

SUMMARY OF LOCAL 856 AIR EXPRESS INTERNATIONAL, U.S.A., INC. SUPPLEMENTAL AGREEMENT

- *The parties reserve the right to correct inadvertent errors and omissions*
- *Additions and new language are underlined and bold*
- *Where no reference is made to a specific Article or Section, thereof, such Article and Section are to continue as in the current Agreement or Supplement, as applied and interpreted during the life of such Agreement.*

AIR EXPRESS INTERNATIONAL USA, INC., hereinafter referred to as the “Company/Employer”, and LOCAL UNION NO. 856, hereinafter referred to as the “Union”, agree to be bound by the terms and conditions of this Agreement covering the Company’s operation in the San Francisco Bay Area.

ARTICLE 1. SCOPE OF AGREEMENT
[NO CHANGE]

ARTICLE 2. STEWARDS
[NO CHANGE]

ARTICLE 3. MAINTENANCE OF STANDARDS
[NO CHANGE]

ARTICLE 4. CHANGE OF OPERATIONS
[NO CHANGE]

ARTICLE 5. PROTECTION OF RIGHTS
[NO CHANGE]

ARTICLE 6. BONDING
[NO CHANGE]

ARTICLE 7. UNIFORMS
[NO CHANGE]

ARTICLE 8. ACCIDENT REPORTS
[NO CHANGE]

ARTICLE 9. POSTING
[NO CHANGE]

ARTICLE 10. JURISDICTIONAL DISPUTES
[NO CHANGE]

The Company recognizes the Union as the sole collective bargaining agent for: Air Export Operations Agent, and if utilized Air Export Utility Clerk, at its SFO facility, excluding all other employees and supervisors as defined in the Labor Management Relations Act, as amended. The Employer reserves the right to establish a classification of Customer Service Export Agent under this Agreement, in which case the shifts and vacations for that job will be bid separately from the Air Export Operations Agents. The Air Export Customer Service Agent and Air Export Operations Agent jobs will be awarded consistent with the CBA.—T/A

It is recognized that a customer may require a single point of contact and a sales support person (non-bargaining unit position) as their primary contact. Rate quotes and follow up sales calls are not recognized as bargaining unit work.

ARTICLE 11. SUBCONTRACTING
[NO CHANGE]

ARTICLE 12 - DELETED

ARTICLE 13. BAIL
[NO CHANGE]

ARTICLE 14. SEPARATION OF EMPLOYMENT
[NO CHANGE]

ARTICLE 15. TIME CLOCKS
[NO CHANGE]

ARTICLE 16. SICK LEAVE

Effective April 1, 1995, all employees after four (4) months of service with the same Employer shall be entitled to receive eight (8) days, sixty-four (64) hours of sick leave each year. **Employees assigned to a ten (10) hour shift for four (4) days per week will be paid at the rate of ten (10) hours for each sick day.** The Company requires a doctor's certificate for absence on sick days immediately preceding and following a vacation, holiday, or any other day the Employee is not scheduled to work. The Company also requires a doctor's certificate for multiple sick days. T/A

On April 1, of each year employees shall be paid eight (8) hours of regular pay for all accumulated, unused sick-days. In the alternative, the employee may choose to accumulate a maximum of one-hundred and sixty (160) hours of unused sick leave.

If an employee schedules appointments for dentistry, eye care, medical treatment or physical examination during regularly scheduled work hours, such time off shall be chargeable against the employee's sick leave credit at not less than the full hour increments for each hour or fraction thereof.

Any employee who has sick leave credit and is drawing disability insurance or Workers' Compensation shall, at his request, be paid the difference between such benefit payments and his straight time earnings for such time such benefit payments are made. These payments shall be charged to the employee's sick leave credit. The request for this procedure shall be made by the employee in writing.

