UNION NEGOTIATING PROPOSALS

January 22, 2018



NATIONAL MASTER UPS AGREEMENT

The Union reserves the right to correct inadvertent errors and omissions

These negotiating proposals are subject to such revision, modification and deletion as the Teamsters UPS Negotiating Committee may determine from time to time. The committee reserves the right to submit additional proposals as the circumstances may warrant during the process of negotiations. These negotiating proposals are not intended to replace any superior economic conditions currently enjoyed by any Local Union.

INITIAL PROPOSAL, Jan. 22 - These are initial contract proposals and are subject to change during negotiations. Download the UPS Rising app by searching "UPS Rising" in the App Store or Google Play. You can also follow the campaign at www.upsrising.org on Facebook @TeamUPSrising and on Twitter @UPSrising. Text "UPS" to 86466 to receive text message alerts (Message and data rates may apply).

Note on Harassment

As volume has increased in recent years and the country has weathered economic downturns, UPS has put more and more pressure on its employees. The Teamster membership has made it clear that putting a stop to the ongoing and continuous harassment and bullying by UPS management is a top priority. This has been an issue for many years and although it occasionally subsides, this only happens when the Union threatens action. Therefore, it is time to decisively resolve this issue.

Harassment is an issue that encompasses many forms. Supervisors use telematics, poor staffing level; retaliation for filing grievances, accident reports and on-the-job injury reports; retaliation for eight hour requests and invoking rights pertaining to 9.5 language; OJS rides and various other tactics. It is the Company's responsibility to hire and maintain a sufficient work force to service its customers without unreasonably burdening its employees. Management has consistently failed to fulfil its obligation, instead shifting the responsibility for ensuring service commitments are met to its already highly productive employees.

The Union will be making proposals in various Articles and Sections of the Agreement in order to address this problem, including language explicitly setting forth the existing right of employees to refuse to work in unsafe conditions, their right to refuse to driver unsafe or overloaded trucks, and requiring them to follow every Company promulgated safety and operational policy and procedure.

ARTICLE 1. PARTIES TO THE AGREEMENT

Section 2. Employees Covered

Employees covered by this Agreement shall be construed to mean, where already recognized, feeder drivers, package drivers, sorters, loaders, unloaders, porters, office clerical, clerks, <u>customer counter clerks</u>, mechanics, maintenance personnel (building maintenance), car washers, United Parcel Service employees in the Employer's air operation, and to the extent allowed by law, employees in the export and import operations performing load and unload duties, and other employees of the Employer for whom a signatory Local Union is or may become the bargaining representative. Employees of CSI and UPS Latin America, Inc. are also covered by this Agreement as specified in the P&D Supplement and the Challenge Air Cargo Supplement, respectively.

In addition, effective August 1, 1987, the Employer recognized as bargaining unit members clerks who are assigned to package center operations, hub center operations, and/or air hub operations whose assignment involves the handling and progressing of merchandise, after it has been tendered to United Parcel Service to effectuate delivery. These jobs cover: package return clerks, bad address clerks, post card room clerks, damage clerks, rewrap clerks, and hub and air hub return clerks. This Agreement also governs the classifications covered in Article 39 - Trailer Repair Shop. Effective no later than February 1, 2003 the Employer recognizes as bargaining unit members FDC/ODC clerks, international auditors, "smart label" clerks and revenue auditors who work in the operations facilities.

ARTICLE 3. RECOGNITION, UNION SHOP AND CHECKOFF

Section 1. Recognition

- (a) The Employer recognizes and acknowledges that the National Union Committee and Local Unions affiliated with the International Brotherhood of Teamsters are the exclusive representatives of all employees of the Employer in covered classifications. The employees and Unions covered under this Master Agreement and the various Supplements, Riders and Addenda thereto shall constitute one (1) bargaining unit.
- (b) When the Employer needs additional employees, it shall give the Union equal opportunity with all other sources to provide suit- able applicants, but the Employer shall not be required to hire those referred by the Union.

If employees are hired through an employment agency, the Employer shall pay the employment agency fee, if any, due from the employee. However, if the Union has been given equal opportunity to furnish employees, as provided herein, and if the employee is retained through the probationary period, this fee need not be paid until the thirty-first (31st) day of employment, except as otherwise provided in the Local Union Supplements, Riders and Addenda.

Business agents and/or a steward shall be permitted to attend new employee orientations in the right to work states. In states without right to work laws, business agents shall be permitted to attend new employee orientations to talk about the benefits of Union member- ship. The Employer agrees to provide the Local Union at least one week's notice of the date, time, and location of such orientation, and the names of newly hired employees.

The sole purpose of the business agent's or steward's attendance shall be to encourage new employees to join the Union. The steward shall remain on the clock for up to fifteen (15) minutes for that purpose if the orientation is held during his or her normal working hours at his or her normal place of work.

ARTICLE 3. RECOGNITION, UNION SHOP AND CHECKOFF

Section 3. Dues Checkoff and Joint Dues Committee

The Union and the Employer will establish a Joint Dues Committee to review the deduction and remittance of union dues. This Committee is charged with the responsibility of ensuring that dues are accurately deducted and remitted in a timely manner to the Local Unions. It is anticipated that this Committee shall serve as a source of continuing study regarding the most efficient, accurate, and expeditious deduction and payment of dues, including exploring electronic solutions. The Union and the Employer will establish procedures for the operation of this Committee.

No existing bargaining unit employee currently performing work in the payroll department will be laid off or suffer a loss of their cur- rent payroll type position as a result of this Section.

The Employer agrees to deduct from the pay of all employees covered by this Agreement the initiation fees, dues and/or uniform assessments of the Local Union having jurisdiction over such employees. The Local Union will provide the Employer a weekly amount to be deducted from each employee. The Local Union will individually specify the weekly amount to be deducted for initiation fees, union dues and/or assessments. For initiation fees and assessments, the Local Union will notify the Employer the number of weeks these deductions are to be taken from the employee. Notification of deductions to be made by the Employer for the benefit of the Local Union must be received at least one (1) month prior to the date the deduction is to be made. The obligation of the Local Union to provide this information shall be satisfied by the transmission of a computer file in mutually agreeable format. The Employer shall deduct the weekly dues from each vacation week.

ARTICLE 3. RECOGNITION, UNION SHOP AND CHECKOFF

Section 7. Supervisors Working

- (a) The Employer agrees that the function of supervisors is the supervision of Employees and not the performance of the work of the employees they supervise. Accordingly, the Employer agrees that supervisors or other employees of the Employer who are not members of the bargaining unit shall not perform any bargaining unit work, except to train employees or demonstrate safety, or as otherwise provided in the applicable Supplement, Rider or Addendum. However, in the case of Acts of God, supervisors shall comply with the procedures in subsections (b) and (c) and may only perform bargaining unit work until bargaining unit employees are available. The Employer shall make every reasonable effort to maintain a sufficient workforce to staff its operations with bargaining unit employees. The Employer also agrees that supervisors or other employees of the Employer who are not members of the bargaining unit shall not perform bargaining unit work in preparing the work areas before the start of the Employer's hub, preload or reload operation, nor shall the Employer send any bargaining unit employee home and then have such employee's work performed by a supervisor or other employees of the Employer who are not a member of the bargaining unit.
- (b) When additional employees are necessary to complete the Employer's operations on any shift or within any classification, the supervisor shall exhaust all established local practices to first use bargaining unit employees including where applicable, double shifting, early call-in, and overtime.
- (c) If there is no established local practice, the following shall apply with regard to inside work. Within each building, each operation will maintain appropriate list(s), by seniority, of those part-time employees requesting coverage work. It will be the employees' responsibility to sign up on the appropriate list. The Company shall post such lists and employees who are interested in adding their names to the lists shall do so on the first working day of each month. It will be the employee's responsibility to make sure his/her contact information is correct. Employees who are unavailable to work on three (3) separate occasions within a calendar month shall have their names removed from the coverage list. Those employees shall be eligible to re-sign the list the following month. When coverage work is available, the Company will use the appropriate list to fill the required positions, and such employees will work as assigned. The employee must be qualified for the available work and double shift employees shall have seniority among themselves. No employee is allowed to work more than two (2) shifts in any twenty-four (24) hour period. Local call verification practices and procedures shall remain in place.

Nothing contained in this Section shall change existing practices or procedures covering full-time work.

(d) If it is determined at any step of the grievance and/or arbitration procedure that this Section, or a "supervisor working" provision in a Supplement, Rider or Addendum, has been violated, the aggrieved employee will be paid as follows: (i) if the actual hours worked by the supervisor amounts to two (2) hours or less, the aggrieved employee will be paid for the actual hours worked by the supervisor at the two (2) hours at the rate of double time the employee's rate of pay at the time of the incident; or (ii) if the supervisor works more than two (2) hours, the aggrieved employee shall be paid four (4) hours at straight time or actual hours worked at double time the employee's rate of pay at the time of the incident, or actual hours at the rate of double time, whichever is greater. If no aggrieved employee can be identified, the payment will be made to the grievant. Such remedy shall be in addition to any other remedies sought by the Union in the appropriate grievance procedure.

In the event a supervisor does perform bargaining unit work, the Employer shall notify the shop steward immediately. If the shop steward is not notified, the aggrieved employee shall be paid at the triple time rate of pay.

In the event that any supervisor is found to be in violation of this Article three (3) times in any six (6) month rolling period, the grievance shall be paid at triple time of the highest hourly rate of the classification worked. For a fourth such violation the grievance shall be paid at four (4) times the hourly rate. The grievance award shall continue to escalate in this manner for each subsequent violation.

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ARTICLE 6.

Section 4. Technological Change

- 1. Technological change shall be defined as any significant change in equipment or materials which results in a significant change in the work <u>of any classification of employees in</u> the bargaining unit or diminishes the number of workers <u>in any classification of employees</u> in the bargaining unit.
- 2. The Employer and the Union agree to establish a National Teamster/UPS Committee for Technological Change, consisting of an equal number of representatives from the Union and UPS. The Committee shall meet in conjunction with the National Grievance Panel as necessary to review any planned technological changes covered by this Section.
- 3. The Employer will advise the affected Local Unions and the National Teamster/UPS Committee for Technological Change of any proposed technological changes at least six (6) months prior to the implementation of such change except where the change was later determined in which case the Employer shall provide as much notice as possible
- 4. The Employer shall be required to provide the National Teamster/UPS Committee for Technological Change, any relevant information to the extent available regarding the technological changes.
- 5. The Employer will meet with the Local Union, or, if requested, the National Teamster/UPS Committee for Technological Change, promptly after notification to negotiate regarding the effects of the proposed technological changes.
- If a technological change creates new work that replaces, enhances or modifies bargaining unit work, bargaining unit employees will perform that new or modified work. The Employer shall provide bargaining unit employees with training required to utilize the new technology, if necessary.
- 6. In the event that the Local Union and Employer cannot reach an agreement on effects, the matter shall be referred to the National Teamster/UPS Committee for Technological Change.
- 7. In the event that the National Committee cannot reach agreement on the dispute, either party may refer all outstanding disputes to the National Grievance Committee for resolution in accordance with the provisions of Article 8 in order to determine if the Employer has violated the provisions of this Section or if the change will result in a violation of any other provision of the collective bargaining agreement.
- <u>8. The Employer shall not utilize drones, driverless vehicles etc. to transport, deliver or pick-up packages.</u>

ARTICLE 6.

Section 6. Technology and Discipline

No employee shall be discharged disciplined if such discharge discipline is based solely upon information received from GPS or any successor system unless he/she engages in dishonesty (defined for the purposes of this paragraph as any intentional act or omission by an employee where he/she intends to defraud the Company). routing /dispatch/monitoring/data acquisition software or systems. The Company must confirm by direct observation or other corroborating evidence any other violations warranting discharge discipline. The degree of discipline dealing with off-area offenses shall not be changed because of the use of GPS. the above mentioned systems. Failing to follow proper procedures during the normal course of an employee's day shall not be considered a dishonest act. Any discipline shall follow the language as set forth in Article 7 of the NMUPSA or relevant Supplemental articles.

DIAD boards shall be programmed to shut down during the meal period.

Part-timers shall be afforded the same protections regarding newly developed technology.

The Company acknowledges that there have been problems with the utilization of technology in the past. Therefore, at the request of the Union's Joint National Negotiating Committee Co-Chair a meeting will be scheduled with the Company Co-Chair to discuss any alleged misuse of technology for disciplinary purposes and what steps are necessary to remedy any misuse.

ARTICLE 10. LOSS AND DAMAGE

Section 1.

No employee shall make any reimbursement or have monies deducted from his/her pay for loss or damage to parcels except as provided in this Section.

No employee shall be disciplined or required to make reimbursement for lost or damaged parcels unless the Employer demonstrates that the employee, without justification or mitigation, violated pertinent established rules or policies, the observance of which would have prevented the loss or damage. In no event shall a driver be subject to reimbursement for loss or damage to a Driver Release parcel valued at one hundred dollars (\$100.00) or less. The Employer will provide each driver a current list of all Driver Release Areas and all Non Driver Release Areas within that driver's area upon request.

No employee shall be disciplined or forced to reimburse the Employer for failing to obtain a signature on a high-value package if the DIAD does not show the package as a high value upon delivery.

An employee who is charged for loss or damage by the Employer shall not be subject to both discipline and reimbursement. The Employer will clearly notify the employee and the Union of its intent to either discipline or seek reimbursement. No employee shall be subject to discipline or reimbursement unless the Employer brings the loss or damage to the employee's attention within fifteen (15) business days after receiving a written shipper notice of claim.

When an employee is subject to discipline, the employee shall not make any reimbursement for such loss or damage. When an employee is subject to reimbursement, the employee shall not be subject to discipline for such loss or damage.

Any employee who is found to be responsible for two (2) reimbursements in a twelve (12) month period may receive a warning letter in addition to being responsible for reimbursement should a third (3rd) loss occur in the same twelve (12) month period.

No action shall be taken by the Employer under this Section until the grievance procedure is invoked and concluded. In such grievance hearings the Employer shall present its case first.

If an employee is held liable for reimbursement for loss or damage under Article 10, Section 1 in regard to any package, he/she will be held liable for the value of the package, the amount paid by the Employer to the customer, or the insured value of the package, whichever is least.

Reimbursement schedules shall be reasonable and fair, based upon the circumstances of each case.

This Article is not to be construed as permitting charges for loss or damage to equipment. Nor is this Article to be construed as permitting charges for any loss or damage to merchandise as a result of a vehicular accident under any circumstances.

ARTICLE 12. POLYGRAPH/TIMECLOCKS

No applicant for employment and no employee will be required to take any form of a lie detector test as a condition of employment.

Upon request, an employee or the Union may inspect the record of an employee's time recorded on the DIAD or other device for previous days' work. An employee will be permitted to examine the operation record for the current pay period for the purpose of ascertaining his/her hours worked. If an employee has an issue with his/her hours worked for a particular day, the Employer will provide the employee, upon written request, with a print out of his/her hours worked.

The Employer shall not alter the information from the DIAD board, or information recorded through the use of any other technology, so as to diminish an employee's compensable time, without the employee's knowledge <u>and written notification to the Union</u>. Further, the Employer shall post for an employee's review, a copy of the PTE edits for each day. No supervisor shall use a DIAD, or any other information recorded through the use of any other technology, under the name of an hourly employee unless the employee is present. This includes for the purpose of training and demonstration.

Employees will not be responsible for any work performed by another employee using any electronic device under their name.

The Employer agrees to provide forms for the employee to record his/her starting and ending times. <u>daily</u> receipt of the employee's hours worked and rate of pay.

A printed copy of DIAD messages shall be given to the employee within twenty-four hours of request.

When requested by the Union, time clocks will be left in place for employees to record their work hours for their own personal use.

ARTICLE 14. COMPENSATION CLAIMS

Section 1.

When an injury is reported the reference number will be given to the employee <u>along with a copy of Article 14, Sections 1 and 2 of the National Master UPS Agreement.</u> and when requested, <u>Also</u>, a copy of the injury report will be furnished to the employee within two (2) working days. of such request. A copy of the injury report will also be furnished to the Local Union if requested by a Local Union official.

