed or obtained and maintained from the list effective with the ratification of the successor to the parties' 2010-'15 CBA:

ASE Certifications:

- Suspension and Steering
- Brakes
- Auto Maintenance and
- Light Repair

A Utility Mechanic hired on or after the date of the aforementioned ratification shall receive an hourly premium of \$0.25 for each Certification possessed or obtained and maintained from the above Utility Mechanic ASE list.

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Journeyman and Utility Mechanics and are fully responsible for attaining and maintaining required licenses and certifications. Likewise, Utility Mechanics are fully responsible for attaining and maintaining licenses and certifications that they may elect to pursue. The direct costs associated with the attainment and renewal of such licenses and certifications shall be borne by the Company on a one (1) time basis per licenses/certificate, once the employee has provided the Company with proof that he has successfully been licensed and/or received certification. The Company will pay for state inspection licenses when such licenses are required by the Company.

8. VACATIONS

Vacation lists shall be posted for seniority selection by classification annually on December 1st of each year and closed on December 20th to be effective for a calendar year starting January 1st. The Company agrees that insofar as possible in maintaining operational efficiency to allow as many employees as possible in each job classification to select vacations during the prime vacation period.

New Hire Schedule:

- 1 year of service one (1) week
- 2 years of service two (2) weeks
- 5 years of service three (3) weeks
- 10 years of service four (4) weeks
- 20 years of service five (5) weeks

9. HOLIDAYS

New hires will not receive paid fixed Holidays during the first six (6) months of employment except for Labor Day.

New hires will receive no Floating Holidays in their first year, twelve (12) months of employment.

After twelve (12) months of employment all Floaters will be paid on a pro-rata basis from the employee's date of hire until the following 1st of January.

10. PART-TIME VACATION AND HOLIDAY

Part-time employees will receive Holiday Pay regardless of their work schedule, so long as the provisions above have been met. If the part-time employees work on the holiday, they will be paid straight time at their regular rate for the hours worked in addition to the above, if applicable.

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Those part-time employees receiving up to ten (10) sick days as set forth elsewhere in the Agreement will have each day consist of hours arrived at according to the following formulas:

Scheduled work week shall be divided by five to arrive at hours constituting an average workday and floaters and sick days shall be paid according to the number of hours in each average day.

Part-time employees will accumulate vacation in accordance with the Agreement except that vacation pay will be computed on their regular straight time hourly rate in the above manner using the thirteen (13) week scheduled average.

11. PART-TIME EMPLOYEES

No more than fifteen percent (15%), rounded to the next highest number of part-time employees, may be employed in the classification of Vehicle Service Attendant. Part-time employees shall be laid off before full-time employees.

12. SEASONAL EMPLOYEES

The Employer may utilize seasonal help as vacation relief and during peak periods in the classifications of VSA's and Utility Mechanics to meet the operating needs of the Employer. The seasonal peak period is defined as the period commencing one-week preceding Memorial Day to the week following Labor Day. Seasonal employees shall not have seniority, further:

- a.) Seasonal employees shall be paid overtime in accord with California law.
- b.) The following Articles will not apply to seasonal employees unless mentioned otherwise herein:

| | |
|------------|---|
| Article 3 | Seniority |
| Article 4 | Workweek/Overtime (CA overtime) |
| Article 5 | Holidays |
| Article 6 | Vacations |
| Article 7 | Health & Welfare. The Company will not be responsible for H&W premiums. |
| Article 8 | Pension, except that the Company will pay an hourly contribution rate of ten cents (\$0.10) for each hour of compensation for the first ninety calendar days of employment. |
| Article 9 | Teamsters National 401k |
| Article 14 | Sick Leave and Bereavement |

- c.) In the event of a layoff, seasonal employees will be laid off first. It is also understood the Employer will not utilize seasonal help if any employee having seniority status is on lay off.

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- d.) Seasonal employees will be paid the start rate of their respective classifications.
- e.) Seasonal employees who are hired as a regular full-time employee will be given seniority credit to the first day of hire as a seasonal employee provided the service is continuous. Seasonal employees so hired who have satisfied the probationary provision in this Addendum shall not be required to serve a probationary period.
- f.) The Company will notify all seasonal employees that this is Union work and that a service fee will be deducted automatically from the first paycheck and the first paycheck each following month and remitted to the Local Union as a condition of employment. No initiation fee will be required unless the seasonal employee is offered and accepts full time employment.

