

AGREEMENT

between

UPS LATIN AMERICA, INC.

and

**FLEET SERVICE AND
RELATED EMPLOYEES**

in the service of

UPS LATIN AMERICA, INC.

as represented by

**INTERNATIONAL
BROTHERHOOD OF
TEAMSTERS LOCAL 769
AIRLINE DIVISION**

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Article I

Union Recognition and Scope of the Agreement

Preamble:

UPS Latin America Inc. (hereinafter the “Company”) recognizes the Teamsters United Parcel Service National Negotiating Committee and its affiliated Local 769 (hereinafter the “Union”), as the collective bargaining representative of those employees of the Company in the craft or class of Fleet Service Employees, specifically those employees in the job classifications of Cargo Handler, Cargo Handler Lead Employees (previously referred to as “supervisors”), Driver – Cargo Handler, Custom Agent – Cargo Agent, Mail Coordinators, Duty Manager, Cargo Agent, Cargo Agent Lead Employees (previously referred to as “supervisors”), UPS Air Express, Cargo Agent and UPS Messenger. The Company and Union agree that it is their intent that covered employees will continue to be those in the previously certified craft or class of Fleet Service Employees.

In addition, it is agreed that:

A. Upon ratification, this Agreement shall become a Supplement to the National Master United Parcel Service Agreement (NMA). Article 1, Section 2 and Article 2, Section 1 shall apply to the job classifications described in the Preamble above. No other provision of the existing or any future NMA shall apply to the employees described in the Preamble except as specifically otherwise provided in this Agreement or as otherwise mutually agreed in writing by the parties.

B. Other than the continued contractual recognition of the certification of the craft or class of Fleet Service Employees, the Company and Union agree not to raise or assert coverage by the Railway Labor Act, 45 U.S.C. §151, et seq. in any future proceeding, administrative or otherwise.

C. This Agreement is entered into in order to promote safety, efficiency, and economy of operations, to provide for orderly collective

bargaining relations between the Company and the Union, to provide a means for the prompt and equitable disposition of grievances, and to provide a method for the establishment of fair wages, hours of service, and working conditions for the Employees covered herein under. In making this Agreement it is recognized to be the duty of the Union, Employees and the Company to cooperate fully for the advancement of the purposes of this Agreement. Unless otherwise specified, all references to days shall be calendar days.

D. This Agreement shall supersede all existing or previously executed Agreements by and between the Company and the Union or any other labor organization or individual with respect to the rates of pay, rules or working conditions specifically covered by the provisions of this Agreement in accordance with the provisions of the Railway Labor Act, as amended. Any and all subsequent agreements between the parties shall be reduced in writing, signed by their authorized representatives, and become a part of this Agreement.

Article II

Definitions

A. Calendar Day- The time commencing at 0001 and ending at 2400 based on local time.

B. Calendar Week – The pay period will begin on Sunday and end on Saturday.

C. Calendar Month- Means the first calendar day of any given month to the last calendar day of that month.

D. Lead Employee—Responsible to perform work in his or her duty assignment area as a working member of his or her group and in addition will be required to direct other employees assigned to him or her, to ensure that the work assigned is performed in an efficient and productive manner.

Article III

Hours of Service

A. All time worked in any continuous tour of duty including over-

time shall be considered as work performed on the day and on the work shift within which the tour of duty is started.

B. The starting time of a regular scheduled shift (including overtime continuous with the regular shift) will determine the shift premium paid on that shift. Overtime not continuous with the shift will have shift premium pay determined, if applicable, by the starting time of the overtime period.

C. The Company will not schedule an employee for less than ten (10) consecutive hours of rest between his or her shifts. When an employee has less than ten (10) consecutive hours of rest between his or her shifts, the Company will either relieve him or her of duty with pay for such portion of his or her shift so as to give him or her the ten (10) consecutive hour rest period, or compensate him or her at a time and one-half rate for those hours his or her minimum rest period were shortened. This provision shall not apply if insufficient rest is a result of the employee's bids at a periodic shift bid so as to create the insufficient rest or if the reason is due to a voluntary decision of the employee (for example a voluntary overtime shift, or any action initiated by the employee).

Article IV

Probationary Employees

A new regular full-time employee shall be covered by the provisions of this Agreement but during his or her first ninety (90) days worked from the date of employment excluding all time off for reasons such as sickness, strike, lockout, leaves of absence, etc., such employee may be disciplined or discharged at the sole discretion of the Company without cause, and without recourse to the grievance and arbitration procedure hereunder unless there is a discrepancy in the employee's compensation involving rate of pay, hours of service, or payroll deductions. After ninety (90) days said employee shall be placed on the seniority list. The employee's seniority date shall be the date the probationary period began.