The Employer agrees to cooperate toward the prompt disposition of employee on-the-job injury claims by issuing a determination of compensation within ten (10) days of receipt of the injury report, unless extended with the agreement of the employee and Union. The Employer's failure to make a determination within the specified time shall be considered an acceptance of claim. No employee will be disciplined or threatened with discipline or retaliated against as a result of filing an on-the-job injury report. In addition, a Shop Steward will be present during all questioning or interrogation of the employee regarding any aspect of the injury or the injury filing process. The Employer or its designee shall not visit an injured worker at his/her home, without his/her written consent.

The Employer shall provide the Union Co-chair of the National Safety and Health Committee with current summaries of the essential functions of all positions covered by this Agreement. The Union shall have the right to challenge any such summary through the applicable grievance procedure. Any employee who is adversely affected by any such summary shall have the right to challenge such summary through the applicable grievance procedure.

Any such decisions or settlements rendered through the grievance procedure, including but not limited to, at arbitration, shall be based solely upon, and applicable to, the facts present in that individual case and shall have no precedential effect beyond that case. This stipulation is limited to cases involving or referencing essential job functions.

The Employer shall provide Worker's Compensation protection for all employees even though not required by state law or the equivalent thereof if the injury arose out of or in the course of employment.

An employee who is injured on the job, and is sent home, or to a hospital, or who must obtain medical attention, shall receive pay at the applicable hourly rate for the balance of his/her regular shift on that day. Upon receiving an employee's timely report of injury, the Employer shall not pressure an employee to continue to work and shall immediately provide transportation to the nearest appropriate medical facility and return to the job, or to the employee's home, at the employees request. Under no circumstances will the employer attempt to convince the employee not to seek medical attention. When, because of such pressure, an employee spends time in a clinic after his or her normal finish time, the time spent shall be the subject of a pay claim through the grievance procedure.

An employee who has returned to regular duties after sustaining a compensable injury, and who is required by the Worker's Compensation doctor to receive additional medical treatment during the employee's regularly scheduled working hours, shall receive the employee's regular hourly rate of pay for such time.

The Employer agrees to provide any employee injured locally immediate transportation, at the time of injury, from the job to the nearest appropriate medical facility and return to the job, or to the employee's home, if required. In such cases, no No representative of the Employer shall be permitted to accompany the injured worker while he/she is receiving medical treatment and/or being examined by the medical provider without the employee's consent. In the event that any employee sustains an occupational illness or injury while on a run away from the home terminal, the Employer shall obtain medical treatment for the employee, if necessary, and, thereafter, will provide transportation by bus, train, plane or automobile to the employee's home terminal, if and when directed by a doctor.

An employee that has a change in his/her medical duty status shall report that change to the Employer.

In the event of a fatality, arising in the course of employment while away from the home terminal, the

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Employer shall return the deceased to the home of the deceased at the point of domicile. Every work-day under this Agreement that an employee is unable to work, yet is covered by Worker's Compensation shall count as a report for the purpose of accruing Vacations, Sick Days, Pension Benefits, Personal Holidays, Option Weeks, and Health Insurance Benefits. January 22, 2018

ARTICLE 14. COMPENSATION CLAIMS

Section 2. Temporary Alternate Work

The Company may continue a modified work program on a nondiscriminatory basis <u>to all eligible employees</u>. This program is designed to provide temporary work opportunity to those employees who are unable to perform their normal work assignments due to an on-the-job injury. Employees shall be provided their <u>average daily hours or</u> guaranteed hours <u>whichever is greater</u>, <u>at their normal start time and at the employee's facility with a start time no more than two (2) hours earlier or two (2) hours later than their normal start time for the duration of TAW, provided the work is available <u>for sixty (60) days</u>. The Company will make reasonable efforts to ensure that the assignment is within this window. These guaranteed hours will be reduced as medical restrictions dictate. Pay rates for TAW assignments will be at the employee's regular rate of pay.</u>

When approved by an employee's doctor, the Company shall provide a work hardening program for injured employees returning to work. This program shall be for a maximum of two (2) weeks and shall provide an escalating schedule of hours of normal duties with the intent that after the maximum of two (2) weeks, the employee is expected to return to full duty for their regular shifts. Employees are expected to perform all of their normal duties during this program without restriction other than the number of hours in a daily shift.

The Employer will develop a list of possible TAW assignments by location. It is understood that this list may not be all inclusive and management maintains the right to determine the availability and designation of all TAW assignments. The Employer shall provide the names and assignments of employees on TAW to the upon the Local. Union's request.

In areas that have existing TAW programs providing better employee benefits and protections than guaranteed by this Article, such protections and benefits will not be diminished by this Article.

Any such program that has been, or is in effect, as of the effective date of this Agreement, shall be reduced to writing, a copy of which must be submitted to the National Safety and Health Committee and the affected Local Union. If either party wants to include non-work related injuries or illnesses under the TAW program the parties will meet and agree upon such amendment. The Employer shall also meet with the Local Union upon request to discuss any changes the Local Union may propose in the TAW program. Any unresolved issues will be referred to the National Safety and Health Grievance Committee for resolution.

The TAW programs are designed to provide temporary work opportunity to those employees who are unable to perform their normal work assignments due to an on-the-job injury, pregnancy, and for two (2) months after return to work from maternity leave.

Section 1.

The Employer agrees to grant the necessary time off, without discrimination or loss of seniority rights and without pay, to any employee designated by the Union to attend a labor convention or serve in any capacity on other official business, provided forty-eight (48) hours written notice is given to the Employer, by the Union, specifying length of time off. The Union agrees that, in making its request for time off for Union activities, due consideration shall be given to the number of employees affected in order that there shall be no disruption of the Employer's operations due to lack of available employees.

A Union member elected or appointed to serve as a Union official shall be granted a leave of absence during the period of such employment, without discrimination or loss of seniority rights, and without pay.

An employee elected to a city, county, municipal, state office or tribal council position shall be granted a leave of absence, if requested by the employee and the Local Union during the period of such term; without the loss of seniority rights and without pay.

Section 3. Loss of License

Section 3.1 Leave of Absence

When an employee, in any job classification requiring driving, loses his or her operating privilege or whose license has been suspended or revoked for reasons other than those for which the employee can be discharged by the Employer, leave shall be granted for such time as the employee's operating privilege or license had been suspended or revoked, but not for a period longer than **five (5)** two (2)-years, provided the driver whose operating privilege or license has been suspended or revoked notifies the employee's immediate supervisor before the employee's next report to work of such suspension or revocation. The above provision need only apply to the first (1st) suspension or revocation except for suspension of commercial driver's license (CDL) of one (1) year or less duration.

Employees who take a leave of absence under this Section whose loss of operating privilege or license is the result of driving under the influence of drugs or alcohol will be allowed alternative work and to return to their job in accordance with Section 3.3 below.

Section 3.2 Alternate Work

(Other than Alcohol/Controlled Substance)

When an employee, in any job classification requiring driving, has lost his/her license under this Article he/she shall be afforded the opportunity to displace junior, one (1) full-time or two (2) part-time, inside employees, until he/she can return to his/her driving job, not to exceed **five (5)** two (2) years, unless provided for otherwise in the Supplements, Riders or Addenda.

The employee shall receive the appropriate rate of pay for the job performed based on his/her seniority. Coverage for benefits shall continue for the length of the leave of absence or for the job duration, up to $\underline{\text{five}}$ (5) two (2) years.

Section 3.3 Alternative Work (Alcohol/Controlled Substance)

When an employee, in any job classification requiring driving, has lost his/her license for driving under the influence of alcohol or a controlled substance he/she will be offered available inside work of one (1) full-time or two (2) part-time openings, not to exceed five (5) two (2) years provided that the employee is assessed by a Substance Abuse Professional (SAP) and is released to return to work by the SAP. The SAP shall establish the terms upon which the employee may return to work. The employee must also enter a rehabilitation program, if required by the SAP, within one (1) month of the SAP's assessment. The employee shall be returned to driving once he/she successfully completes the rehabilitation program, provided his/her driving privileges have been restored. The employee shall receive the appropriate rate of pay for the job performed based on his/her seniority. Coverage for benefits shall continue for the length of the leave of absence or for the job duration, up to five (5) two (2) years.

Any driver cited for Driving under the Influence who does not have his/her license suspended, or who has limited driving privileges, shall be assessed by a SAP within five (5) working days of the citation. If the SAP determines the driver does not require rehabilitation, then he/she shall be allowed to return to driving. Until the assessment is completed, the driver shall be allowed to work at his hourly wage and guarantee. If rehabilitation is required, the above paragraph shall also be applicable. The right to rehabilitation provided in Article 35, Section 4.11 shall not be applicable to a driver who completes a rehabilitation program under this paragraph, unless, as a result of the DUI citation, the driver is convicted or loses his/her license for driving.

This Section does not apply to the employee that has lost his/her license for being disqualified for testing positive for controlled substances.

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Section 4. Maternity and Paternity Leave

It is understood that maternity leave for female employees shall be granted with no loss of seniority for such period of time as her doctor shall determine that she is physically unable to return to her normal duties **and the Employer shall provide paid leave not to exceed six (6) weeks after birth.** and Maternity leave must comply with applicable state and federal laws.

A light duty request, certified in writing by a physician, shall be granted in compliance with state or federal laws, if applicable.

Paternity leave shall be granted in accordance with Section 6 of this Article with the exception of employees not able to meet the qualifications set out in Section 6, who shall be granted leave not to exceed one (1) week.

Maternity and Paternity leave shall be paid to a maximum of six (6) weeks.

Notwithstanding any provision to the contrary in any Supplement, Rider, or Addenda, an employee shall be allowed to designate in any vacation year paid time off up to twenty (20) days, to be used in the next vacation year, in accordance with this paragraph. Any paid time off that is provided on a weekly basis can only be banked in weekly increments. The accrued paid time off may be used in the next vacation year to cover any period of time that (1) the employee is determined to be unable to perform her job due to pregnancy (for the father, time off is requested due to the birth) and (2) is not covered by the FMLA, existing disability plans or other paid time off. If the accrued time off is not used in that year, it will be paid to the employee within two (2) weeks of the request. If the vacation is not used as part of the leave, and it would have originally been taken in that vacation year, the employee shall also have the option of rescheduling the unused vacation as time off in accordance with local practice.

Section 6. Family and Medical Leave Act (FMLA)

All employees who have worked for the Company for a minimum of twelve (12) months and worked at least 1250 hours during the past twelve (12) months are eligible for unpaid leave as set forth in the Family and Medical Leave Act of 1993.

<u>Full-time</u> and part-time employees eligible for FMLA benefits shall be entitled to no less than the benefits in effect on the effective date of this Agreement, for the term of this Agreement.

Additionally, any employee not covered above, that has worked for the Company for a minimum of thirty-six (36) twelve (12) months and accrued at least 625 paid hours during the past twelve (12) months is eligible for unpaid leave as set forth below, except that the amount of leave allowed will be computed at one half (1/2) of the time provided by the FMLA.

Eligible employees are entitled up to a total of 12/6 weeks of unpaid leave during any twelve (12) month period for the following reasons:

- 1. Birth of a child:
- 2. Adoption or placement for foster care;
- 3. To care for a spouse, child, **domestic partner**, or parent of the employee due to a serious health condition:
- 4. A serious health condition of the employee.

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.

The Employer may require the employee to substitute accrued paid vacation or other paid leave for part of the 12/6 week leave period.

The employee is required to provide the Employer with at least thirty (30) days advance notice before FMLA leave begins if the need for leave is foreseeable. If the leave is not foreseeable, the employee is required to give notice as soon as practicable. 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 (2nd) opinion at the Employer's expense.

The provisions of this section are in response to the Federal Act and shall not supersede any state or local law, which provides for greater employee rights.

ARTICLE 17. PAID FOR TIME

All employees covered by this Agreement shall be paid for all time spent in service of the Employer. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work and registers in and until the employee is effectively released from duty. All time lost due to delays as a result of overloads or certificate violations involving federal, state or city regulations, which occur through no fault of the driver, shall be paid for by the Employer.

The Employer will not allow employees to work prior to their start time without appropriate compensation.

Wages for properly selected vacations, in all instances, will be paid to the employees no later than the workday prior to their vacation. If the employee does not receive his/her vacation check, the Employer will make all reasonable efforts to provide the check the following day including delivery by Saturday or Next Day Air. If the employee requests to see his vacation check on the Monday as permitted below and the Employer fails to make the vacation payment available by Saturday following the employee's regular scheduled pay day, the employee shall be paid an additional amount equal to one-half (1/2) of his or her daily guarantee at his or her regular hourly rate of pay for every subsequent pay period until the shortage is corrected. Other shortages involving more than forty (\$40.00) dollars for full-time employees, and twenty (\$20.00) dollars for part-time employees, will be corrected and the payment will be made available to the employee at his/her reporting location on his/her second scheduled workday within twenty-four (24) hours after reporting the shortage. If the Employer fails to make the payment available on the employee's second scheduled workday within twenty-four (24) hours and the shortage was the result of the Employer's error, the employee will be paid an additional amount equal to one half (1/2) of his/her daily guarantee at his/her regular hourly rate for every full pay period in day which the shortage is not paid after the second (2nd) scheduled work day, until corrected.

Errors of less than forty (\$40.00) dollars for full-time employees or twenty (\$20.00) dollars for part-time employees and overages will be corrected in the following weekly paycheck.

Any grievance settlement not paid within ten (10) working days of the settlement shall entitle the grievant(s) to a penalty payment as outlined above. The ten (10) working day period shall begin to run when the Labor Department representative agrees to the settlement, or is notified by the Union or management team of the settlement. The Employer shall pay a maximum of one penalty payment for a multi-grievant grievance, which shall be subject to the additional penalties set forth above for untimely payment, until corrected. All grievance settlement checks shall be itemized with the exact detail of the settlement including the Grievance Panel Case number, if applicable.

When an employee notifies the Employer in writing of any ongoing overpayment, the employee's increasing liability will cease five (5) working days after the date of the written notification. The notification shall be provided to the employee's immediate supervisor or manager.

All employees must receive their vacation pay in a separate check before taking vacation. Vacation checks for an employee, who is taking a properly scheduled vacation in accordance with the applicable Supplement, Rider or Addendum, will be at the operating center on Monday of the week prior to the employee's vacation week(s). This is to ensure that the employee receives his/her pay prior to taking his/her vacation. The employee will be shown his/her check upon request, but will not receive the check until the regular scheduled pay day.

All green checks will be taxed at the employee's regular withholding tax rate.

Paycheck stubs will show the year-to-date vacation, sick and personal leave balances.

If an employee works in different classifications during a shift that are paid at different rates, the different hours and rates shall be reflected on their paycheck stub each week.

January 22, 2018

Preamble

The Employer and the Union agree that the safety of the employees and the general public is of utmost importance.

The Employer and the Union have developed the following Sections and Subsections of this Agreement to respond to that mutual concern for safety. The contract language responds to a variety of areas related to safety, health, ergonomics, and climatic conditions as well as federal, state and local laws dedicated to providing a safe and healthy workplace.

To address safety and health issues, the Employer and the Union have developed the following:

- A. A National UPS/IBT Safety and Health Committee;
- B. A National UPS/IBT Safety and Health Grievance Committee to respond to safety, health, ergonomic and climatic issues and concerns; and
- C. A Safety and Health Committee, chaired by the UPS Director of Health and Safety and the IBT Director of Safety and Health, will be formed to address present and future safety and health issues and solutions; and
- D. Local area joint labor/management committees comprised of bargaining unit members and management to address job related safety and health concerns through the Comprehensive Health and Safety Process (CHSP).

Notwithstanding the employee's right to contact federal, state or local agencies, it is the recommendation of the committee that issues and concerns, regarding this Agreement, should first be brought before the National Safety and Health Committee.

Union requests to access Company vehicles and/or facilities for the purpose of investigating safety and health issues shall proceed as follows:

Upon request of a Local Union, and with the approval of the UPS/IBT National Safety and Health cochairs, representatives of the Union, accompanied by Company representatives, will be provided reasonable and necessary access to the Company's vehicles and/or facilities for the purpose of investigating safety and health issues.