13. HEALTH AND WELFARE

- a.) The undersigned Employer and Union hereby certify that a written Labor Agreement is in effect between the parties. The Employer and Union hereby agree to accept, and to be bound by, the terms of the existing Declaration of Trust providing for the Western Alliance Trust, together with any amendments which may be made from time to time to the Trust, and to become parties to the Trust. The parties hereby designate the existing Trustees of the Trust.
- b.) **EMPLOYER CONTRIBUTIONS:** The Employer hereby agrees to contribute to the Western Alliance Trust, for the purpose of providing Medical, Dental, Vision and Life Accidental Death & Dismemberment coverage for each full time employee and their eligible dependents. Contributions shall be payable to the Western Alliance Trust on or before the 20th of the month preceding the month of coverage and shall be deemed delinquent if not received before the 1st day of the month for which coverage is provided. The parties recognize and acknowledge that the regular and prompt filing of accurate employer reports and the regular and prompt payment of contributions is essential to the maintenance of the Trust Fund.
- c.) **WAIVER OF BENEFITS:** Any employee, who is eligible for benefits as provided, may waive their Group Health & Welfare benefits under all (3) of the following conditions:
 - 1. The employee is required to make a premium contribution through payroll deduction toward the cost of these benefits.
 - 2. The employee is covered by a group plan other than as is provided, or has a spouse in the same employment covered by this Collective Bargaining Agreement. The employee may waive benefits to avoid duplication, as provided by the Trust rules.

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3. Proof of other group coverage must be provided to the Trust in writing, along with the Trust Fund's approved Waiver of Benefits Form. Upon termination of the alternative coverage, the eligible employee(s) must enroll in the plan provided by this agreement.

- d.) The Employer agrees to continue to pay into Western Alliance Trust Fund a health and welfare benefit in amount for each employee covered in this agreement consistent with the published rate for their selection of plan coverage. Benefits shall include hospital, surgical, drug, dental, and vision or death benefits. Such payments shall be made in addition to all wages and other compensation provided in this Agreement, and such payments shall be made without any deduction for any purpose whatsoever. Such payments shall be due on the 20th day of the preceding calendar month and shall be paid not later than the 1st day of the month, for which coverage is to be founded. The Union and the employees shall have the same rights and remedies in the event of the failure of any Employer to make such payments as exist with respect to the non-payment of wages. The liability of each Employer for the monthly payments herein provided shall be limited to payments on behalf of his or its own employees.

- e.) A regular employee with respect to whom such monthly payments are required to be made shall mean:
 1. Any employee on the payroll on the first work day of the calendar month who has been on the payroll of the same Employer during preceding month;
 2. Any employee on the payroll on the first work day of the calendar month who had been employed and covered by this Welfare Plan by any Employer within thirty (30) days of his/ her date of employment;
 3. New eligible employee first of the month following 90 days of Employment.
 4. Contributions need not be made on behalf of any employee who opts out of coverage per section B "Waiver of Benefits" above.

For the purpose of this section of the Agreement, employees on temporary layoff of less than calendar month shall be deemed to be "on the payroll" during such period of layoff.

The Company will make three additional payments to Health and Welfare fund for employees off work due to illness, injury or Company approved Leave of Absence.

All inquiries regarding Health and Welfare, Dental, Drug and Death Benefit Programs by the Employer shall be directed to Pacfed Benefit Administrators, 1000 N. Central Avenue, Suite# 400, Glendale, CA 91202.

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14. MECHANIC BIDDING RULES

Starting time, shift preference and work week for mechanics shall be bid based on job classification in order of seniority in that classification.

15. STARTING/NEW HIRE RATES MINIMUM WAGE RATES

1. Employees will be paid at a minimum the rates in Table A below that correspond with their job title. The Employer may adjust minimum rates to meet business needs, provided said minimum rates are not adjusted below those rates set forth in Table A. When such adjustments are necessary, all current employees who fall under the new minimum pay rate will be adjusted to the new minimum pay rate for their classification.
2. Employees shall receive the corresponding hourly increases to their then-current hourly rate of pay during each year of this Agreement as set forth in Table A.
3. Employees are eligible for the greater of the minimum pay rate or the contractual wage increase, but not both.
4. In the event the local, State or Federal minimum wage is increased and is greater than the above start rates, any employee earning less than the increased minimum wage rate will have their wage rate automatically increased to the higher minimum wage as of the effective date of the new minimum wage. In no event shall any employee's wage rate be less than \$0.50 above the City of San Diego minimum wage rate for private employers.
5. When minimum wage is increased by law within the year prior to the above scheduled wage increases, employees who are below the increased minimum wage will be entitled to receive the greater of the annual wage increases set forth below or the increase in minimum wage.