ARTICLE 17. JURY DUTY
[NO CHANGE]

ARTICLE 18. DISCRIMINATION
[NO CHANGE]

ARTICLE 19. SEPARABILITY AND SAVINGS
[NO CHANGE]

ARTICLE 20. CASUAL/PART-TIME EMPLOYEES
[NO CHANGE]

ARTICLE 21. PROBATIONARY EMPLOYEES AND WORK ASSIGNMENTS

- a) A new employee shall work under the provisions of this Agreement but shall be employed only on a sixty (60) working day trial basis with the Company. During this period, the employee may be discharged without further recourse; provided however, that the Company may not discharge or discipline for the purpose of evading this Agreement or discriminating against Union member. After sixty (60) working days the employee shall be placed on the regular seniority list. T/A
- b) The sixty working day period may be extended by mutual agreement between the Company and the Union. T/A

ARTICLE 22. LEAVE OF ABSENCE

Section 1 - Time Off For Union Activities (Refer To Article 21 of Master Agreement)

Section 2 - Other Leave Of Absence

- a) The Company may grant a leave of absence for personal reasons for a period not to exceed three (3) weeks. Such leave shall be in writing with a copy to the Local Union.
- b) An employee desiring a leave of absence for personal reasons for a period in excess of three (3) weeks must secure prior written approval from the Company with a copy to the Union.

The initial period of such leave shall not exceed a period of ninety (90) days but may be extended for like periods upon written approval of the Company.

- c) The Company will comply with the provisions of the Family and Medical Leave Act, Pregnancy Disability Act and Americans With Disabilities Act.

Section 3-Leave For Non-Covered Positions

The Company and the Local Union may agree upon circumstances under which an employee who leaves the bargaining unit covered by this Agreement, but who remains in the employ of the Company in some other capacity, or who accepts full-time employment with the Union, may retain his seniority if he returns to work in the bargaining unit with the Company. Any such leave must be in writing on a form authorized by the Joint Western Area Committee and filed with that Committee. Any such leave shall not exceed a period of ninety (90) days and shall not be extended. No employee may be granted a leave under this Section more often than once in a fifteen (15) month period.

Section 4 - Absence Due To Injury Or Sickness

Inability to work because of proven sickness or injury **for any reason** for a period of less than three (3) years shall not result in the loss of seniority rights. Inability to work for any period **less than three (3) years** because of on-the-job injury shall not result in the loss of seniority rights ; **unless the employee has achieved maximum medical recovery from an injury or illness and is still unable to perform the essential functions of his/her job with or without reasonable accommodation.** T/A

Section 5 - Failure To Comply

Taking time off without complying with the provision of this Article shall result in the complete loss of seniority rights for the employees involved.

Section 6 - Military Leave (Refer To Article 15 Of Master Agreement)

ARTICLE 23. SENIORITY

Section 1 - Breaks In Seniority [No Change] *Except As noted below:*

Section 5 – Unassigned Shifts

The Company may use two (2) of the total regular employees as unassigned employees. These unassigned employees shall work under all conditions of and guarantees of this Agreement, except their workweek shall be any five (5) days from Monday through Sunday. These employees may be worked on any day during the workweek to make up their weekly guarantee. There shall be no split shift allowed. Employees shall be advised thirty (30) days in advance of their next unassigned shift and reporting times shall be chosen in order of their

seniority, unless otherwise mutually agreed to by the parties hereto. Extra employees shall not be worked on days that unassigned employees do not work; unless unassigned employees are offered the work and reject the same, and are unavailable (this does not apply to premium days and/or overtime work of the unassigned employees. T/A

This section remains subject to organizational alignment projects.

ARTICLE 24. GRIEVANCE AND ARBITRATION PROCEDURE
[NO CHANGE]

ARTICLE 25. DISCHARGE OR SUSPENSION
[NO CHANGE]

ARTICLE 26. EXAMINATION AND IDENTIFICATION FEES
[NO CHANGE]

ARTICLE 27. MEAL PERIODS
[NO CHANGE]

ARTICLE 28. PAY PERIOD
[NO CHANGE]

ARTICLE 29. GENERAL PROVISIONS
[NO CHANGE]