Should the UPS/IBT National Safety and Health co-chairs not reach agreement on an access request, the matter shall be referred to the Employer's Vice President of Labor Relations and the Co-Chair of the Teamsters United Parcel Service Negotiating Committee for resolution.

<u>UPS</u> shall furnish a place of employment which is free from recognized hazards that are causing or are likely to cause death or serious physical harm to it's employees.

References in this Article to OSHA requirements or standards shall mean levels of requirements or standards no less than those in effect on the effective date of this Agreement, for the term of this Agreement.

Section 1. Employees' Rights - Equipment, Vehicles and Conditions

The Employer shall not require employees to take out on the streets or highways any vehicle, or use any type of equipment, that is not in a safe operating condition or equipped with the safety appliances prescribed by law. First line trailers will be swept on a daily basis. All package cars and tractors will be maintained in a clean and sanitary condition including mirrors and windows.

Under no circumstances will an employee be required or assigned to engage in any activity involving dangerous conditions of work or danger to a person or property or in violation of a government regulation relating to safety of person or equipment. The term "dangerous conditions of work" does not relate to the type of cargo which is to be hauled or handled.

It shall not be a violation of this Agreement, or cause for disciplinary action, where employees refuse to operate equipment or a vehicle when such operation constitutes a violation of any state or federal rules, regulations, standards or orders applicable to commercial motor vehicle safety or health, or because of the employee's reasonable apprehension of serious injury to himself/herself or the public due to the unsafe conditions as set out in any state or federal rules, regulations, standards or orders applicable to commercial motor vehicle safety or health to include Part 392.14 of the Federal Motor Carrier Regulations.

The employer shall ensure conveyors passing overhead shall be guarded so as to prevent the material transported from falling and causing injury to employees below.

All new equipment shall have above the ICC bar another bar used as a step with a handrail for all new Feeder Equipment.

The Employer shall provide anti-fatigue mats for all stationary workers, such as sorters, clerks, and conveyor access personnel. Stationary positions such as pick-off, sort aisle and where the surfaces are elevated or on metal catwalks shall have anti-fatigue mats installed.

The Employer shall install air horns in all tractors.

Section 3. Accidents and Reports

Any employee involved in any accident shall immediately notify the Employer.

When required by the Employer, the employee, before the end of the employee's shift, shall complete a report of the accident including all available names and addresses of witnesses to the accident. The reference number will be given to the employee, and when requested, a copy of the accident report will be furnished to the employee within two (2) working days of such request. A copy of the accident report will also be furnished to the Local Union if requested by a Local Union official. In cases of equipment accidents where a Driver's Report of Accident form is completed, the employee will be given a copy of the form the same day, when requested. In facilities with no copy equipment the employee will be provided a copy as soon as practicable.

In the event of a vehicle accident, the Employer shall have twenty (20) days to complete its investigation, if warranted, and ten (10) days to take disciplinary action, if any, unless otherwise mutually agreed. Except for serious accidents, where the driver may be presumed to be at fault, a driver will not be removed from the payroll during an investigation of the accident.

A serious accident is defined as one in which:

- 1. There is a fatality, or;
- 2. A citation is issued and there is bodily injury to a person who, as a result of the injury, receives immediate medical treatment away from the scene of the accident, or;
- 3. A citation is issued and one or more motor vehicles incur disabling damage as a result of the accident requiring a vehicle to be transported away from the scene by a tow truck or other vehicle, or:
- 4. Any vehicular contact with an aircraft which results in damage that grounds such aircraft, or;
- 5. There is an accident involving a motor vehicle on Company property, outside of any building, that results in a fatality or bodily injury to a person, who as a result of the injury receives medical treatment away from the scene of the accident.

The driver will be entitled to non-driving work during this period at his/her normal rate of pay.

The Employer and the Union mutually agree that the employee's rights to Union representation will be protected pursuant to Article 4 of the National Master UPS Agreement.

No pictures or video from an accident occurring in a facility shall be displayed in any common area of that facility.

The Employer shall not impose discipline on a driver involved in an accident where no citation is issued against the driver because of any action taken by the driver or the operation of the vehicle.

Section 4. Seats

The Employer will provide high-back air-ride <u>seats on both sides in all new tractors in sleeper team</u> <u>operations</u> and when replacing the driver seat in present tractor equipment. Such seats shall be maintained in a proper and reasonable condition.

When replacing the seat cushion in package cars where the seat is attached to a post, the Employer will use the new soft ride cushion agreed to. When replacing the seat back, the Employer agrees to provide the new seat back with the adjustable lumbar support feature. Seat backs **and cushions** will be replaced as needed subject to availability from the manufacturer. In all new P-32 through P-120 vehicles, the Employer agrees to provide multi-adjust seats.

Section 6. Building Heat

Centers will be heated and cooled, where practical. The Employer is to maintain a minimum temperature inside any Center/Building at sixty-five (65) degrees in winter.

On a facility-by-facility basis, the Employer will evaluate whether additional ventilation or heat is needed for purposes of safety and health. This will include clerical work areas outside of office structures in the UPS facilities. Should elerical any employees have concerns with respect to these two (2) issues, they shall be addressed by the appropriate local CHSP Committee who will adopt and follow the OSHA guidelines for additional rest periods in accordance with OSHA guidelines.

Should the local CHSP Committee not satisfactorily address the issue, a grievance may be filed and would be sent directly to the National Safety and Health Grievance Committee. No employee shall be disciplined for taking whatever additional time is needed to cool down and remain hydrated and safe during his/her shift when the employee feels in danger of becoming overheated, according to UPS's "Cool Solutions" or any OSHA guidelines. The employer agrees that the safety of the employee shall be given utmost consideration in the daily operation.

Temporary modules shall be heated. Temporary facilities shall have adequate roofing and/or overhangs and seals to prohibit water, snow, wind or ice from entering the work area. Proper structuring, flooring, steps, etc. shall be supplied for safe entry and exit into package cars, trailers, rentals, etc. Temporary modules shall have a heated area for breaks separate from the work area.

<u>During summer months or during periods of extreme heat, buildings shall be properly ventilated, especially during inside carwash operations.</u> Adequate fans shall be installed in all work areas for <u>employee comfort and the opening of overhead doors to induce cross ventilation will not be unduly restricted. The Employer shall hire adequate security to allow this.</u>

Section 6.1 Indoor Air Pollution

- 1. Motor vehicles shall be physically connected to a local exhaust ventilation system when the operations in the shop require that the vehicle engine be idled or otherwise operated. Shop areas shall be designated as separate walled-in areas.
- 2. The Employer will instruct drivers of motor vehicles not to allow vehicles to unreasonably idle while indoors.
- 3. The Employer shall install industrial fans for the warehouse employees
- 4 The Employer shall inspect and improve all indoor exhaust fans in all buildings to ensure removal of the heat from the buildings and exhaust from vehicles every day.
- 5. The Employer shall keep facilities clean including air ventilation systems and floors to insure employees have clean air to breathe and a clean work area to work.
- <u>6. The Employer shall add exhaust fans in buildings where employees request they are needed to reduce heat and bring more air ventilation to improve work and safety conditions.</u>
- 7. The Employer shall maintain in good working order a sufficient number of ice machines in all buildings for employees to use as needed to improve work and safety conditions,

Section 7. Trailer Configuration

The Employer will make every effort to have the heaviest loaded trailer as the lead trailer. If the percent of load in one (1) trailer exceeds the other by twenty-five percent (25%) or more, such trailer shall be the lead trailer, except when state or federal regulations require otherwise. However, if the driver feels the percentage exceeds twenty-five percent (25%) in the rear trailer or the unit does not handle properly, he/she may contact management and will be authorized to switch the unit and be paid for such time.

All trailer loads, i.e. singles, doubles and triples will include the weight of each trailer.

Section 9. Tires

Only first-line tires will be used on the steering axle <u>of all road equipment</u> of feeder road equipment, including P80's used as feeders. In case of breakdown a temporary replacement other than a first-line tire may be used to return to the home terminal. The Company agrees to not mix radials and bias ply tires on the same unit.

All tires shall be approved by the safety and climatic conditions committees for each Local Union.

The Employer shall inspect all tires for proper tread wear and traction in the winter months.

The Employer shall install aggressive rear tires on all package cars during winter months.

The Employer shall install winter steer tread tires for all rural package cars on routes that have roads with more than 15% grade or that have winter conditions more than four (4) months a year.

No recap tires on package cars

Section 11. Mirrors

All vehicles shall be equipped with regular mirrors and a convex mirror.

New feeder road equipment <u>and all new package cars</u> shall be equipped with heated mirrors. Any feeder road equipment <u>and package cars</u> not presently equipped shall be equipped with heated mirrors when the mirrors require replacement.

The Employer shall continue to install and maintain the agreed to camera monitor backing system devices in all package cars for the furtherance of safety while backing. If technological advances would allow a more effective system or enhancements in the current system, the Employer shall meet with the Union to discuss and review any potential changes.

Upon request, cab-over tractors with a lower window on the right side door will be equipped with a convex mirror on the door.

Section 12. Dollies

All new dollies placed into service shall be counter balanced (max 70 lb. lift weight) with handles on the tongue. All dollies in the system will be counter balanced for 70 lb. lift weight and have handles on the tongue.

Double 45' dollies, long tongues and dual axles will be provided for all double 45' work.

Section 13. Exhaust Systems

All new diesel tractors added to the fleet after January 1, 1994, shall be equipped with a vertical exhaust stack. Recognizing the advances made in the reduction of diesel emissions, the chairmen of the National UPS/IBT Safety and Health Committee shall meet to discuss a pilot program involving alternative tractor exhaust systems. Package car exhaust systems, when replaced, shall exit to the side of the vehicle.

The Employer will put sensors or alarms on any systems running LPG Gas.

Section 14. Package Cars

All new package cars, P-32 and larger, added to the fleet shall be equipped with package compartment venting. Upon ratification of this Agreement, the Climatic Conditions Committee shall meet to evaluate and, if needed, recommend appropriate method(s) for venting the package compartments. The installation of cab compartment fans will be determined by individual districts.

All requests for door handle shields coverings will be complied with in a timely manner.

When requested, package cars larger than a P-32 will have grab handles located on the curb side of the package car and mounted on the inside, and will be equipped with mounting brackets to secure hand carts. The Employer will make every effort to require all new package car designs to have lower cab entry steps. All package cars shall be equipped with grip strips on steps (including older models).

Any new package car placed into service shall be equipped with amber strobe lights on the rear of the vehicle. All existing package cars shall be equipped with amber strobe lights on the rear of the vehicle during the life of this agreement.

Gear shift extensions shall be addressed on a case-by-case basis. All new package cars placed into service shall be equipped with power steering.

The Employer will replace package cars at a rate no less than the percent replaced over the duration of the prior contract that expired July 31, <u>2018</u>. The Union will be notified if the Employer cannot meet this schedule because of volume downturns.

A package car will be equipped with a hand cart at the driver's request.

The Employer shall provide lift gates for big Berthas and straight trucks (24 ft).

The Employer shall not allow any package cars over 25 years old to be kept in service.

Section 15. Heaters and Defrosters

The Employer shall install and maintain heaters and defrosters on all trucks and all safety equipment required by law. Complaints regarding heaters or defrosters not being in proper working order shall be addressed pursuant to the red-tagging procedures under Article 18, Section 2.

The Employer shall install secondary/auxiliary heaters in package cars upon request.

<u>In vehicles equipped with an automatic shutoff to prevent excessive idling, the Employer shall install an override switch.</u>

Section 18. Vehicle and Personal Safety Equipment

All automotive vehicles shall be equipped with a manufacturer certified seat belt restraint system. Jump seats shall be equipped with a safety belt. Three-point shoulder harness safety belts shall be provided on the driver's side of all new vehicles, and on the jump seat for all new P-32 through P-120 vehicles and all new 24-foot vans. It shall be required that the driver's seat belt and the jump seat safety belt be worn at all times when the vehicle is moving. Feeder tractor door locks, where provided as original equipment, shall be maintained in working order.

Golf cart usage will comply with applicable federal, state and local regulations.

The Employer, at a minimum shall have on all golf carts the following equipment: headlamps, stop lamps, turn signal lamps, tail lamps, reflex reflectors, parking brakes, rearview mirrors, windshields, seat belts, defined tow/capacity limit and vehicle identification numbers. Golf cart trailers shall not be loaded beyond the height constraints of trailer walls.

<u>Automotive shops shall have hand washing stations located in/near the shop.</u> Shop floors shall have sealed and painted flooring.

Section 20.4 Safety and Health Committees

There shall be Safety and Health Committees to cover all full-time and part-time employees. There shall be one (1) committee per Center unless the number of employees and/or job classifications within a center dictate the establishment of more than one (1) committee. The respective committees will be comprised of a mutually agreed to number of bargaining unit representatives and up to an equal number of management representatives.

Recognizing the importance of the role of the Safety and Health Committees in resolving the issues of safety, the Employer and the Union reaffirm their commitment to the active involvement of the Committees in such processes, in accordance with the terms of this Article.

The Local Union shall approve the bargaining unit members who serve on these Committees. The Union co-chair of the committee(s) shall be selected by the bargaining unit members of the committee. In the event that a Local Union desires to cease participation in the safety committees, prior approval must be authorized by the Union Co-Chair of the Teamsters United Parcel Service National Negotiating Committee who shall also inform the Employer's President of Labor Relations of the request.

Bargaining unit members may shall not perform Safety Committee observations or access personnel records of fellow bargaining unit members that can be interpreted as being a management role (i.e. access telematics, GPS records, time cards, human resource files etc.). Safety Committee facility observations shall only be performed to further the purposes of that Committee as defined in this section and to promote a safer work environment. Activities and minutes shall be forwarded to will be reviewed with the Local Union for review. Under no circumstances can the results of a Safety Committee observation be used in any level of discipline, nor reference any individual bargaining unit member. Safety committee members shall not circulate management forms that could be used for discipline or be involved in disciplinary meetings.

Each committee shall meet at least once each month at a mutually agreeable time and place. The Employer shall provide committee members with adequate time to perform committee functions, as described in paragraphs 1 through 7 below.

Each committee shall perform functions including, but not limited to:

- 1. Creating sub-committees, on an as needed basis, to investigate specific issues of safety and health concern. These committees shall report to the full committee.
- 2. Developing and maintaining minutes for all meetings, with copies to all committee members and posted on designated safety bulletin boards.
- 3. Conducting periodic inspections of the facility to ensure that there is a safe, healthful and sanitary working environment in each center.
- 4. Accompanying governmental, union, and/or Company health and safety professionals on facility inspection tours. The Employer may limit the number of bargaining unit members of the committee accompanying such an inspection tour.
- 5. Receiving information pertaining to lost workday injury/ accident causes and review results of the investigation of such injuries/accidents.
- 6. Receiving copies of the center's OSHA Illness and Injury logs and the facility's man-hours.
- 7. Receiving the Company sponsored training to enable committee members to effectively perform their respective functions as safety and health committee members.

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the committee is unable to resolve a safety and health concern and all steps of the Comprehensive Health and Safety Process (CHSP) have been exhausted, the issue will be subject to the grievance procedure.		

Section 21. Hazardous Materials Handling Program

The Employer and the Union in compliance with the Occupational Safety and Health Administration (OSHA) have developed a comprehensive program to deal with hazardous material spills, the UPS Damaged Package Response procedure. As a result of the Agreement, the Employer developed a training program for individuals who are responsible for responding to spills of hazardous materials.