TABLE A

| Job Title | Minimum Start Rate | Annual Increase 10/1/24 | Annual Increase 10/1/25 | Annual Increase 10/1/26 |
|------------------|---------------------------|--------------------------------|--------------------------------|--------------------------------|
| VSA | \$18.50 | \$2.00 | \$1.00 | \$1.00 |
| Mechanic Helper | \$21.00 | \$2.00 | \$1.00 | \$1.00 |
| Utility Mechanic | \$24.00 | \$2.00 | \$1.00 | \$1.00 |
| Mechanic | \$32.00 | \$2.00 | \$1.00 | \$1.00 |

SAN employees with 10 or more years of service as of 10/1/24 will receive a 1-time Payment of \$1,750 (minus applicable taxes).

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| | |
|---|---|
| THE HERTZ CORPORATION | TEAMSTERS LOCAL NO. 481 |
|  |  |
| Date: <u>11/20/24</u> | Date: <u>11/19/24</u> |

**SAN DIEGO - MECHANICS, UTILITY MECHANICS, VEHICLE
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APPENDIX A:

The Parties agree to continue the following side letters described below:

- Mechanic Training Letter (Ex. 1).
- Mechanic Helper Letter with one edit to last paragraph (Ex. 2):

"It is also not the intent of the company to replace mechanics with mechanic helpers who shall not exceed the following ..."

- VSA incentive plan letter (Ex. 3).

Ex. 1

LETTER OF UNDERSTANDING

Between

Teamsters Local Union #481 and The Hertz Corporation

For its

San Diego Airport Location

The Parties confirm that, when mechanics are sent for training, lodging and meals will be provided by the Employer consistent with its normal policies. Additionally the Employer will make training opportunities available for mechanics consistent with its business practices.

The Hertz Corporation

By [Signature]
Date 3/29/11

Local Union# 481

By [Signature]
Date 11/19/24

Ex.2

LETTER OF UNDERSTANDING

Between

Teamsters Local Union #481 and The Hertz Corporation

For its

San Diego Airport Location

This letter will reaffirm the parties agreement set for in the following letter dated January of 2010.

The Company will reactivate the mechanic helper classification with a new wage progression. This position will perform lube, oil and tire work, POI's, toe-in toe-out, wheel alignment and minor mechanical repairs such as light bulbs, ash trays door seals etc.

The Company agrees that there will be no reduction of hours or layoff of existing mechanic positions as of the ratification of the Master Agreement. Normal attrition will be allowed. It is the intent of the Company to have the mechanic continue the skilled work they are trained to perform, provided that no Mechanic, Utility Mechanic, Journeyman Mechanics who has seniority as of the date of this agreement, shall be laid off or remain in layoff-status while any junior mechanics helper remains at work. Any employee holding seniority as of the effective date of this agreement will be recalled into the classification he/she held as the effective date of the contract.

It is also not the intent of the company to replace mechanics with mechanic helpers shall not exceed the following

- a) One mechanics helper for each one (1) as described above.

THE HERTZ CORPORATION

By [Signature]
Date 3/29/11

LOCAL UNION# 481

By [Signature]
Date 3/29/11

Ex.3

LETTER OF UNDERSTANDING

Between

Teamsters Local Union #481 & 495

AND The Hertz Corporation

LIX, SAN DIEGO, BURBANK, LONG BEACH, ONTARIO AND Other report locations.

RE: VSA Incentive Plans

The Company at its discretion, may add, implement, change or terminate incentive plans for its Vehicle Service Attendants upon proper notification to the Union ten (10) days in advance.

The Company shall not discipline employees for not participating in Uim incentive plan, nor use the plan to discipline employees, but reserves all disciplinary rights and practices under Article XI.

THE HERTZ CORPORATION

LOCAL UNION # 481

By *James P. King*
Date 3/21/11

By *[Signature]*
Date 11/19/12

NOTICE TO ALL MEMBERS

IF YOU ARE ON DUES CHECK-OFF WITH YOUR COMPANY, AND DUES ARE NOT DEDUCTED DUE TO YOUR NOT HAVING ENOUGH EARNINGS, IT IS YOUR RESPONSIBILITY TO KEEP YOUR DUES CURRENT IN ORDER TO MAINTAIN GOOD STANDING IN THE LOCAL UNION.

IF YOU BECOME UNEMPLOYED IN THE JURISDICTION OF THE LOCAL UNION, YOU WILL BE ISSUED A WITHDRAWAL CARD UPON REQUEST PROVIDING ALL DUES AND OTHER FINANCIAL OBLIGATIONS ARE PAID TO THE LOCAL UNION, INCLUDING THE DUES FOR THE MONTH IN WHICH THE WITHDRAWAL CARD IS EFFECTIVE.

FOR THIS AND OTHER BUSINESS MATTERS, IT IS IMPERATIVE THAT YOU KEEP YOUR MAILING ADDRESS ON FILE WITH THE LOCAL UP-TO-DATE.

FRATERNALLY,

VICTOR D. TORRES, SECRETARY-TREASURER

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"Printed In-House with Union Labor"

02/25