ARTICLE 30. VACATIONS

Section 1

Subject to the thirteen (13) day qualification period outlined below, **full-time** employees who have been in the service of the Company for a period of one (1) year shall be granted two (2) weeks vacation with pay. Pay for such two (2) weeks vacation shall be computed on the basis of ninety (90) hours at the straight time rate of pay. A **full-time** employee whose services terminate for any reason after six (6) months of continuous employment with the same Company shall be granted prorated vacation based on seven and one-half (7 ½) hours per month of employment, however, if his service should terminate for any reason prior to six (6) months of continuous employment with the same Company, he shall not receive any prorated vacation pay. T/A

Full-time employees with three (3) or more years of service with the same Company shall receive three (3) weeks vacation with pay each year. Pay for such three (3) weeks of vacation shall be computed on the basis of one hundred thirty-five (135) hours at the straight time rate of pay. Prorated vacation shall be based on eleven and one-quarter (11 ¼) straight time hours pay for each month of employment. T/A

Full-time employees with ten (10) or more years of continuous service with the same Company shall receive four (4) weeks vacation with pay each year. Pay for such four (4) weeks of vacation

shall be computed on the basis of one-hundred eighty (180) hours at the straight time rate of pay. Prorated vacation shall be based on fifteen (15) straight time hours pay for each month of employment. T/A

Any **full-time** employee who completes twenty (20) or more years of service shall receive five (5) weeks (twenty-five (25) working days' vacation with pay each year. Pay for such five (5) weeks of vacation shall be computed on the basis of two hundred-twenty-five (225) hours at the straight time rate of pay. Prorated vacation pay shall be based on eighteen and three-quarter (18 ³/₄) straight time hours for each month employment. Time off due to illness or approved leave of absence exceeding thirty (30) days shall not be accumulated toward vacation credit. T/A

Any **full-time** employee who reports to work and is put to work thirteen (13) days in a calendar month shall be entitled to vacation credit for that month. Paid holidays, paid vacation and paid sick leave shall be counted as days worked for the purpose of this provision. T/A

The vacation year for all **full-time** employees will run from January 1 to December 31. **Full-time** employees in the first year of employment will earn prorated vacation time determined by the number of months they worked in the first year. T/A

Full-time employees hired after September 1, 1999 shall be entitled to paid vacation time as follows: T/A

After one (1) year of service	two (2) weeks (80) hours per year.
After five (5) years of service	three (3) weeks (120) hours per year.
After fifteen (15) years of service	four (4) weeks (160) hours per year.

Vacation pay shall be forty (40) hours at the straight time rate per week of vacation. Employees assigned to a ten (10) hour shift for four (4) days per week will received ten (10) hours pay per day forty (40) hours per week of vacation. Past practice shall prevail both as to the time of taking vacation and the number of employees entitled to be off on vacation at any time provided that a minimum of twenty percent (20%) of the total number of employees by classification shall be permitted to go on vacation between May 1 and October 1 each year. T/A

All accrued vacation pay for the amount of vacation time to be taken is to be paid to the employee one (1) day before the employee's last shift worked. Such vacation pay shall be paid by separate check.

Vacations must be taken in segments of at least one (1) week for the first two (2) weeks of earned vacation. Remaining weeks may be used in increments of less than one (1) week.

The vacation week must be the same as the employee's bid shift week.

Fourteen (14) days prior written notice to the employee's immediate supervisor is required to change any vacation bid. An employee changing a previous vacation bid cannot use his/her seniority to displace another employee's approved vacation bid.

Employees must work the day preceding the first scheduled day of vacation and the workday after the last scheduled day of vacation unless the employee produces a doctor's note certifying that the employee was legitimately ill on such day(s).

Vacation must be used and may not be carried over from one vacation year to another. There will be no pay in lieu of vacation.

A minimum of twenty percent (20%) of the total number of employees in each department shall be permitted to take vacation at any one time.

If an employee bids into a different department, and such bid upsets the percentage set forth in the above subsection, the employee changing departments must re-bid his/her vacation without displacing the previously approved vacation of any less senior employee(s).