The Employer agrees to:

- 1. Provide twelve (12) hours of training, and the proper equipment, to those employees involved in the clean-up of hazardous material spills. All designated responders, when positions become open, will be selected in seniority order. The Employer will allow first responders to resign their position with written notice given at least sixty (60) days prior to their annual certification. The resignation will become effective upon completion of training of a replacement. The Employer may disqualify such employees from holding the position of designated responder for a period of one (1) year.
- 2. Provide one (1) hour of awareness training to every employee who handles packages potentially containing hazardous materials.
- 3. Conduct training for new employees during orientations and for current employees during normal working hours, with all employees compensated at the appropriate rate of pay.
- 4. Provide the necessary medical examination for designated first responders at no cost to the employee.
- 5. Provide annual refresher training to all employees.
- 6. Comply with all applicable state and federal OSHA regulations regarding hazardous materials.
- 7. Identify, process and store all hazardous type waste, resulting from spilled or leaking packages, in accordance with all applicable federal, state and local laws. Processing of hazardous material spills will be initiated and completed as soon as practicable, but in all events prior to the hazmat responder being assigned to other non-hazmat duties or completing his/her shift. The Employer designated processing area will be properly ventilated.
- 8. Conduct emergency evacuation drills on an annual basis.
- 9. The Employer will hold meetings, with the designated responders, on a scheduled basis, and when necessary will hold special meetings, to discuss and resolve problems or concerns related to hazardous material handling, clean-up and storage of hazardous materials. The Employer agrees to resolve any problems or concerns as expeditiously as possible.

All employees deemed hazmat responder qualified will receive an additional \$1.00 an hour. All hazmat employees must maintain those qualifications.

The employee shall have 90 days to resign his/her position, and the responder who wants to resign shall be able to receive triple time for all time responder is forced to stay on job until new responder is placed.

The Employer shall provide Hazmat training and the self-contained breathing apparatuses for anyone handling hazmats.

The National UPS/IBT Safety and Health Committee is also responsible for an Occupational Safety and Health Subcommittee to provide training recommendations for handling hazardous materials, toxic and other harmful substances for appropriate bargaining unit employees.

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This Committee shall function as part of the National UPS/IBT Safety and Health Committee and shall review UPS hazardous materials training programs and make recommendations for improvements in:

- 1. Training course content, material and frequency.
- 2. Equipment needed.
- 3. Other related issues deemed appropriate by the Committee. Failure of the subcommittee or the National UPS/IBT Safety and

Health Committee to reach an agreement will result in the unresolved issue being processed under the National Grievance procedure rules.

ARTICLE 18. SAFETY AND HEALTH EQUIPMENT, ACCIDENTS AND REPORTS

Section 22. Incompatible Package Handling

The Employer agrees that all irregular or incompatible packages such as bars, buckets, exposed metal parts, tire rims, etc., shall be given special handling in accordance with UPS handling methods and local conditions.

The Employer agrees with the continued growth of irregular and incompatible package volume to update and upgrade building capabilities to process said packages and to ensure the safety of the employees.

All packages shall have the weight clearly marked.

Incompatible packages shall be segregated from regular packages and will not flow on the belt.

ARTICLE 18. SAFETY AND HEALTH EQUIPMENT, ACCIDENTS AND REPORTS

(New) Section 24 Recording Devices

Employees must be notified of the location and purpose of all video recording devices at all facilities.

(New) Section 25 Employee Safety

For the purpose of driver safety and package security, no driver shall be required to make deliveries and/or pickups after 9:00 pm. No discipline will be issued to any driver who misses stops and/or refuses to make stops after 9:00 pm. The driver, as soon as practicable, shall notify his/her center of potential service failures under this language. Any driver who is suspended or terminated for missing and/or refusing to make stops after 9:00 pm shall receive back pay at his/her triple rate of pay. This language is in effect for the entirety of this Agreement, including but not limited to the months of November and December.

A full time Package Center manager will be on duty and available in the Package Center at all times that a Package Driver is working.

(New) Section 26 AED

The Employer shall provide an Automated External Defibrillator (AED) in each UPS Facility

(New) Section 27 – Prevention of Heat Related Injury and Illness

The Employer agrees to create a high heat standard operating procedure and emergency response plan. At minimum, the SOP should include: a work place environmental assessment, engineering and administrative controls for heat stress, personal protective equipment, training requirements, medical surveillance, high heat alert procedures, and recordkeeping procedures.

- A sufficient amount of cool (i.e., less than 15°C [59°F] potable water must be provided near the work area. During prolonged sweating lasting more than 2 hours, workers should be provided with drinks that contain balanced electrolytes to replace those lost during sweating, as long as the concentration of electrolytes/carbohydrates does not exceed 8% by volume.
- Shade must be present at satellite locations when temperatures exceed 80 degrees and accommodate all employees on recovery or rest periods and those on-site taking meal periods.
- Employees taking a "preventative cool-down rest" must be monitored for symptoms of heat illness, encouraged to remain in a cool area and not ordered back to work until symptoms are gone. Employees with heat stress symptoms must be provided appropriate first aid or emergency response.
- <u>High-heat procedures (triggered at 95 degrees) shall ensure effective observation and monitoring, including regular communication with employees working by themselves.</u>

- Acclimation procedures including close observation of all employees during a heat wave defined as at least 80 degrees shall be in effect. New employees must be closely observed for their first two weeks on the job during heat wave periods.
- Emergency response procedures must include effective communication, protocol to identify signs and symptoms of heat illness and procedures for contacting emergency responders to help affected employees.

(New) Section 28 – Egress

The employer shall develop and implement written job methods requiring that packages, equipment, or materials placed temporarily on the floor of the sort aisle shall be placed on one side of the aisle so as to leave one path for exit access that has at least 28in of clearance.

The employer shall monitor the conditions in and around the loading and unloading of a trailer, straight truck, package car, or other vehicle to ensure that temporary impediments created by placed or fallen packages are minimized.

The employer shall not permit packages, materials, or equipment to be placed permanently or temporarily within the 28in wide exit access in front of an exit door or at the top or bottom of a stairway that is part of an exit access point.

(New) Section 29 - Lasers

<u>Lasers shall be located and targeted at levels above the levels of workers' sight when possible.</u>

<u>Laser warning signs and labels shall be posted in accordance with all local, state, and federal regulations.</u>

<u>Lasers shall be operated, installed, and adjusted, in accordance with all local, state, and federal</u> regulations.

Section 1. Required Examination

Physical, mental or other examinations required by a government body or the Employer shall be promptly complied with by all employees; provided, however, the Employer shall not pay for any time spent in the case of applicants for jobs, but shall be responsible to other employees only for time spent at the place of examination or examinations where the time spent by the employee exceeds two (2) hours, and in that case only for those hours in excess of said two (2). Examinations are to be taken at the employee's home area and are not to exceed one (1) in any one (1) year, unless the employee has suffered serious injury or illness within the year. Employees will not be required to take examinations during their working hours, unless paid by the Employer for all time spent. Employees shall be given reasonable notice of dates of examinations.

For those drivers subject to DOT regulations who possess a valid medical certificate from a designated DOT provider, the Employer shall pay for any additional physical, mental, or other examinations required by the Employer to confirm the validity of the medical certificate.

Drivers shall be paid for DOT physicals.

All evaluation, testing & treatment required by a company physician, related to a Sleep Apnea diagnosis or to confirm a Sleep Apnea diagnosis, shall be covered by the Employer no cost to the employee.

Section 3. Third Doctor Procedure

The Employer reserves the right to select its own medical examiner or doctor and the Union may, if it believes an injustice has been done an employee, have said employee re-examined at the employee's expense. If the two (2) doctors disagree, the Employer and the Union shall mutually agree upon a third (3^{rd}) doctor within ten (10) working days, whose decision shall be final and binding on the Employer, the Union and the employee. Neither the Employer nor the Union will attempt to circumvent the decision of the third (3^{rd}) doctor and the expense of the third doctor shall be equally divided between the Employer and the Union.

If the third (3rd) doctor agrees that the employee should be returned to work, the employee shall be reimbursed at his/her daily guarantee, average daily hours in the previous month or daily guarantee whichever is greater less any other monies received back to the date of the examination release by the Company first doctor. It shall exclude any time the employee was not available for examination or work.

Section 4. Disqualified Driver - Alternative Work

Except as provided for in Article 16, a driver who is judged medically unqualified to drive, but is considered physically fit and qualified to perform other inside jobs, will be afforded the opportunity to displace the least senior full-time or part-time inside employee at such work until he/she can return to his/her driving job unless otherwise provided for in the Supplements, Riders or Addenda. While performing the inside work, the driver will be paid the **applicable full time inside pay rate.** highest part-time rate as an employee with equivalent seniority or current area practice. If no full-time inside position is available, the Employer will meet with the Local Union to develop a full-time position, if possible out of available work.

If the driver can medically return to his/her driving job, and the Employer does not return the driver to his/her driving job for any reason, the driver shall be paid the appropriate driving pay rate while performing alternative work.

In addition to those already covered by this section, disqualified drivers who are actively pursuing a waiver or exemption with the DOT may work inside pursuant to this section if there is a reasonable expectation that his or her waiver/exemption will be granted.

Section 5. Identification

Should the Employer find it necessary to require employees to carry or record full personal identification, such requirements shall be complied with by the employees. The cost of such personal identification shall be borne by the Employer.

All management personnel shall wear a nametag identifying them as supervision while on duty.

The Employer shall pay for security related identification, such as for airport badging, time and expenses incurred by employees acquiring such required government documents.

ARTICLE 22. PART-TIME EMPLOYEES

Section 1.

No part-time employee shall drive except:

- (a) when no qualified full-time employee or combination full-time employee is on the premises available;
- (b) to avoid delay in the work; or,
- (c) as provided for in Article 40 Air Operation.

Section 3.

The parties agree that providing part-time employees the opportunity to become full-time employees is a priority of this Agreement. Accordingly, the Employer commits that during the life of this Agreement, it will offer part-time employees the opportunity to fill at least twenty thousand (20,000) permanent full-time job openings throughout its operations covered by this Agreement.

This commitment shall include the obligation to create at least twenty three hundred and fifty (2350) ten thousand (10,000) new full-time jobs from existing part-time jobs during the first three (3) years during the term of this agreement of this Agreement throughout its operations covered by this Agreement; five hundred (500) in each of the first two contract years and thirteen hundred fifty (1350) in the third year of this Agreement. two thousand jobs each contract year. In creating these jobs, the Company shall be allowed up to one and one half (1.5) hour gap between jobs in a workday notwithstanding any provision in any Supplement, Rider or Addendum that is more limiting. Any disagreements will be referred to the Chairs of the National Negotiating Committee for resolution.

The number of full-time jobs created under Article 22, Section 3 of the 1997-2002, and the 2002-2008, 2008-2013 and the 2013-2018 Agreements shall not be reduced. All 22.3 jobs created in a Local Union's jurisdiction shall remain in that jurisdiction. Within sixty (60) days of the ratification of this Agreement the Employer shall provide the International Teamsters Union a report detailing and identifying the full-time jobs which will need to be maintained pursuant to this paragraph. Each Local Union shall receive an annual report identifying the 22.3 jobs existing in and created in the Local Union's jurisdiction.

The Employer shall track double-shifting of part-time employees. The Local Union shall receive a copy of this report within five (5) work days of the end of each calendar month. If an employee or employees double-shift more than thirty (30) days in a sixty (60) calendar day period, the Employer shall create a 22.3 job for each such occurrence.

Sections 5. Wages

Economic

Section 7. Benefit Entitlements

Part-time employees hired after August 1, 2008—will receive holidays, personal days and option days <u>as</u> provided by any applicable Supplement, Rider, or Addendum. no earlier than after one (1) year of active employment. This provision supersedes any provision on the same subject in any Supplement, Rider, or Addendum to the extent the provision makes holidays, personal days or option days available earlier than after one (1) year of service.

ARTICLE 26. COMPETITION

The Union recognizes that the Employer is in direct competition with the United States Postal Service and other firms engaging in the distribution of express letter, parcel express, parcel delivery, and freight, both air and surface. In order to meet that competition and thereby protect and, if possible, increase the number of bargaining unit jobs, it is agreed that any provisions in this Agreement to the contrary notwithstanding, the Employer:

(a) may use substitute means of transportation (such as airplane, helicopter, ship or T.O.F.C.) in its operations; provided, however, that no feeder driver with more than three (3) years of seniority in the feeder driver classification will be laid off or displaced from a feeder classification as a result of a run being placed on the rail. However, the Employer shall not be required to remove loads from the rail to provide work for employees whose ground loads were eliminated or temporarily discontinued. Any claimed abuse of this Section by any of the Local Unions shall be subject to immediate review by the National Grievance Committee.

Merchandise that has been tendered by United Parcel Service to the railroad and moved by T.O.F.C. will not subsequently be moved by the railroad, on the ground, to its final destination. Any exception to the above language will be in cases of an emergency or cases where the railroad must ground the merchandise early to meet the company's service commitment. In these cases, **the destination Local Union shall be notified immediately and** every effort will be made to use UPS employees.

In order to expand the work opportunities for members of the bargaining unit, the Employer will consider removing additional loads from the railroad or the other substitute means of transportation specified in this Article. When the Employer removes loads on other than a temporary basis, it shall notify the Union of the number of new runs to be created as a result of moving such loads on the ground. Temporary shall be limited to six (6) months. The Employer and the Union shall agree on the most expeditious method to obtain additional personnel and/or equipment, if necessary, for the new runs to be operated by bargaining unit members. If the equipment or employees are not available, the Employer may use subcontractors for a reasonable start-up period, not to exceed thirty (30) days. The subcontracting can exceed thirty (30) days with the Union's agreement if there are problems obtaining additional personnel or equipment. Agreement under this paragraph will not be unreasonably denied by the Union. All feeder positions created as a result of returning loads to the ground shall be counted toward the Employer's obligation to create full-time jobs under Article 22.3 of this Agreement. Bargaining unit employees will move scheduled T.O.F.C. loads from the rail yards to UPS locations. except during peak season.

During peak season, the Employer will make every reasonable effort, in accordance with the appropriate Supplement, Rider or Addendum, to use current UPS employees and hire a sufficient number of employees to handle peak volume. After doing so, the Employer may use alternate means of transporting packages during peak season and will utilize union carriers whenever possible. Plans to utilize outside carriers will be reviewed and agreed with the Local Union. Such agreement will not be unreasonably withheld. The use of an outside carrier shall require the Employer to pay a daily guarantee to any qualified driver not offered work on that day at both the origin and destination facilities. All tractor trailer work subcontracted under this paragraph shall be "extra work". Under no circumstances shall bid work be taken from seniority tractor trailer drivers.

UPS shall provide its plan to the affected Local Union by October 15th of each year. This shall not preclude UPS from making subsequent alterations to the plan which shall also be reviewed with the Union.

- (b) may drop loaded or empty trailers at locations designated by it, its customers or consignees for customer or consignee loading or unloading. It is understood that customers and consignees will not move trailers for loading and/or unloading other than on their premises. It is further understood that dropping and picking up these trailers shall be done by members of the bargaining unit.
- (c) All loading and unloading of dropped shipments at UPS locations will be done by UPS bargaining unit employees. No drop shipments within the billing zone shall be allowed. Drop shipments must skip at least one (1) zone.

ARTICLE 26. COMPETITION

Section 3.

Notwithstanding any other provision of the Agreement or any Supplement, Rider or Addendum, only the Local Union with jurisdiction in the geographic area in which a subcontracted feeder movement originates or the Teamsters United Parcel Service National Negotiating Committee in its own name shall have the right to file or pursue a grievance alleging that the movement is a contractual violation.

Any Local Union has the right to file a grievance on any subcontracting of feeder movements outside of the agreed upon peak season, or any subcontracting from any jurisdiction that would result in lost opportunity for such movement to be performed by bargaining unit employees from any local jurisdiction regardless of origin. Any violation shall be awarded at triple time rate of pay.

<u>Upon request, the Employer shall supply the Local Union with a list of all inbound and outbound trailers.</u> This list will include names of all drivers or subcontractors, whether inbound or outbound, date, time, trailer numbers and job number.

