Highlights 2022 contract changes

Below is a summary of the changes agreed to between Hallcon and UE as of September 25, 2022. Hallcon gave the UE Bargaining Committee it's final offer Friday night at 11:45 pm just before the extension expired. The company then changed their offer on Sunday, September 25. The Bargaining Committee has reviewed all of the agreements and summarized them below. The full listing of TA's will be posted at www.hallconunion.org. The Bargaining Committee submits this contract offer to the membership and recommends a Yes vote. We do this because we got everything we could out of the Company through the bargaining process. The matter is now in the hands of the membership.

- 1.) Articles 1 & 2: New areas organized during last contract were listed in the recognition clause. Clarifications made in Union Security article, minor changes.
- 2.) Articles 3 & 4: For yard, road & shuttle drivers schedules: Shuttle added to many sections of contract. If a yard or shuttle schedule is shut down by rails, employer will work to reschedule affected driver. If a driver is mandated to work in another yard outside of their regular work, driver to be paid commute time, and if the rate is higher in new location, driver to be paid at higher rate. 40-hour guarantee for road drivers strengthened and added to contract, as well as language to trigger layoffs in certain location if over-staffed. Van swap language clarified: there shall be only one home location for trip payment to driver. 1st call to work is 48 hours after last work before days off. Strengthened rules for getting on and off the road board.
- 3.) Article 6 Overtime: Created one overtime rule for all locations, different work times added to OT.
- 4.) Article 7 Meal and Breaks: Strengthened meal period language to make railroad officials respect meal period.
- 5.) Article 11 Discipline: Driver in pre-disciplinary meeting as well as steward to be paid. Chargeable letter will only be discipline if it is a violation of the law or company rules. Unwarranted suspensions shall be paid.
- 6.) Article 14 Health and Safety: Language strengthened for safe vehicles. No driver shall be harassed for not answering the phone while driving. Drivers can use company vehicle on paid time to use the restroom. The Company agrees to pay for required Personal Protective equipment. Drivers have strengthened rights to refuse to drive unsafe vehicles.
- 7.) Article 17: Improved rights during layoffs.
- 8.) Article 18: Clarified how long yard jobs must be held open for drivers out of work. Created one national open position process.
- 9.) Article 19: Rules on family medical leave added.
- 10.) Article 25 Management Rights: All employees treated with dignity and respect.
- 11.) Article 26 Bereavement: Additional 1 paid day for loss of in-laws.
- 12.) Article 28 PTO:

YEARS OF SERVICE	Current	New			
90 days	3 days (CA drivers only)	3 days (CA drivers only)			
6 months	1 paid & 0 unpaid	1 paid & 0 unpaid			
<u>1 year</u>	3 paid & 2 unpaid	5 paid & 2 unpaid			
<u>3 year</u>	5 paid & 5 unpaid	6 paid & 5 unpaid			
5 years	7 paid & 3 unpaid	8 paid & 3 unpaid			

8 years	8 paid & 2 unpaid	9 paid & 2 unpaid
10 years	10 paid & 3 unpaid	12 paid & 2 unpaid
13 years	10 paid & 3 unpaid	13 paid & 2 unpaid
16 years	10 paid & 3 unpaid	14 paid & 2 unpaid
20 years	10 paid & 3 unpaid	15 paid & 2 unpaid

Failure by management to approve PTO will result in days requested being granted. Road drivers to be paid at road rate when they use their PTO. PTO paid out if discharged, guit or laid off. PTO will roll over year to year.

- 13.) Article 31 Holidays: If you are in overtime and then work the holiday, you will receive 1.5 times 1.5 times your rate of pay.
- 14.) Article 35.11: Minimum wage to now include higher location rate. On trips through higher rated area, Company agrees to pay the difference by second pay period after trip was taken.
- 15.) Article 42: Lead driver has no supervisory work, including no scheduling.
- 16.) New Death benefit added.
- 17.) Article 35 Wages: Employer for first time agrees to keep the gap in wages for drivers that have earned them over time if there is a minimum wage or location increase. Location rate will remain at least 2% above minimum wage, even if minimum wage increases. Road driver premiums locked into contract. Secured higher longevity over years of service.

For the 1st year of the contract, longevity rates will be:

Step	Years of Service	Percentage wage increase over yard rate.	Average amount at \$13/hour		
1	3-6	1.25%	\$0.16		
2	7-10	1.5%	\$0.19		
3	11-15	1.75%	\$0.22		
4	16-20	2 %	\$0.26		
5	20 and above	2.25%	\$0.29		

For the 2nd, 3rd, & 4th years of the contract, longevity rates will be:

Step	Years of Service	Percentage wage increase over yard	Average amount at \$13/hour		
		rate.			
1	3-6	2.5%	\$0.32		
2	7-10	3%	\$0.39		
3	11-15	3.5%	\$0.45		
4	16-20	4 %	\$0.52		
5	20 and above	4.5%	\$0.58		

- 18.) Article 38: Achieved language that OOA drivers will not receive favorable treatment in the new area and will be paid the local location rate where they are working.
- 19.) Article 40 Cell phone: Road drivers paid \$0.45 per trip, as high as \$0.55 for areas with heavy backhauls, such as Hillside, Cicero, Aurora, Joliet, IL; La Junta, Pueblo,

Trinidad, Denver, CO; Houston, Galveston, TX; Needles, San Bernardino, Barstow, Bakersfield, CA; and Belen, NM. Shuttle and radius drivers \$0.35 per shift.