If an employee's paid vacation period accrues or is payable during a period in which he is otherwise entitled to unemployment compensation, the employee's right to and payment for such vacation shall be deferred for thirty (30) days. If, at the end of such period, the employee makes a written request for accrued vacation, payment will be made within five (5) working days.

ARTICLE 31. HOLIDAYS

The following holidays shall be granted with pay when not worked:

New Year's Day	Independence Day
Memorial Day	Thanksgiving Day
Labor Day	Day before Christmas
Christmas Day	
(6) Personal Holidays (hired prior to April 1, 2014)	
(5) Personal holidays (hired on or after April 1, 2014)	

When one of the above holidays falls on a Sunday and is observed on Monday, Monday shall be considered a paid holiday. Work performed on these holidays shall be compensated for at the rate of time and one-half (1 ½) in addition to the credited pay for the day.

When one of the above holidays falls on Saturday, Friday shall be considered a paid holiday for Monday through Friday shifts.

When one of the above holidays falls on a Saturday, Sunday shall be considered a paid holiday for Sunday through Thursday shifts.

When one of the above holidays falls on a Friday, Thursday shall be considered a paid holiday for Sunday through Thursday shifts.

When one of the above holidays falls on a Sunday, Saturday shall be considered a paid holiday for Tuesday through Saturday shifts.

Employees assigned to a ten (10) hour shift for four (4) days per week will received ten (10) hours pay per day for the holiday. T/A

Any **full-time** employee who reports for work and is put to work thirteen (13) days in the calendar month shall be entitled to any paid holiday which occurs during the month, **provided that the employee works their scheduled work day before and after the holiday unless off on a previously approved vacation.** Paid holidays, paid vacation and paid sick leave shall be counted as days worked for the purpose of this provision. Any **full-time** employee laid off by the Company on the workday immediately preceding or immediately following one of the above holidays shall receive eight (8) hours pay at his regular rate for each day laid off. T/A

Personal Holidays: The following rules are applicable to the paid personal holidays.

An employee may choose any day of his preference for his personal holiday by giving the Company at least fifteen (15) calendar days written notice prior to the day chosen.

The Company will grant the employee the day(s) of his choice as his personal holidays(s) unless an excess number of employees have chosen the same day(s) and granting all the requests would affect the Company's operation. In that event, the Company may deny the request for the day(s) chosen and the employee may request an alternate date(s).

There will be no pay in lieu of personal holidays not used.

**ARTICLE 32. HEALTH AND WELFARE, DENTAL, VISION, ORTHODONTIA, DRUG
RETIREE INSURANCE BENEFIT PLANS AND LIFE INSURANCE
FOR HEALTH AND PENSION WILL THE NEW INCREASE DAT REMAIN
NOVEMBER 1 OF EACH YEAR**

***See National Economics**

Effective **November 1, 2017** the Employer shall contribute an amount not to exceed **\$1985.00** to the Teamsters Local no. 856 Health and Welfare Trust Fund for each **full-time** employee who worked eighty (80) or more hours in the preceding calendar month. The contribution will provide active employees with the following benefits pursuant to and in accord with Benefit Plans maintained by the Teamsters Local Union No. 856 Health and Welfare Trust Fund: T/A

- Health and Welfare Plan
- Life Insurance
- Dental Plan I
- Vision Care Benefits
- Prescription Drug Benefits
- Orthodontia Care
- Retiree Insurance

The above contribution represents the maximum amounts to be paid by the Employer and monthly invoices will be paid by the Employer as in the past

Only such funds as necessary to maintain acceptable levels benefits will be paid by the Employer; thus, notwithstanding any other provision of the Agreement to the contrary, the monies contained in this Article shall be the Employer's sole and only financial obligation as regards to health and welfare programs contained in this Agreement.

Eligibility for this Trust shall be as follows:

a) A regular **full-time** employee is an employee who has gained seniority under the provisions of this Agreement and who has worked under the terms of this Agreement of eight (80) straight time hours or more in the preceding calendar month. **T/A**

b)-

This Trust will not be maintenance of benefits trust.