ARTICLE 26. COMPETITION

Section 4 Surepost

- 1) In order to retain existing commercial customers that are solicited by a competitor offering services similar to those described here—in, or to attract new commercial customers, the Company may offer service contracts that include the delivery of packages by the USPS. Packages eligible for such delivery will normally be less than ten (10) pounds in weight and less than three (3) cubic feet in size, in accordance with paragraph (2) below. Further, UPS agrees that the Surepost will not be presented as a general service offering. This service will only be offered for shipping from a business to a residential customer. The Company agrees that it will not use Surepost as a basis to diminish the size of the bargaining unit.
- 2) The Company will continue to use and develop technology that identifies two or more Surepost packages to be delivered to the same address and/or any combination of Surepost package(s) and ground package(s) to be delivered to the same address. In such circumstances, all of the Surepost package(s) and ground package(s) will be delivered by package drivers. The Company will implement, when available, technology that identifies multiple addresses in close proximity to which any combination of Surepost and ground packages are to be delivered. Within 120 days of the effective date of this Agreement, the Company shall also develop technology that identifies oversized (greater than three (3) cubic feet) or overweight packages. Once such technology is operational, all Surepost packages exceeding ten (10) pounds or with dimensions greater than three (3) cubic feet, will be delivered by package drivers.
- 3) The Joint UPS/IBT Competition committee will meet on a quarterly basis to review the progress of this service and discuss potential technological enhancements that will allow Surepost volume to be placed back in the UPS system for final mile delivery. Any issues or disputes related to the Surepost service that cannot be resolved by the Competition Committee shall be referred directly to the Chairs of the Union and the UPS National Negotiating Committees for discussion and resolution.

ARTICLE 29.

Section 2. Funeral Leave

In the event of a death of a member of the employee's family, a seniority employee shall be allowed a reasonable time off to attend the funeral or other bereavement rite.

Members of the employee's family means spouse, <u>domestic partner</u>, child, or step- child, grandchild, father, mother, brother, sister, grandparents, mother-in-law and father-in-law and step-parents.

A regular full time employee shall be guaranteed two (2) days off to be taken between the day of death and two (2) working days following the funeral provided the employee attends the funeral or other bereavement rite. In cases involving the funeral of a relative listed in paragraph 2 above, an employee who attends the funeral or bereavement rite is guaranteed a minimum of two (2) days off.

An employee shall be allowed one (1) day off to attend the funeral or other bereavement rite of a sister-in-law or a brother-in-law or spouse's grandparent. Reimbursement for this day shall be the same as provided below.

Time off shall not extend beyond the day of the funeral unless an additional day is required for travel, except as provided above. In no event will total compensated time off exceed four (4) scheduled work days. Employees shall receive up to four (4) paid days between the day of death and two (2) working days beyond the funeral provided the employee attends the funeral or other bereavement rite. Paid time off shall not extend beyond two (2) working days following the funeral. The employee will be reimbursed at eight (8) times the employee's straight-time hourly rate for each day lost from work for those employees whose regular scheduled workweek is five (5) days, and ten (10) times the straight-time hourly rate for those employees whose regular scheduled workweek is four (4) days. Part-time employees will receive the same benefits as above, paid at four (4) times the employee's hourly rate. Better conditions contained in Supplements, Riders or Addenda will be maintained by present employees. All employees hired after July 2, 1982 will be covered by the above language.

ARTICLE 32. SUBCONTRACTING

For the purpose of preserving work and job opportunities for the employees covered by this Agreement, the Employer agrees that no work or services of the kind, nature or type, and including new operations or buildings, covered by, presently performed, or here- after assigned to the collective bargaining unit will be subcontracted, transferred, leased, assigned or conveyed in whole or in part to any other plant, person or non-unit employees, unless otherwise provided in this Agreement. in Article 26. The Employer may not subcontract work in any classification for the purpose of avoiding overtime. The Employer may not subcontract work in any classification if any employee who normally performs such work is on layoff.

The number of car washer and porter jobs in the bargaining unit as of July 31, 1990 shall be guaranteed from replacement by the Employer subcontracting this work. It is further agreed that additions to the workforce in areas that currently have bargaining unit employees performing this work shall become bargaining unit members covered under this Agreement.

ARTICLE 34. HEALTH & WELFARE AND PENSION **Economic**

ARTICLE 35. EMPLOYEE'S BAIL, LICENSE, SUBSTANCE AND ALCOHOL TESTING

Section 3. Controlled Substances Testing

The parties have agreed that the procedures as set forth in Article 35, Section 3 shall be the methodology for all testing and will be modified only in the event that further federal legislation or Department of Transportation regulations require revised testing methodologies or requirements during the term of this Agreement. To the extent that a subject is not covered by this Article the appropriate regulation shall control.

Should other categories, modifications or types of testing be required by the government, the parties will meet as expeditiously as possible to develop a mutually agreeable procedure.

The provisions of Article 16, Section 5 will apply to all employees requesting enrollment in a rehabilitation program following a positive drug test. Employees may use the United Parcel Service Employee Assistance Program, a Union sponsored program, as well as any other referral service in choosing an approved program for treatment.

The Employer shall comply with all Local, State and Federal Laws regarding drug testing.

The Union wishes to revise drug testing protocol for non-DOT inside workers regarding the use of legal marijuana.

ARTICLE 37, MANAGEMENT EMPLOYEE RELATIONS

The following language is applicable to grievances arising from Article 37 Sections 1(a), 2 and 3:

Grievances not resolved by the Local and Area grievance procedure shall be forwarded to the National Article 37 Grievance Committee; such committee shall be comprised of equal numbers of Union and Employer representatives and a sitting arbitrator, who shall decide the merits and penalty of each case in the event of a deadlock by the committee.

The Article 37 committee shall be empowered to provide a monetary penalty for each proven violation of this article, with a minimum penalty of one half (1/2) the employee's daily guarantee and a maximum penalty of five (5) times the employee's daily guarantee depending on the severity of the offense.

Any individual member of management deemed by the committee to have committed two (2) or more violations of this article shall be required to appear in person before the committee for any subsequent grievances. Failure to appear shall result in the grievance being upheld and the maximum monetary penalty shall be incurred.

Section 1.

(a) The parties agree that the principle of a fair day's work for a fair day's pay shall be observed at all times and employees shall perform their duties in a manner that best represents the Employer's interest. The Employer shall not in any way intimidate, harass, coerce or overly supervise any employee in the performance of his or her duties. The Employer shall not retaliate against employees for exercising rights under this Agreement. In considering any grievance alleging retaliation for exercising his rights under the Agreement, the severity and timing of the Employer's actions that modify an employee's work assignment or reprimand employees shall be relevant factors to a determination of motivation. The Employer will treat employees with dignity and respect at all times, which shall include, but not be limited to, giving due consideration to the age and physical condition of the employee. Employees will also treat each other as well as the Employer with dignity and respect.

ARTICLE 37. MANAGEMENT EMPLOYEE RELATIONS

(b) It is the policy of the Employer to cooperate with a package car driver who desires to be relieved of overtime, subject to the understanding that such package car driver will complete his/her assignment, and subject to the provisions below.

An employee who desires to be relieved from overtime on a particular day must make a written request on a form furnished by the Employer. Such a request must be submitted no later than the start of his/her shift on the fifth (5th) calendar day preceding the day being requested. A signed copy of the request form stating approval or disapproval shall be returned to the employee by the end of the employee's next working day. Such request shall be granted or denied in accordance with the terms of this sub-section. If a request is denied on the above referenced form, the employee shall receive a two (2) hour penalty payment at his/her straight time rate if the request should have been granted at this time based on the criteria set forth in this sub-section. This two (2) hour payment shall also apply if the Employer approves the request and later informs the employee he/she cannot be relieved of overtime, provided the request continues to meet the criteria set forth in this sub-section.

In addition, if an employee's request is granted but the Employer fails to adjust the driver's dispatch so as to provide an amount of work that can reasonably be completed within eight (8) hours which then causes the driver to work in excess of eight and one-half (8.5) hours to complete his/her route, the driver shall be entitled to a two (2) hour penalty payment at his/her straight time rate, and the driver will retain the 8 hour request for later use. No penalty shall be due if the employee exceeds the eight and one-half (8.5) hour threshold as a result of events beyond the Employer's control.

The Center Manager and the Steward shall process such requests based on seniority. The Employer shall allow a minimum of ten percent (10%) of the package car drivers worked in any Center off on a daily basis. No package car driver's dispatch will be granted adjusted more than two (2) requests times per month. It is understood that to accomplish the above the Employer may need to provide an earlier start time. This subsection applies regardless of whether the driver has opted in or out pursuant to the provisions of subsection (c) below. Such requests shall not be submitted during the months of November and December.

ARTICLE 37. MANAGEMENT EMPLOYEE RELATIONS

(c) The Employer shall make a reasonable effort to reduce package car drivers' workdays below nine and one half (9.5) hours per day where requested. If a review indicates that progress is not being made in the reduction of assigned hours of work, (i.e the package driver has worked more than 9.5 hours on three (3) days in a work week), the following language shall apply, except in the months of November and December:

The affected regular package driver may make such a request to be added to the "9.5 Opt In List" effective on the first day of his/her workweek after making the request. The driver shall notify the manager and steward of his/her desire to be added to the List. The request must be made within the time limit for filing a grievance in the applicable Supplement, Rider or Addendum. Once the driver has signed the List, he/she shall remain on the list for five (5) months, except for the period of time specified in the prior paragraph.

Employees within the full time driver classification shall be eligible for the protection of this Section provided: (1) the employee covers a route for a full week; (2) the employee bids or is assigned to cover a route for a full week but is prevented from completing that bid or assignment due to reassignment by the Employer; or (3) an employee with four (4) years of seniority as a full time package driver.

Drivers who choose to opt in on the 9.5 list shall have the right to file a grievance if the Employer has continually worked a driver more than nine and one half (9.5) hours per day for any three (3) days in a workweek. The Company will not assign excessive overtime on the two (2) remaining days within the workweek in order to retaliate against a driver for opting onto the 9.5 List.

All Package Drivers shall have their work day reduced below nine and one-half (9.5) hours per day with the exception of November and December. Any Package Driver who wishes to be exempt from this reduction shall notify management in writing at any time outside of November and December. Such notice shall be in effect for five (5) months. Drivers who request to be exempt from reduced overtime shall have their wage rate increased by one dollar (\$1.00) per hour during the exemption period.

Package Drivers who have not requested exemption from reduced overtime shall be paid a penalty of triple time pay for hours worked over 9.5 per day and shall have their work schedule adjusted.

If a driver is paid a penalty under this subsection more than three (3) times in a single five (5) month opt-in period, then the District Labor Manager and Business Agent will meet with the Center Manager, the steward and the driver to ensure future compliance under this subsection. If any further penalty is paid on this employee during the five (5) month period, a meeting shall be scheduled with the above parties and the Co-Chairs of the applicable Supplemental panel to determine what actions are necessary to ensure compliance.

If a grievance under this provision (or a grievance under any excessive overtime provision of a Supplement, Rider or Addendum) cannot be resolved at the local level, including Supplemental Panels, where applicable, the Union may docket the grievance to be heard by the "9.5 Committee." This Committee shall be composed of two (2) Union and two (2) Employer representatives. The 9.5 Committee shall have the authority to direct the Employer to adjust the driver's work schedule. Deadlocked cases shall be referred to the Employer's Vice President of Labor Relations and the Co-Chair of the Teamsters United Parcel Service Negotiating Committee for final and binding resolution.

The Employer's Vice President and the Union's Co-Chair shall have the discretion to grant the grievant triple time pay for hours worked in excess of nine and one half (9.5) hours per day and/or to order the Employer to adjust the driver's work schedule. In the event the Employer's Vice President and the Union's Co-Chair cannot resolve a grievance, either party may refer the matter to arbitration in accordance with Article 8. In the event the position of the Union is sustained, the arbitrator shall have the authority to

impose any remedy set forth in this Section.

If there is a deadlocked grievance by the "9.5 committee" the Co- Chairs of the National Negotiating Committee may require a review of the adequacy of the Company's staffing in the center in which the grievance was filed. In the event the parties cannot resolve a dispute over whether excessive overtime in violation of this Section resulted from inadequate staffing in the center or other causes, such as the temporary unavailability of drivers, either may refer the matter to arbitration in accordance with Article 8. If the position of the Union is sustained, the arbitrator shall have the authority to award any remedy set forth in this Section including back wages at the appropriate rate of pay to the employee(s) adversely affected, as well as appropriate progression credit. The back wages shall be equal to what the employee(s) would have earned as a package driver at the applicable daily guarantee versus what he actually earned.

In addition, the Union Chair of the National Negotiating Committee may, at any time, request a meeting with the Employer's President of Labor Relations to review the adequacy of the Company's staffing in any center having excessive 9.5 grievances deadlocked at the local level panel. If the dispute cannot be resolved, either party may refer the matter to arbitration in accordance with Article 8, Section 7. The next arbitrator in rotation on the eastern Panel shall be assigned the case. The arbitrator shall have the authority to award any remedy specified in the paragraph above.

The 9.5 committee shall also have the authority to ensure that this Section is implemented in such a way as to balance the Employer's need to protect the integrity of its operations with an employee's legitimate need to avoid excessive overtime.

The provisions of this Section 1(c) shall supersede any language on "9.5" in the Central Region Supplement.

(d) No employee shall be disciplined for exceeding personal time based on data received from the DIAD/IVIS or other information technology.

ARTICLE 40. AIR OPERATION

Preamble

In order for the Employer, the Union and the employees to further benefit from the expanding air operations, the following Sections shall supersede language on the same subjects in the Supplements, Riders and Addenda, unless specifically stated otherwise in this Article.

Section 1 – Air Drivers

- (a) Air driver work shall consist of delivery and pickup of air pack- ages which, because of time and customer commitments, cannot be reasonably performed by regular package drivers. Such work may include:
- (1) Delivery of air packages which the regular delivery drivers cannot deliver within guaranteed time commitments. The Company shall be required to provide the Local Union and the appropriate area grievance committee proof that the regular delivery drivers cannot deliver such air packages within guaranteed time commitments.
- (2) Delivery of air packages arriving at the facility after regular drivers have been dispatched.
- (3) Delivery and pick up of air packages on weekends and holidays.
- (4) On Call Air pickups.
- (5) Pick up at air counters and drop boxes.

The Company shall not expand the utilization of part time employees to pick up drop boxes, including those containing ground packages. The Company shall provide the International Teamsters Union with a report no later than March 1, 2013 and, thereafter, an annual report by August 15th of each year for the prior contract year identifying for each Local Union the total number of drop boxes being picked up by regular full-time package drivers, full-time air/combo drivers, and part-time air drivers. The ratio of drop boxes picked up by regular full-time package drivers, full time air/combo drivers and part time air drivers shall be maintained (within two (2) percentage points) during the term of this Agreement. Additional drop boxes will be picked up by the same ratio of regular full-time drivers, full-time air/combo drivers and part time air drivers as established by the March 1, 2013 report. The size and dimensions of drop boxes existing on February 1, 2013, and those added thereafter, shall not be increased, without the consent of the Union.

- (63) Additional late air pickups.
- (74) Air drivers may, on an exception basis, be used to make service on packages which are not air packages.

An exception package is intended to be when an Air Driver is making a pick up, as outlined above, after the regular driver has been at the customer's premises, and the customer has an exception ground package(s) for shipment, the air driver may make service on this package(s). Air drivers may continue to pick up Automatic Return Service packages but the features of this service will not be expanded.

Any violation of Section 1(a) (7), shall obligate the Employer to pay the Air Driver involved the difference between his/her rate of pay and the top regular package car driver wage rate existing at that building. Grievances concerning violation or abuse of this shall be referred directly to the National Air Committee.

- (8) Delivery of early AM Packages.
- (95) Movement of air packages to airports and other locations such as service centers, UPS buildings and

driver meet points. Shuttle work currently performed by regular full-time drivers shall be excluded. Should a regular full-time driver vacate a position which includes air shuttle work, that job shall either be rebid as it previously existed and continue to be paid at the regular driver rate or the air shuttle work may be combined with other air work to create one (1) or more full time air or full time combination job(s) paid in accordance with Section 6 below. In no event shall such shuttle work be assigned to, or performed by, a part-time air driver.

Shuttle work currently being performed by part-time air drivers shall be converted to full-time air driver work when the driver vacates the job except when there is not enough work available to create a full time job.