20.) Appendix A: Wage increases Local 977 TX LA KS OK TN

Location	2022 Yard location rate	2022 Road location rate	2022 yard raise	2022 road raise	2023 yard raise	2023 road raise	2024 yard raise	2024 road raise	2025 yard raise	2025 road raise
Herington KS UP	\$10.30	\$11.50	\$ 0.30	\$ 0.35	\$ 0.26	\$ 0.29	\$ 0.33	\$ 0.36	\$ 0.34	\$ 0.38
Topeka KS UP	\$10.30	\$11.50	\$ 0.30	\$ 0.35	\$ 0.26	\$ 0.29	\$ 0.33	\$ 0.36	\$ 0.34	\$ 0.38
Avondale LA BNSF	\$9.50	\$10.50	\$ 0.75	\$ 0.50	\$ 0.25	\$ 0.27	\$ 0.32	\$ 0.34	\$ 0.32	\$ 0.35
Avondale LA UP	\$9.50	\$10.50	\$ 0.75	\$ 0.50	\$ 0.25	\$ 0.27	\$ 0.32	\$ 0.34	\$ 0.32	\$ 0.35
Baton Rouge	\$9.00	\$9.50	\$ 1.05	\$ 1.30	\$ 0.25	\$ 0.26	\$ 0.31	\$ 0.33	\$ 0.32	\$ 0.34
La Place LA CN	\$9.00	\$9.50	\$ 1.05	\$ 1.30	\$ 0.25	\$ 0.26	\$ 0.31	\$ 0.33	\$ 0.32	\$ 0.34
Lafayette LA	\$9.00	\$9.50	\$ 1.05	\$ 1.30	\$ 0.25	\$ 0.26	\$ 0.31	\$ 0.33	\$ 0.32	\$ 0.34
New Orleans LA CN	\$9.00	\$9.50	\$ 1.05	\$ 1.30	\$ 0.25	\$ 0.26	\$ 0.31	\$ 0.33	\$ 0.32	\$ 0.34
Shreveport LA	\$9.00	\$9.50	\$ 1.05	\$ 1.30	\$ 0.25	\$ 0.26	\$ 0.31	\$ 0.33	\$ 0.32	\$ 0.34
Chickasha OK UP	\$9.00	\$10.00	\$ 1.00	\$ 1.00	\$ 0.24	\$ 0.27	\$ 0.31	\$ 0.34	\$ 0.32	\$ 0.35
Enid OK UP	\$9.00	\$10.00	\$ 1.00	\$ 1.00	\$ 0.24	\$ 0.27	\$ 0.31	\$ 0.34	\$ 0.32	\$ 0.35
Oklahoma City OK UP	\$9.00	\$10.00	\$ 1.00	\$ 1.00	\$ 0.24	\$ 0.27	\$ 0.31	\$ 0.34	\$ 0.32	\$ 0.35
Memphis TN CN	\$9.00	\$10.00	\$ 1.00	\$ 1.00	\$ 0.24	\$ 0.27	\$ 0.31	\$ 0.34	\$ 0.32	\$ 0.35
Galveston TX BNSF	\$10.80	\$12.00	\$ 0.35	\$ 0.35	\$ 0.27	\$ 0.30	\$ 0.34	\$ 0.38	\$ 0.35	\$ 0.39
Galveston TX UP	\$10.80	\$12.00	\$ 0.35	\$ 0.35	\$ 0.27	\$ 0.30	\$ 0.34	\$ 0.38	\$ 0.35	\$ 0.39
Houston TX BNSF Casey	\$10.80	\$12.00	\$ 0.35	\$ 0.45	\$ 0.27	\$ 0.31	\$ 0.34	\$ 0.38	\$ 0.35	\$ 0.39
Houston TX BNSF South	\$10.80	\$12.00	\$ 0.35	\$ 0.45	\$ 0.27	\$ 0.31	\$ 0.34	\$ 0.38	\$ 0.35	\$ 0.39
Houston TX Englewood	\$10.80	\$12.00	\$ 0.35	\$ 0.45	\$ 0.27	\$ 0.31	\$ 0.34	\$ 0.38	\$ 0.35	\$ 0.39
Houston Englewood Tower	\$10.80	\$12.00	\$ 0.35	\$ 0.45	\$ 0.27	\$ 0.31	\$ 0.34	\$ 0.38	\$ 0.35	\$ 0.39
Houston TX UP	\$10.80	\$12.00	\$ 0.35	\$ 0.45	\$ 0.27	\$ 0.31	\$ 0.34	\$ 0.38	\$ 0.35	\$ 0.39
Pearland TX BNSF	\$10.80	\$12.00	\$ 0.35	\$ 0.35	\$ 0.27	\$ 0.30	\$ 0.34	\$ 0.38	\$ 0.35	\$ 0.39