ARTICLE 33. PENSION

***See National Economics**

Section 1 - Employer Contributions

The Company shall contribute to the Western Conference of Teamsters Pension Trust Fund, the provisions of which the undersigned Parties agree to accept and to abide by the rules and regulations established or as may be established by the Trustees of such Trust Fund, the applicable weekly sum as listed below for each regular employee covered by this Agreement who is on the payroll of the Company at any time during such week.

Effective November 1, 2017 \$-\$7.92 (which includes PEER) per hour for regular full-time employees. T/A

The Company agrees to remit these monies to the appropriate area administrative office by the date designated by the office, and monies received after that date shall be considered delinquent.

Section 2 - Payments During Periods Of Absence

If an employee is absent because of illness or off-the-job injury and notifies the Company of such absence, the Company shall continue to make the required contributions for a period of one (1) month after contributions for active employment ceases. If an employee is injured on-the-job, the Company shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months beginning with the first month after contribution for active employment ceases. If an employee is granted a leave of absence, the Company shall collect from said employee, prior to the leave of absence being effective, sufficient monies to pay the required contributions into the Pension Fund during the period of absence. However, the acceptance of such monies is at the sole discretion of the Board of Trustees.

SECTION 3 - Acceptance Of Trust

The Company and Union accept and agree to be bound by the provisions of the Western Conference of Teamsters Pension Trust Fund and the rules and regulations established by the Trustees of such Fund.

Section 4 - Delinquent Contributions

Action for delinquent contributions may be instituted by the Union, the Area Conference or the Trustees. The Company if deemed delinquent must also pay all attorney fees and cost of collection.

The Company's pension contributions shall not exceed one hundred eighty (184) hours per month for each regular employee. The contributions set forth above include the required contribution for the Program for Enhanced Early Retirement (PEER 82).

Section 5 - Supplemental Benefit Trust Fund

The Company shall contribute to the Western Conference of Teamsters Supplemental Trust Fund on behalf of all regular **and** probationary at the rate of Ten Cents (\$0.10) per hour for each compensable hour (including paid vacations on the basis of forty (40) hours per week of vacation and paid holidays, but excluding sick leave, jury pay and funeral leave), not to exceed one hundred eighty (180) hours per month with a maximum of 2,080 hours per year. T/A

The Company agrees to remit the above monies to the administrative office by the date designated by that office, and monies received after that date shall be considered delinquent.

ARTICLE 34. COMPANY RULES

The Union recognizes the right of the Company to establish such reasonable Company rules as it may deem necessary, provided that such rules are not in conflict with the terms and provisions of this Agreement.

Company rules shall be in writing, posted and effective thirty (30) days after being submitted to the Union for their review. Any objection must be specific as to what rule or rules are being objected to. Such Company rules are to apply equally to all employees of the Company and failure of the Union and the Company to agree on such rules shall be subject to the Grievance Procedure.

ARTICLE 35. CLASSIFICATIONS, COST-OF-LIVING ALLOWANCE AND RATES OF PAY

***See National Economics**

Section 3 - New Classification

The Company may create the new classification of "Air Export Utility Clerk". **For the term of this Agreement**, the hourly rate of pay for this position will be as follows: T/A

-\$17.00

ARTICLE 36. WORKWEEK AND GUARANTEES

Section 1 - Overtime

- a) One and one-half (1 ½) times the regular hourly rate of pay as herein provided shall be paid for all work performed in excess of forty (40) hours in any one (1) workweek or in excess of eight (8) hours in any one (1) day. Daily overtime shall be credited against weekly overtime for all work performed on Sundays and holidays.
- b) Two (2) times the hourly rate for all hours worked:
 1. In excess of twelve (12) hours of any one (1) day.