Any overflow outbound shuttle work generated at an air hub or gateway (work the shuttle driver cannot perform) destined to any location shall be performed by a backup shuttle driver domiciled at such air hub or gateway and such backup shuttle driver position shall be bid by seniority.

- (b) The workday for Air Drivers shall be as follows:
- (1) Eight (8) hours scheduled work in the air driver's classification, or a combination of eight (8) hours scheduled work in the air driver's classification and other bargaining unit classifications, except air walker. These employees shall receive all appropriate full-time benefits.
- (2) Less than eight (8) hours scheduled work in the air driver classification or a combination of less than eight (8) hours scheduled work in the air driver classification and other bargaining unit classifications, except air walker. The Employer will notify the Union within thirty (30) calendar days in writing when a less than eight (8) hour position is created, and the Union will have thirty (30) calendar days to grieve the implementation if they believe such position is improper. This grievance shall go directly to the National Air Committee. These less than eight (8) hour employees shall receive appropriate part-time benefits. No less than eight (8) hour combination job will be rescheduled to create two (2) part-time jobs.
- (3) Combinations which require more than a two (2) hour gap between jobs will normally not be used unless mutually agreed to by the Local Union and the Employer.
- (c) Air Driver Work Week

The workweek for full-time air drivers currently working a Monday through Friday workweek shall continue on that schedule. The work-week for additional full-time air drivers shall be any five (5) consecutive days in seven (7), and for all part-time air drivers shall be any five (5) in seven (7) days.

(d) Air Driver Guarantee and Overtime

<u>In applying the following provisions, the term "hours worked" shall include all hours for which an employee receives compensation.</u>

- (1) Full-time air drivers shall have the same daily and weekly guarantees as provided for regular drivers in the applicable Supplement, Rider or Addendum. They shall receive overtime pay for hours worked in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week.
- (2) Less than eight (8) hour air drivers (part-time air drivers) who have a regular scheduled start time shall have a three (3) four (4) hour daily guarantee. They shall receive overtime pay for hours worked in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week.
- (3) Any <u>l</u> <u>Less</u> than eight (8) hour combination air driver<u>s</u> (part-time combination air drivers) who works their three (3) hour guarantee shall <u>have a</u> be guaranteed four (4) hours <u>daily guarantee</u>. They shall be paid overtime for hours in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week.
- (4) <u>Full-time air drivers, less than eight (8) hour air drivers (part-time air drivers) and less than eight (8) hour combination air drivers (part-time combination air drivers) shall receive overtime pay for</u>

all hours worked on the sixth (6th) day and shall receive double-time (2X) pay for all hours worked on the seventh (7th) day. The provisions above do not apply to an air exception driver who performs extra work under Sections 1 (h), (j) or (k) below.

- (5) Employees in paragraphs (2) and (3) above shall be entitled to all other provisions in their Supplement, Rider or Addendum (such as rest periods, shift differential, bidding to full-time jobs and lay- off provisions, etc.).
- (6) Except as provided for in section (h) (3) below, all time spent by part-time employees performing air work on a non-scheduled basis, or as extra work under the applicable supplement, rider or addendum, shall be used in the calculation of overtime as contained in those supplements, riders or addendums.
- (h) Exception Air Drivers
- (1) The Employer and the Union recognize that there may be air packages that cannot be delivered by the regular full-time package car driver or the scheduled air drivers listed in this Section. Therefore, the parties agree to continue the practice of allowing the use of part-time employees who have signed the exception qualified list or who have expressed in writing their desire to be on the list and who have been certified to deliver these exception air packages.
- (2) Employees certified on the Exception Air Driver list who have not worked over forty (40) hours in the current work week shall be offered this work by seniority.
- (3) Exception air drivers shall have <u>a four (4) hour daily guarantee</u> no guarantee and will be paid only for the time worked making air deliveries. In the event a part-time employee works over eight (8) hours in any one (1) twenty-four (24) hour period, he or she shall be compensated at the rate of time and one-half (1-1/2) for all hours worked over eight (8) hours at the rate of pay specified in Section 6 below.
- (4) No exception air driver shall be required by the Employer to wait at a center for packages off the clock.
- (i) Personal Vehicles

Air Exception drivers will use the Employer's vehicles whenever possible. Air Exception drivers who would happen to use their personal automobiles shall be reimbursed at the IRS limit applicable per mile for all miles driven to perform the air driving work in addition to their air driver wages. When an employee uses his/her own vehicle in the service of the Employer and is involved in an accident, the Employer shall be responsible for the damages to both the employee's vehicle and to the other person's vehicle and/or property, and will provide liability insurance coverage.

(j) Holiday Work

When it is necessary to provide air service on holidays, the following procedure shall be used:

- (1) The Employer shall offer this work in seniority order to full- time air drivers who have worked at least one (1) day that week before offering it to part-time air drivers.
- (2) When the scheduling needs cannot be met using the above provision, the Employer shall have the right to force part-time air drivers and then full-time air drivers to work starting in reverse order of seniority. If after exhausting the above steps scheduling needs are still not met, the Employer shall offer the work in seniority order within the package driver classification. If more drivers are still needed the reverse seniority order concept will be used for package drivers. Package car drivers who <u>are scheduled to</u> work on a holiday, both those who volunteer and those who are forced, shall be paid may make a written request for an eight (8) hour guarantee. Such written request shall be made the last work day prior to the holiday. All time worked by, or paid to, these drivers on a holiday will be paid at the Supplemental holiday rate.

- (3) The scheduling of the support work will be reviewed with the Local Union prior to the holiday. If the Local Union believes that the Employer has scheduled an excessive number of support employees, it shall have the right to appeal directly to the National Air Committee. The National Air Committee will review the schedule and determine whether the Employer has scheduled an excessive number of support employees. If it is determined by the National Air Committee that the Employer worked excessive support employees, the excessive employees worked shall be paid double time triple-time (3X) for hours worked in addition to their holiday pay.
- (4) Air drivers and support employees scheduled on a holiday to ensure air service to the customer, including time performing incidental work, shall receive straight time overtime for all hours worked, or the Supplemental holiday rate, whichever is greater, up to eight (8) hours in addition to the holiday pay. Overtime provisions shall apply if the employee works over eight (8) hours.
- (k) Saturday or Sunday Air Work
- (1) To perform Saturday or Sunday air work the Employer and the Union recognize the need for air drivers other than those regularly scheduled. Qualified part-time employees who are interested in performing this work will so notify the Employer, be certified and be placed in seniority order on a posted qualified air driver list. Such work will be first offered in seniority order to employees on the qualified list who have not worked more than thirty-seven (37) hours in the current week. This work shall then be offered in seniority order to qualified part-time employees regardless of hours worked. If the scheduling needs still cannot be met, and additional employees are needed, the Employer may force qualified part-time employees in reverse seniority order.
- (2) These employees shall be paid at the air driver's straight-time rate of pay in accordance with Section 6 below. Time and one-half (1-1/2) will be paid after eight (8) hours per day or after forty (40) hours per week.
- (3) All employees working as an air driver on Saturday or Sunday under this Section shall have a three (3) **five** (5) hour guarantee.
- (l) References in this Article to an air driver, part-time or full-time, include employees who on a scheduled basis, perform (1) only air driving work, or, (2) air driving work in combination with other bar-gaining unit work.

ARTICLE 40. AIR OPERATION

Section 2. Air Walkers

- (a) Air Walkers may deliver and/or pickup air packages and shall not drive any vehicle which requires a drivers' license in the performance of their duties.
- (b) Air Walkers will not be used to pick-up or deliver ground pack- ages.
- (c) Air $\underline{\mathbf{w}}\underline{\mathbf{W}}$ alkers shall start and end the day in the area they work. (d) Air Walkers shall be guaranteed three (3) hours per day and shall be given a ten (10) minute paid break.
- (e) Air Walkers shall be paid in accordance with Section 6 below.
- (f) Air Walkers shall receive all part-time benefits and conditions of employment as outlined in the appropriate Supplement, Rider or Addendum including the right to bid into full-time jobs. An air walker position shall be open for bid to current employees prior to tilling that position from the outside.
- (g) The intent of this Section is not to eliminate present full-time air jobs and/or combination jobs.
- (h) All Air Walkers shall be issued UPS rain gear.
- (i) All Air Walkers shall have access to properly functioning water coolers and ice machines located at all Air Service Centers.
- (j) All Air Walkers shall have access to secure lockers for storage of personal items.

ARTICLE 40. AIR OPERATION

Section 3. Air Hub and Gateway Operations

Employees presently working in or hired into existing air hubs and/or gateways shall continue to work under the present agreements covering the air hub and gateway operations. If no agreement exists, Article 40, Section 3 shall apply. However, if Section 3 is silent, the appropriate Supplement, Rider or Addendum will apply.

- (a) Workweek
- (1) The workweek for air hub and gateway employees shall consist of any five (5) days in a seven (7) day period.
- (2) Air hub and gateway employees hired prior to August 1, 1987 shall have the right to maintain the workweek in existence at that time, if such workweek exists.
- (b) Daily Guarantees

In applying the following provisions, the term "hours worked" shall include all hours for which an employee receives compensation.

All air hub and gateway operations employees shall have a four (4) hour daily guarantee. They shall receive overtime pay for hours worked in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week. Air hub and gateway operations employees shall receive overtime pay for all hours worked on the sixth (6th) day and shall receive double-time (2X) pay for all hours worked on the seventh (7th) day.

The three (3) hour daily guarantees shall apply whenever possible. Further, the parties agree that in those areas that do not currently have a daily guarantee, the following procedure shall apply: If eighty percent (80%) of the employees reporting to a shift work three (3) or more hours for thirty (30) working days within a forty—five (45) day period, except for peak season, such shift shall be entitled to a three (3) hour guarantee. The Employer may also provide a higher daily guarantee to the extent it does not conflict with the overtime rules in the applicable Supplement, Rider or Addendum. Grievances concerning this issue shall be brought directly to the National Air Committee.

- (c) Holidays
- (1) When it is necessary to operate an air hub and gateway operation on a holiday, those employees worked will be paid overtime, or the Supplemental holiday rate, whichever is greater, in addition to holiday pay if it is not a scheduled workday for those employees.
- (2) For those employees not qualified for overtime, as stated above, the holiday will be a normal workday.
- (32) The holiday shall be defined as the day the holiday is nationally observed.
- (43) Start times on these days may differ from normal workday start times.
- (h) Rain Gear

The Employer shall provide all outside ramp employees rain gear, to include, pants and tops. De-ice crews shall be provided with insulated coveralls, insulated gloves, boots and rain gear that is large enough to fit over the insulated coveralls.

(i) The following jobs/positions shall be considered skilled positions and shall be paid an additional one dollar (\$1.00) per hour premium:

K-Loader Operator

January 22, 2018

INITIAL PROPOSAL, Jan. 22 - These are initial contract proposals and are subject to change during negotiations. Download the UPS Rising app by searching "UPS Rising" in the App Store or Google Play. You can also follow the campaign at www.upsrising.org on Facebook @TeamUPSrising and on Twitter @UPSrising. Text "UPS" to 86466 to receive text message alerts (Message and data rates may apply).

Push Back Operator
De-Icing Crew
Haz-Mat First Responder
Tug Operators
Deck Loaders
Belt Loaders

- (j) Employees shall be paid for all time spent testing for and/or acquiring any required certifications, licensing and badging to perform their duties or gain access to the employees/employer's work area.
- (k) All air hub and gateway operations shifter work shall be performed by a full-time bargaining unit employee. This job will be bid by seniority and shall have an eight (8) hour daily guarantee.
- (1) If any part-time gateway employee works two (2) shifts in a day that total eight (8) hours or more for a twenty (20) day period, the Company shall create a full-time position which will be bid by seniority to the existing gateway employees.
- (m) All part-time gateway employees shall be allowed to bid for extra work when available, by seniority, including a second (2^{nd}) or third (3^{rd}) shift.
- (n) At air hub and gateway operation locations where there are no full-time bargaining unit positions, the part-time employees shall be linked to the closest UPS processing facility (HUB or Center) within the Local Union's jurisdiction and shall be allowed to bid on a full-time opening at that UPS facility. They may only bid on full-time openings after the bid process has reached the step where part-time employees are eligible to bid on the opening. The Company shall post these openings at the originating location and at the air hub and gateway operation location. The bid shall be awarded to the highest seniority part-time employee. If the bid is awarded to an air hub or gateway operation employee, that employee will not be considered a new hire employee and will retain all time accrued for vacation and benefits. The employee must meet all requirements for the job.
- (i) Air Gateway

In addition to the Union's right to organize employees at the Company's air gateways in accordance with applicable law, work performed at air gateways shall be performed by United Parcel Service bargaining unit members in accordance with the following procedure:

The Union Chairperson of the National Air Committee shall serve the Company Chairperson of the National Air Committee with written notice of the Union's position that work at a particular gateway is appropriate for conversion to work performed by United Parcel Service bargaining unit members. Upon receipt of the notice, the Union and Company Chairpersons of the National Air Committee shall meet to review the details of the specified gateway operation, including if necessary an inspection of the air gateway. For work at an air gateway/ramp operation (including any sort work performed on the ramp) to be performed by United Parcel Service bargaining unit members, all of the following criteria must be met:

- (1) The air gateway operation must have an established five (5) day workweek with a minimum of <u>one (1)</u> <u>hour</u> three (3) hours of continuous work on all shifts (excluding rest periods provided in the appropriate Supplement, Rider or Addenda) for all employees;
- (2) There is a minimum of ten (10) forty (40) potential bargaining unit members on the ramp;

ARTICLE 40. AIR OPERATION

Section 6. Wages

- (a) and (b) Economic
- (c) All new hire full-time or part-time air drivers will be placed in the applicable progression in paragraphs (a.) or (b.) above. Part- time employees who bid into a full-time air driver job covered by this Section will be red-circled at their current wage rate and will continue to receive the general wage increases as outlined in the full-time wage scale until such time as the calculated progression rate set forth above exceeds that rate. The transfer date will become his/her full-time start date for the purposes of applying the progression set forth above. A part-time employee shall not lose the red-circle protection provided by this paragraph as a result of transferring from one full-time air driver job to another full-time air driver job. A part-time employee shall not lose the red-circle protection provided by this paragraph as a result of transferring from one full-time job to another full-time job.
- (d) All current full-time or part-time air drivers who are out of progression shall receive the general wage increases provided for in accordance with the split dates provided in Article 41, or the Top Rate provided in paragraphs (a.) or (b.) above, whichever is greater.
- (e) Employees in existing or newly created less-than-eight hour combination jobs shall be paid the part-time air rate in accordance with paragraph (a.) above for air driver work and their normal part-time wages for the hours worked in other classifications in accordance with Article 22.
- (f) Employees who are in existing full-time combination jobs or who hereafter enter a full-time combination job shall be paid the appropriate full-time air rate for air driver work, and appropriate inside part time If an employee has a higher red-circled part-time rate, or a higher full-time inside rate, such higher rate shall apply rate—for the hours worked in other classifications. If an employee has no established inside rate, that employee will be paid the appropriate part-time rate in accordance with his Company seniority.

ARTICLE 41. FULL-TIME EMPLOYEES **Economic**

ARTICLE 42. UNIFORMS

Effective May 1, 1994, short uniform trousers and socks will be provided as an option for package and feeder drivers at no cost to the employee. Such shorts and socks may only be worn in compliance with uniform and appearance standards established by the Employer.	
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ARTICLE 43. PREMIUM SERVICES

Section 1. Job Protection

From time to time, the Employer must offer special new premium services to its customers in order to protect existing jobs and further the mutual goal of increasing the number of bargaining unit jobs. The Employer shall utilize bargaining unit employees to perform the feeder movement work of such new premium services, which work shall be considered to be bargaining unit work. The provisions of this Article shall also apply to all packages moved by airplane and to the Employer's "city pairs" service, where it is necessary for the Employer to implement the service to meet its competition. No feeder driver will be laid off or displaced from a feeder classification as a direct result of any provision in this Article.

In implementing such new premium services, the Employer shall utilize the following options to complete the ground movement of the customers' packages in the following order:

- (1) If the Employer's existing feeder network can meet the Employer's time and service needs, that network will be used first.
- (2) When the existing feeder network will not adequately meet the Employer's time and service needs, the Employer agrees to establish a new driver classification, which shall be called a premium service driver. This driver will be typically used to move loads to and from ground and air hubs that are more than two hundred fifty (250) miles apart. Wherever practical, the driver will start at approximately the same start time each day and make two (2) round trips per week to a scheduled sort location. Such work must provide the driver a minimum four (4) day work week.

Benefits provided will be those of regular full-time feeder drivers. The driver will be provided the opportunity to work ten (10) hours per day four (4) days per week. Drivers will also be provided with lodging and shuttle service at the away destination. When jobs are created that have less than ten (10) hours of work, the premium service driver will be paid at the feeder rate of pay and be allowed to work locally in either at the local origin or destination city only to fill out his/her workday. In regards to the premium service drivers, since some hubs work on Friday and some on Sunday, the Employer may move the fifth (5th) day loads via a TOFC pursuant to Article 26.

(3) If the Employer cannot accommodate its time and service needs under (1) and (2) above, the Employer shall have the right to propose the use of bargaining unit sleeper teams to the Local Unions and the Joint Premium Service Review Committee as set forth in Section 4 below. The wages and other economic terms of employment for such sleeper teams shall be as set forth below.

ARTICLE 43. PREMIUM SERVICES

Section 2. Sleeper Team Operations

The Employer shall create sleeper team runs to eliminate the use of subcontractors. This shall not give the Employer the right to reduce or eliminate current feeder jobs within any Local Union jurisdiction.

All Tractors shall have "prepass" technology incorporated and be maintained in proper working order.

The Employer may use subcontractors for new custom contracts for reasonable start-up periods. In no event shall such start-up period exceed thirty (30) days.

(1) Bidding and Mileage

(a) Sleeper cab runs approved pursuant to the provisions of Article 43 will be posted and employees may bid for such runs in accordance with the bidding procedures set forth in the applicable Supplement, Rider or Addendum. No seniority employee shall be forced to drive in a sleeper cab run. A senior driver who successfully bids a sleeper cab run shall be permitted to select his/her respective sleeper cab team partner without regard to seniority, provided that the driver selected as a partner has, prior to such bid, acknowledged his/her agreement, in writing, to accept such permanent sleeper cab run driving assignment and provided further that the selected partner possesses the required qualifications.

No permanently approved mileage run will be taken down or dismantled at peak season.

(b) There shall be no two (2) person operations on runs of less than five hundred fifty (550) outbound miles and one thousand one hundred (1,100) miles round trip. All bids and cover drivers will receive reasonable time off at their home center. Every team driver shall be guaranteed at least forty (40) hours of pay per week.

(2) Driver Team

Once driver teams are established it is understood that they are not to be separated unless mutually agreed to by the Employer, the Local Union, and the driver team involved, except in case of emergency or reduction in force. Only two (2) drivers shall be permitted in sleeper cab equipment at any one (1) time except in case of emergency, an Act of God, or where a new type of equipment is put into operation.

(3) Furnished Transportation and Lodging

Comfortable, sanitary lodging shall be furnished by the Employer in all cases where an employee is required to take a rest period away from his home center. Air-conditioned hotel rooms shall be furnished. Hotel rooms shall be equipped with blinds or draperies or be suitably darkened during daylight hours. There shall be no bunk beds or double beds and both drivers shall be entitled to a room. All team driver lodging must be maintained on the basis of one (1) driver per room.

Under unusual circumstances in which the Employer is unable to furnish satisfactory lodging, the employee shall be paid fifty two hundred dollars (\$50 200.00) for each rest period; except where accommodation is unavailable at such figure and it is necessary for the driver to pay in excess of fifty two hundred dollars (\$50 200.00), he shall receive reimbursement of the actual cost of the room.

The Employer shall furnish transportation to and from the nearest public transportation, when there is unreasonable delay, at an away-from-home center, provided there is no public transportation available in the near vicinity and provided further that this provision shall not apply where the driver is allowed to use company equipment for transportation.

All time waiting for motel/hotel furnished transportation and/or waiting for a sleeping room to be made available will be paid at the hourly rate of pay.

(4) Safety and Health Committee

The parties will maintain a safe and healthy working environment in sleeper operations. The parties agree to establish a committee composed of four (4) members each to review the comfort and/or safety aspects of sleeper berths pertaining to ride. Such committee shall meet by mutual agreement of the Co-chairmen as to time and place. The committee shall confer with appropriate representatives of equipment manufacturers and/or other experts on this subject as may be available. The intent of the committee is to identify any problems with the comfort and/or safety aspects of sleeper berths pertaining to ride that may exist, and through its deliberations with the manufacturers and/or other experts, develop ways and means to correct such situations. Any disputes will be referred to the Joint Premium Service Review Committee.

(5) Sleeper Equipment

Newly purchased equipment will meet the following specifications:

(a) Minimum interior dimensions of the sleeper berths shall be:

Length -79/80 inches;

Width -36 inches; and

Height – 24 inches.

It is understood that a "manufacturing tolerance of error" of one inch (1") is permissible, provided the original specifications were in conformity with the above recommended dimensions.

- (b) Sleeper berths shall be equipped with individual heat and air conditioning controls and units <u>and shall</u> be available to be used at all times.
- (c) Bunk restraint strap/net buckles on sleeper equipment shall be mounted on the entrance side of the sleeper berth.
- (d) Sleeper equipment shall be equipped with a power window on the passenger's side of the cab that is operable from the driver's side of the cab.

(6) Subsistence Allowance

Each employee shall be allowed road expenses in the amount of thirty-five (\$35.00) for each one thousand (1000) miles traveled.

(7) Delay Time

It is the intent of the parties to make the driver whole for all justified delay time, such as waiting for late loads, unscheduled on property work, accident delay or on road equipment breakdown. Any disputes will be referred to the Joint Premium Service Review Committee.

(8) Solo Driving

There shall be no solo driving permitted in sleeper cab operations, except in cases of emergency. In case of emergency where one (1) driver is used to complete a sleeper cab trip, the driver so used shall receive the full mileage rate of pay per unit mile traveled in addition to all other compensation provided for herein. In cases of emergency solo driving of such length that a rest period is necessary, the driver, in addition, shall be provided the cost of lodging for such rest period.

(9) Layover Pay

In the event a driver is required to take a rest period during any one (1) round trip away from his home center, the driver shall be compensated at his regular hourly rate of pay for all hours after the first eight (8) hours of the layover.

(10) Mileage Determination

Sleeper drivers shall be paid for the scheduled miles that they drive, on a point-to-point basis over the routes driven. The method of measurement for mileage under this provision will be Microsoft Streets and Trips mapping or similar successor software.

(11) Employees entering a job paid on mileage between the date of ratification and August 1, 2008 will continue to be paid in accordance with the provisions of the prior Agreement.

(11) All employees entering after August 1, 2008 2013, a job classification paid on a mileage rate, who have not yet completed a full-time progression, shall be paid a progression rate equal to the following:

Mileage Rate in Effect On August 1, 2002

Start 70%
Seniority Date plus one year 80%
Seniority Date plus two years
Seniority Date plus three years Top Rate

(12) Hourly work performed at the beginning or end of a mileage run shall be paid at the applicable hourly feeder one and one-half (1 1/2) rate of pay or the applicable premium rate of pay in the driver's Supplemental Agreement.

ARTICLE 43. PREMIUM SERVICES

Section 3. Mileage Rates

Premium Service drivers will be paid the cents per mile shown below for all miles driven. Sleeper teams will receive a two (2) cents per mile premium on the appropriate mileage rate and will equally divide the appropriate rate.

The mileage rates set forth below shall be effective for each of the specified contract years. In the first three (3) years of the contract, the increase will be effective on August 1st. In 2016 and 2017 the increase in the mileage rate shall be paid in two (2) equal installments. The first half of the increase shall become effective on August 1 of the specified year. The second half of the increase shall become effective on February 1 of the following calendar year. The total increases for each year will result in the following mileage rates:

	Single	Double	Tripl
. 2012	0.5554	0.7710	e 0.700
August 2013	0.7554	0.7719	0.788 3
August 2014	0.7713	0.7882	0.804
C			9
August 2015	0.7873		0.821
. 2016	0.7064	0.0120	6
August 2016	0.7964	0.8138	0.831 1
February 2017	0.8055	0.8231	0.840
			6
August 2017	0.8169	0.8347	0.852
			5
February 2018	0.8282	0.8463	0.864
			3

ARTICLE 43. PREMIUM SERVICES

Section 4. Joint Premium Service Review Committee

The Employer and the Union agree to establish a Joint Premium Service Review Committee consisting of four (4) Union representatives and four (4) Employer representatives. This Committee shall meet at least quarterly or upon the call of either the Union Chair (who shall be appointed by the Union General President) or the Employer Chair.

In the event the Employer proposes to implement either a mileage layover run or sleeper team run in accordance with the provisions of Section 1 above, the run must first be reviewed and approved by the affected Local Union(s). Such approval shall not be unreasonably denied. After approval by the Local Union(s), the accommodation shall be submitted to the Joint Premium Service follow the process set forth in the Article 43 guidelines.

Review Committee for review. The Employer may also submit the accommodation to the Committee for review in the event approval is denied by the Local Union(s). No such accommodation shall be implemented without the approval of the Parcel & Small Package Division Director or the General President's designee. Approval shall not be unreasonably denied.

The Committee shall also review the Employer's compliance with the provisions of this Article and shall report and recommend improvements or alterations in the implementation and operation of premium service and sleeper team drivers.

ARTICLE 43 – PREMIUM SERVICES COMMITTEE

Guidelines for UPS Mileage Layover, City Pair, and Sleeper Team Drivers

- 1. No Feeder Driver will be laid off or displaced from the Feeder Classification as a direct result of the implementation of a Premium Service Job.
- 2. If the Employer's existing Feeder Network can meet the Employer's time and service needs, that network will be used first.

In the event the Employer proposes to implement either a mileage layover, or sleeper team run or a city pair (mileage turn) in accordance with the provisions of section 1 above, the run must first be reviewed and approved by the affected Local Union(s). Such approval shall not be unreasonably denied.

After approval by the Local Union(s), the accommodation shall be submitted to the Joint Premium Service Review Committee for review **and approval**.

The Employer may also submit the accommodation to the Committee for review in the event approval is denied by the Local Union(s).

No such accommodation shall be implemented without the approval of the Package Division Director or the General President's designee.

Any permanent approved mileage run will not be temporarily collapsed during peak season.

Approval shall not be unreasonably denied.

Any run that has been approved and is changed such change must be reviewed with the Local Union(s) involved and approved pursuant to the above process.

City Pair (mileage turn) drivers will be paid by the actual miles driven between selected UPS locations which are more than 250 miles apart.

City Pair (mileage turn) drivers (<u>runs</u>) shall be scheduled for 5 working days as outlined in the applicable supplement, rider or addendum. (**for clarification**)

Layover drivers will be paid by the actual miles driven between selected UPS locations, which are typically more than 500 miles apart.

Mileage jobs not scheduled to equal ten (10) hours of pay will be filled in with local hourly feeder work in the following order:

- 1. Local feeder or CPU/TDP work at origin hub or center.
- 2. Shifter work at origin work location.
- 3. Layover jobs <u>shall not be</u> scheduled to equal <u>a minimum of</u> ten (10) hours per day, <u>may be</u> supplemented with an additional day of work at the regular hourly rate in an effort to provide forty (40) hours <u>of work per</u> weekly. When this occurs, the layover job will not be subjected to the requirement of providing hourly work to equal ten (10) hours of pay.
- 4. Destination local work will be the last consideration not be an option.

Holidays, personal holiday, paid sick days, funeral leave and jury duty for city pair (mileage turn), layover and sleeper team drivers will be paid in accordance with the applicable supplement, rider or addendum.

The layover and sleeper team drivers will be compensated for no less than forty (40) hours of work in a holiday workweek.

These holidays will be paid at ten (10) hours straight time pay for mileage drivers who are scheduled four (4) days a week, ten (10) hours a day if the holiday falls on a day the employee is normally scheduled to work. When the holiday falls on a non-scheduled day, the employee will be paid in accordance with the applicable supplement, rider or addendum.

When the city pair (mileage turn), layover and sleeper team drivers are required to work on a holiday, the driver will be paid at the appropriate holiday rate under the applicable supplement, rider or addendum.

City pair (mileage turn), layover and sleeper team jobs will be bid among regular origin feeder jobs as per local procedures and work rules.

Jobs not selected in normal top down seniority order will be assigned from the bottom up as per normal local work rules. As per Article 43, Section 2(1)(a).

Efforts to pre connect c City pair (mileage turn), layover and sleeper team driver's tractor/trailer units at the local origin will be made pre-connected at both the start and the finish of the run-in a regular location on the lot. Drivers shall be paid time and one-half to connect or disconnect units.

Pre-trip, post-trip inspection, start and finish shall be part of the applicable mileage rate.

"It is the intent of the parties to make the driver whole for all justified delay time, such as waiting for late loads, unscheduled on-property work, accident delay or on-road equipment breakdown. Any disputes will be referred to the Joint Premium Service Committee." Unless authorized otherwise by management, delays will commence at the scheduled departure time.

Mileage drivers are not paid for traffic delays when mileage is recorded within the delay except as follows:

On major highways, traffic delays will commence when a mileage driver's speed is reduced to a complete stop and then the driver continues to move at a speed less than fifteen (15) miles per hour. The delay would continue until the tractor reaches a speed of fifteen (15) miles per hour for a least one (1) consecutive minute. Traffic delays must be fifteen (15) minutes or greater and will be paid back to the first minute.

It is understood in extreme traffic delay cases, delay pay will not be unreasonably denied.

While this section clearly entitles the Team Drivers to be made whole for all justified delay time such as waiting for late loads this language applies only to sleeper cab planned runs that have been awarded through the appropriate applicable supplemental, rider or addendum provision team runs.

When sleeper team runs require waiting time at the furthest point, such waiting time may be non-paid, but not to exceed two (2) hours will be paid.

The driver will be paid from the actual arrival time to the extent that an early arrival is not the fault of the driver. Each arrival at the home domicile will reset the furthest point.

Upon arrival at the furthest point, the Company will have the option of providing suitable lodging for the duration of any wait time. Drivers who are provided with lodging will be in a non-pay status not to exceed eight (8) hours or until placed back on duty by the Company.

The Company may schedule a maximum of ten percent (10%) of the total approved network sleeper teams nationwide up to ten (10) hours in non-pay status at the furthest point. The Company will not unnecessarily create these types of runs or excessively schedule these runs in any one (1) Local Union. Also, the Company must have a specific business purpose to schedule such a run as well as follow the approval process set forth in the Article 43 Guidelines on any newly created runs as of March 27, 2013 August 1, 2018.

Waiting time at intermediate stops will be handled in accordance with the applicable local supplement, rider or addendum.

Delays of fifteen minutes or more will be paid back to the first minute, All delays will be paid at the applicable local hourly feeder rate for both team drivers and a single person driver that is on a layover run.

<u>All</u> "Chain-up" <u>delay</u> time will be paid to both team <u>all</u> drivers and a single person driver that is on a layover run in the States where it is required.

City pair (mileage turn), layover and sleeper team drivers will be paid the applicable feeder hourly rate after a diversion occurs from the point of leaving the main highway to the facility and returning to the main highway. Any such re-dispatch will not displace any bid feeder work.

Mileage Determination:

Sleeper Team drivers shall be paid for the scheduled miles that they drive, on a point-to-point basis, over the routes driven. The method of measurement for mileage under this provision will be Microsoft Streets and Trips mapping or similar successor software.

If an extension or diversion at the destination or origin occurs, the drivers would be paid the scheduled miles using the same methodology as above at the time and one-half rate.

Fuel and Wash will be handled in the following manner:

There shall be a set fuel/wash allowance of thirty (30) minutes when a fueling event is scheduled at a non UPS facility or required in an emergency situation.