If required by state or federal law, the following shall apply:

1. In excess of eight (8) hours on the sixth (6th) consecutive day.
2. On the seventh (7th) consecutive day worked
3. In excess of eight (8) hours on Saturday or Sunday when those days are a part of the employees scheduled workweek

Section 2 - Premium Pay

Any employee performing work other than between the hours of 7:00 a.m. and 6:00 p.m. shall receive premium pay equal to ten percent (10%) of the regular hourly rate for the classification of work performed, provided, however, that only the overtime rate shall apply to any work in excess of eight (8) hours in a day if such work is performed as a continuation of the employee's regular shift. When an employee works four (4) or more hours at ten percent (10%) premium, during his or her regular shift, any overtime, if worked, shall include the ten (10%) premium rate.

Premium pay shall be included in the computing of paid holidays, vacations and sick leave pay.

Section 3 – Workweek

Forty (40) hours shall constitute a workweek to be worked in five (5) consecutive days, in a seven (7) day period. Saturday shall not be a premium day except for the one (1) incumbent now working the “Tuesday through Saturday” workweek.

The Company may establish a work week that shall be four (4) consecutive days in the case of an alternate work schedule such as a 4/10 schedule. Employees will get 3 consecutive days off each week with one of those days being either a Friday or Monday. T/A

Section 4 - Sunday Work

The employees working on Sunday **as a regularly scheduled work day** will receive a twenty percent (20%) premium for Sunday, over and above any other wages and premiums. T/A

Section 5 - Premium Day Work [NO CHANGE]

Section 6 - Bereavement Leave [NO CHANGE]

**ARTICLE 37. EMERGENCY REOPENING
[NO CHANGE]**

ARTICLE 38. DURATION

This Agreement, entered into on **January 1, 2018** shall remain in full force and effect through **December 31, 2020**, and shall be automatically renewed from year to year thereafter unless either party gives written notice of a desire to modify, amend or terminate same at least sixty (60) days prior to the anniversary date of this Agreement.

**ARTICLE 39. MANAGEMENT PREROGATIVES
[NO CHANGE]**

APPENDIX "A"

***See National Economics**

This Appendix "A" which is attached to the Collective Bargaining Agreement sets forth the minimum and maximum wage rates for the classifications of employment covered by this Agreement. T/A

WAGE SCALE

CLASS

Air Export Agent/ Air Export Customer Service Agent

Employees Hired before 4/1/1988:

The rate as of:

12-31-2016 (.50 + NO COLA)

\$ 26.85

1-1-2018 \$.50 (\$27.35/hr)

1-1-2019 \$.50 (\$27.85/hr)

1-1-2020 \$.50 (\$28.35/hr)

Employees Hired 4/1/1988 and thereafter (New Hires):

The rate as of 12-31-2016 = \$25.91

1-1-2018 = \$26.41

1st Anniversary of employment: \$ 26.91/hr.

2nd Anniversary of employment: \$ 27.41/hr.

3rd Anniversary of employment: \$ 27.91/hr.

Thereafter: \$ 27.91/hr.

1-1-2018 \$.50

1-1-2019 \$.50

1-1-2020 \$.50

Employees Hired 4/1/1988 and thereafter (Casuals) NOTE, COLA per Master Article 33 is not applicable:

4/01/14 and thereafter:

1st year of employment: 22.25

2nd year of employment: 22.75

3rd year of employment: 23.25

Thereafter: 23.75

Plus 10% extra for Lead Position

Plus usual shift differentials, 10% for night work.

APPENDIX B

Purpose

This Appendix modifies certain provisions of the Collective Bargaining Agreement as would apply to employees hired after the date of ratification.

ARTICLE 31 HOLIDAYS

The following holidays shall be granted with pay when not worked:

New Year's Day
Memorial Day

Independence Day
Thanksgiving Day

Labor Day
Christmas Day

Day before Christmas

(3) Personal holidays

APPENDIX "A"

Employees hired after the date of ratification shall be paid the current negotiated rate and will implement a 5 year progression based on each 12 month period in percentage increments of 80% - 100%.

Current rate as of 1/01/2018 \$26.41

1st year of employment (0-12 MONTHS): 80% of the current rate

2nd year of employment (13 – 24 MONTHS): 85% of the current rate

3rd year of employment: 90% of the current rate

4th year of employment: 95% of the current rate

5th year of employment: 100% of the current rate T/A