However, when sleeper teams are scheduled to fuel/wash at UPS facilities other than those designated as an intermediate stop, those stops which utilize a staging area outside of the facility the fuel/wash delay will start at the point of uncoupling and finish when re-coupling is completed. If uncoupling and re-coupling is necessary within a facility, a team will commence being paid upon entering the facility and finish upon exiting. If uncoupling is not necessary, teams will be paid a set fuel/wash allowance of forty (40) minutes.

Re-route:

A re-route occurs when a sleeper team is taken off their scheduled path due to weather, road closure, accident, etc. When a team is re-routed to other comparable roadways, the team's additional miles will be compensated at the applicable mileage rate of pay. If a mileage driver is re-routed to a non-comparable main highway, he will be paid at the applicable hourly rate of pay.

Extension:

An extension occurs when an exception such as inclement weather, breakdown, traffic delay, etc. requires a sleeper team to be extended beyond their furthest point. These miles will be paid at the regular mileage rate of pay.

Shuttle service to a sanitary hotel and lodging expenses will be paid for, or provided by, the Employer.

It is understood that supplemental language, regarding impassable highways, shall continue to apply. Shuttle service to a sanitary hotel and lodging expenses will paid for, or provided by, the Employer.

If a mileage driver pulls doubles any part of his/her day, he/she will be paid the doubles rate for the entire day. Double forty (40) foot trailers will be categorized the same as triples. For Sleeper Team Drivers, the greatest number of trailers actually pulled will be used for compensating all legs from domicile to return domicile. Each turn at domicile will reset the trailer compensation rate.

For Sleeper Team Drivers, the greatest number of trailers actually pulled will be used for compensating all legs from domicile to return to domicile. Each turn at domicile will reset the trailer compensation rate.

Applicable wage rates are listed under Article 43 and apply to all drivers. There is no wage progression for full-time package car and feeder drivers hired on or prior to August 1st, 1997 2018.

In the event city pair (mileage turn), layover and sleeper team mileage drivers are offered work on a regular scheduled day off from his/her workweek, the following shall apply:

- 1. Mileage drivers who work on their days off shall be paid the applicable feeder premium rate of pay in his/her Supplemental Agreement.
- 2. Mileage drivers scheduled for four (4) runs at ten (10) hours a day When the drivers work on the fifth (5th) punch, such drivers shall be paid the applicable premium rate of pay in his/her Supplemental Agreement for the sixth (6th) day of work.
- 3. Mileage drivers scheduled for four (4) runs at ten (10) hours a day When the drivers work on the sixth (6th) punch, such drivers shall be paid the applicable premium rate of pay in his/her Supplemental Agreement for the seventh (7th) day of work.
- 4. Sleeper team drivers who work on their first (1st) scheduled day off will be paid at the applicable premium rate of pay as a sixth (6th) day of work in accordance with his/her Supplemental Agreement. Any subsequent days worked thereafter within their scheduled workweek will be paid as a seventh (7th) day of work in accordance with his/her Supplemental Agreement.

A premium service layover and sleeper team driver equals in four (4) days the same benefits as a five (5) day hourly driver.

Hourly work performed at the beginning or end of a mileage run shall be paid at the applicable hourly feeder one and one-half (1 ½) rate of pay or the applicable premium rate of pay in the driver's Supplemental Agreement. This would include mileage runs that may have multiple beginnings and endings at the home domicile.

Subsistence allowance shall cover the cost of showers; however, where practical and when possible, UPS may provide a shower at the destination facility.

The cost of fees for bridges, turnpikes, expressways and weigh stations shall be paid by the Employer.

Each driver will be issued two (2) sheets, two (2) pillow cases, and one (1) blanket each year, provided however, that if a driver requests a replacement set of sheets, pillow cases, and blankets because of the material being worn out prior to one (1) year, such request will not be unreasonably denied by UPS. Laundry service shall be paid by the drivers company.

Planned mileage runs must be bid with designated work days and days off (i.e. four-day runs and five-day runs).

Mileage drivers shall be paid the applicable mileage rate of pay for all miles driven. Each sleeper team driver will receive subsistence allowance of thirty five fifty dollars (\$35 50.00) for every one-thousand (1000) miles driven. Miles driven under one-thousand (1000) each work week shall be adjusted within a thirty (30) day period. For example, three-thousand five-hundred (3,500) miles in a week, five-hundred (500) miles of the total miles driven will be prorated.

VACATED SLEEPER POSITION SELECTION

Each Local Union may elect to follow this procedure for the replacement of the senior driver work assignment or continue the practice that presently exists in their Local Union area. In the event the senior driver (A driver), of a bid team permanently vacates the team for any reason, the junior driver (B driver), will become the senior (A driver), for that team for the purpose of selection of his/her replacement. The selection will be in accordance with Article 43, Section 2 (1) (a) of the National Master Agreement.

ARTICLE 44. OVER 70 POUND SERVICE PACKAGE HANDLING

The parties agree that the health and safety of the employees are of the utmost importance. The Employer agrees that UPS management will not insist that any unsafe action be undertaken and the Union agrees to encourage its members to cooperate in effectuating the handling, pick-up and delivery of parcels without exposing themselves to safety hazards.

Section 1. On Area Package Handling

The company will bid routes in Package Centers to handle oversized – over 70 lb packages. The routes will include a team of two (2) drivers, using straight truck with lift gates to handle the oversized and over 70 lb packages. Drivers working in the oversized and overweight delivery will receive \$1.00 per hour in addition to their package rate of pay.

No employee <u>including automotive mechanics</u> shall be required to handle any over 70 pound packages <u>(including dimensional weight)</u>, <u>tires</u>, <u>equipment</u>, <u>etc.</u> alone if it is the employee's good faith belief that such handling would be a safety hazard to herself or himself. In such cases, the Employer shall provide whichever of the following is requested in good faith by the employee in handling over 70 pound packages:

- 1. Another bargaining unit employee for assistance, or
- 2. Appropriate lifting/handling devices, or
- 3. Another bargaining unit employee and an appropriate lifting/handling device for handling, pick-up or delivery circumstances that require both bargaining unit help and an appropriate lifting/handling device.

In all such instances involving package car drivers, where assistance from another bargaining unit employee has been requested in good faith, both employees will be full-time employees of the bargaining unit except that air drivers or helpers, where permitted by the applicable Supplement, may be used to assist the full-time driver in the delivery and/or pickup of such overweight packages. On Saturdays, air drivers may be assisted by another air driver in the delivery and/or pickup of overweight packages. A helper may be used to assist a driver in the handling of overweight packages when a helper is already on the package car in accordance with the terms of the Supplement, Rider or Addendum.

No employee will be required to solicit or accept customer assistance if it is the employee's good faith belief that the customer is not qualified to help or that such assistance would be a safety hazard to themselves or the customer.

All new and existing employees who handle packages shall be provided with periodic training in the recognition and proper handling of over 70 pound packages.

Smalls bags weighing over 70 pounds shall be classified as over 70 packages and be treated as such under Article 44.

ARTICLE 44. OVER 70 POUND SERVICE PACKAGE HANDLING

Section 2. Package Identification

The Employer agrees that it will periodically instruct its customers to place at least one (1) over 70 pound label on all such packages shipped, enter the weight of the package on the label and notify the pick-up driver of the over 70 pound packages to be picked up. The driver shall complete and affix as many additional over 70 pound labels and/or identifying tape as is reasonably necessary to provide proper visual identification of the package for safe movement through the system. The label and tape shall be of bright contrasting colors. No package will move through the system without enough tape clearly visible from all sides identifying the package as over seventy (70) pounds.

The Employer shall instruct all customers to place accurate weights on every package. This procedure will also include hundred-weight accounts.

ARTICLE 44. OVER 70 POUND SERVICE PACKAGE HANDLING

THEN EDD IS NOW	nloaded, it will show the quantity and HIN number of every over 70 lb. package.
The Employer sha	ll provide sufficient number of lifting devices and irreg carts to handle the of irregs.
<u>[rregs shall not be</u>	placed on any belt other than the ones designated for irregs.
Scales and measur	ing devices shall be provided and made available at each center.

ARTICLE 45. DURATION

Section 1.

This Agreement shall be in full force and effect from August 1, 2013 to and including July 31, 2018 and shall continue from year to year thereafter unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.

Section 2.

Where no such cancellation or termination notice is served and the parties desire to continue said Agreement but also desire to negotiate changes or revisions in this Agreement, either party may serve upon the other a notice at least sixty (60) days prior to July 31, 2018 or July 31st of any subsequent contract year, advising that such party desires to revise or change terms or conditions of such Agreement.

Section 3.

Revisions agreed upon or ordered shall be effective as of August 1, 2013 unless otherwise specifically provided. The Employer or the National Negotiating Committee shall be permitted all legal or economic recourse to support their requests for revisions if the parties fail to agree therein.

Section 4.

In the event of an inadvertent failure by either party to give notice set forth in Sections 1 and 2 of the Article, such party may give such notice at any time prior to the termination or automatic renewal date of this Agreement. If a notice is given in accordance with the provisions of this Section, the expiration date of this Agreement shall be the sixty-first (61st) day following such notice.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this $_$ ____ day of $_$ ____, $\frac{2013}{2013}$ to be effective as of ratification of this Agreement except as to those areas where it has been otherwise agreed between the parties:

IN WITNESS WHEREOF the undersigned do duly execute the NATIONAL MASTER UNITED PARCEL SERVICE AGREEMENT and Supplemental Agreements, Riders and/or Addenda.

Memorandum of Understanding

Teamsters United Parcel Service Negotiating Committee (Union) and United Parcel Service, Inc. agree that pursuant to the last para- graph of Article 34, Section 1 (a), the maximum amount of a general wage increase that will be re-allocated to a pension contribution is thirty-five cents (\$0.35). The parties will not implement any reallocation of GWI to pension contributions in excess of thirty-five cents (\$0.35) without mutual agreement by the parties and subject to it being ratified by the affected employees.

Any increased contribution required under this MOU must be implemented through a deduction from the employee's gross weekly earnings in a whole dollar amount.

NEW:

In the event that the Employer is required by law or operational necessity to pay any employee (regular, seasonal, casual) a higher wage rate than the rate specified in the Agreement for any classification, benefits, lump sum bonus of any kind, or any monetary benefit, it shall first obtain the approval of the Union. Unless required by law, the Employer shall not implement a higher rate unless it applies that rate on a uniform basis to all employees within the affected classification.

Memorandum of Understanding

United Parcel Service, Inc. (Ohio and New York Corporation) and Teamsters United Parcel Service National Negotiating Committee agree that under Article 26 the Employer may not subcontract feeder movements to outside trucking contractors solely because it is less expensive.

The parties further agree that this Memorandum of Understanding does not apply to the 2002 Memorandum of Understanding regarding the intent of Article 1, Section 4.

Memorandum of Understanding

Teamster United Parcel Service Negotiating Committee (Union) and United Parcel Service, Inc. agree that it was their mutual intent that if a part-time employee completes his assigned duties and leaves work in less than three-and-one-half hours he shall be considered to have forfeited the right to his daily three-and-one-half hour guarantee. This shall not affect an employee's right to a mini- mum three (3) hour daily guarantee.

Memorandum of Understanding

United Parcel Service, Inc. (Ohio and New York Corporation), as a demonstration of its commitment to maintaining jointly administered Teamster pension benefit plans, and to enhance the long term stability of pension coverage for its employees represented by Teamster Local Unions, agrees that for a period of ten (10) years from the effective date of the National Master Agreement, it will not solicit any signatory Local Union to change pension plans, either by proposing such change during future negotiations of the National Master Agreement or by encouraging its employees to advocate withdrawal from participation in their current pension plan.

LETTER OF AGREEMENT

United Parcel Service, Inc. ("UPS" or "Company") and the Teamsters UPS National Negotiating Committee ("Union") agree that the following will apply to Article 26, Section 4 of the UPS National Master Agreement:

- (1) In the event the Company's competition eliminates its service comparable to Surepost, either nationwide or in any service area, the Company shall discontinue Surepost on the same basis.
- (2) In the event any dispute referred to the chairs pursuant to Article 26 Section 4,(3) cannot be resolved, the matter shall be subject to expedited arbitration process which will allow the grievance to be heard within sixty(60) days of filing. The first arbitrator, in alphabetical order, on the East Panel who is available within the sixty (60) day period, will be selected to hear the case. In the event the arbitrator finds that UPS has expanded Surepost beyond the scope of Article 26, Section 4 without first obtaining the consent of the Union, he shall have the authority to fashion a remedy based on the nature and extent of the violation, including issuing a cease and desist order requiring UPS to terminate the expanded service.

Memorandum of Understanding

United Parcel Service Inc. (UPS) and the Teamsters UPS National Negotiating Committee (Union) provide the following in order to detail the benefits available through Central States Health & Welfare plan. Nothing within this Memorandum of Understanding shall affect the Central States Health & Welfare Trustee's right to modify benefit levels.

- 1. The base benefits for all employees covered by the Central States Health & Welfare Fund shall be the C6 schedule.
- 2. Enhancements shall be made in the C6 plan in the following areas for all employees who will be covered by the Central States Health & Welfare plan for the first time effective January 1, 2014: Phased in deductible; reduced co-pays for medical office visits, physical exams and well child care and mail order prescription drugs.

- 3. For those employees on the payroll on July 31, 2013, who will become Central States Health & Welfare participants on January 1,
- 2014, and are not covered by the Central or Southern Conference Supplemental Agreements, the Company will also enhance the retiree eligibility rules.
- 4. Short term disability, life insurance and dental benefits will first be provided through Central States Health & Welfare. UPS will cover the differential between what Central States Health & Welfare currently provides and what the employee had as a benefit prior to January 1, 2014.
- 5. Details concerning any of the above benefits shall be available from the Central States Health & Welfare Plan.
- 6. In order to cover the costs of early retirement eligibility, for full- time employees who are outside of the Central and Southern Conference Supplements but are transitioning to the CS H&W Plan, the August 1, 2013 contribution increase provided in Article 34, Section 1(a)(ii)(1) shall be seventy cents (\$0.70) instead of fifty cents (\$0.50) of the one dollar (\$1.00).

Memorandum of Understanding

United Parcel Service, Inc (UPS) and the Teamsters UPS National Negotiating Committee (Union) agree to the following in connection with Article 34 of the 2013-2018 National Master Agreement:

In recognition of the request from the Western Conference Negotiating Committee and Local Union 177 to evaluate and pre- pare a proposal to provide medical coverage for employees within their jurisdiction rather than having them transition to the Central States Health & Welfare Plan (CS H& W), the parties agree that any such proposal will be considered by the parties if presented before November 1, 2013. Any such plan must provide benefits equal or superior to those provided by the CS H &W Fund for a contribution rate that does not exceed that paid to CS H&W Fund. The proposal shall be subject to approval of the Co-Chairs of the Joint Negotiating Committee.

Memorandum of Understanding

United Parcel Service Inc. (UPS) and the Teamsters UPS National Negotiating Committee (Union) agree to the following in connection with the former Teamster-represented UPS employees who are in a retired status as of December 31, 2013 and receiving retiree medical coverage through a UPS sponsored plan:

1) Retirees in UPS sponsored plans (pre- and post-65) will have the following contribution rates:

Effective 1-1-2014:

Single-fifty dollars (\$50.00)/retiree plus-one hundred dollars (\$100.00)

Effective 1-1-2015:

Single-one hundred dollars (\$100.00)/retiree plus-two hundred dollars (\$200.00)

Effective 1-1-2016:

Single-one hundred and fifty (\$150.00)/retiree plus-three hundred dollars (\$300.00)

- 2) Effective January 1, 2014 all current retiree medical plans will be modified to provide an 80/20 benefit in network; 70/30 benefit out-of-network, and an annual deductible of \$200/\$400.
- 3) This Agreement will be applied to retirees covered by the Health Care Program and formerly represented by Teamster Locals 118, 182, 294, 317, 449, 529, 264A, 687 and 693 in accordance with the Memorandum of Understanding between the parties identified in this paragraph dated October 22, 2010.
- 4) Nothing within this paragraph is intended to alter UPS rights with regard to the retiree plans as specified