The Company has no responsibility to re-employ or to recall any employee separated during his or her probationary period. However, if an employee's service is broken during his probation-

any period as a result of a reduction in force and the employee is recalled, the employee's seniority date will be adjusted to reflect credit for all past service. An employee will not accrue benefits such as sick, or occupational, injury, leave, insurance, vacation, holidays etc. during any period of separation. If the employee returns from a break in the probation period such return will be at the Company's discretion; however, an employee who worked less than 45 days will have their remaining probation period extended by 30 additional days (to 120 days total). If he or she worked more than 45 days, the probation period will be extended by 15 additional days (to 105 days total).

Article V

Stewards

A. The Company recognizes the right of the Union to designate one (1) Steward for each shift of Fleet Service Employees to assist the Union in the administration of this Agreement. It is understood that Stewards will be designated such that no more than one (1) such Steward is employed on each shift. The Company agrees not to unreasonably interfere with the Stewards in carrying out their required duties relating to grievances; provided, however, that the Stewards shall obtain permission from their supervisors prior to leaving their jobs to attend such duties. Such permission shall not be unreasonably denied by the Company. It is expressly agreed and understood that any reasonable amount of time spent in investigating and adjusting grievances by Stewards will be compensated by the Company. Up to six (6) designated Stewards will be paid eight (8) times their straight time hourly rate for up to ten (10) total days each, while participating in contract negotiations with the Company.

B. The Union agrees to submit to the Company, in writing and at least annually on the anniversary date of this Agreement's execution, an up-to-date list of current Stewards.

C. The Company agrees to grant the necessary time off without discrimination or loss of seniority rights and without pay to the Steward to attend a Labor Convention, or contract negotiations with the Company, provided one week's written notice is given to the

Company by the Union, specifying the length of time off and providing further that such time off shall not exceed two weeks in any one year. The Company would have the discretion to extend the time.

D. The Employer recognizes the employee's right to be given requested representation by a steward or the designated alternate at such time as the employee reasonably contemplates disciplinary action.

Article VI

Grievances/System Board of Adjustment, No Strike-No Lockout

Section A. Grievances/System Board of Adjustment:

1. Grievances

(a) The parties agree that an alternative dispute resolution mechanism (ADRM) shall be established which shall consist of the procedures set forth below. The ADRM shall consist of a grievance procedure with strict time limits, as hereinafter set forth; selection of an arbitrator to hear and decide unresolved disputes pursuant to rules of the National Mediation Board, hearing conducted by the arbitrator which are noticed in advance, transcribed and conducted in English with the same assistance of translators if necessary; and awards by the arbitrator which are final and binding upon all parties to the dispute.

(b) Grievances arising under the ADRM shall be processed as follows:

(1) The affected employee shall verbally present the grievance to the Company within ten (10) working days of the event giving rise to the grievance. Working days for the purpose of filing a grievance shall be defined as the employees scheduled work week.

(2) The Company shall have ten (10) working days to respond to the grievance.

(3) If the grievance is unresolved, the Union shall have ten (10) working days to file a written grievance with the Company.

(4) The Company shall respond in writing to the grievance within ten (10) working days.

(5) In the event the grievance remains unresolved, the Union shall have fifteen (15) working days within which to determine whether the grievance is granted, denied, or deadlocked, and, if deadlocked, proceed to the System of Board of Adjustment pursuant to section B.

(6) In the event the Company fails to comply with the time limits set forth herein, the grievance shall automatically proceed to the next step.

(7) In the event the employee or Union fail to comply with the time limits set forth herein, the grievance shall be deemed unresolved in favor of the Company and shall constitute a bar to arbitration, unless otherwise mutually agreed by the parties in writing.

(c) All arbitration hearings shall be conducted in Miami, unless otherwise agreed to by the parties. All hearings shall be conducted in English, with the aid of translators if appropriate. The cost of the arbitrator, hearing room and interpreter shall be borne equally by the parties. The cost of a court reporter shall be borne by the requesting party, unless otherwise agreed.

(d) The Union shall have the right to examine time sheets pertaining to the computation of compensation of any individual whose pay is in dispute pertaining to a special grievance.

Section B. System Board of Adjustment

1. There is hereby established a System Board of Adjustment for the purpose of adjusting and deciding disputes which may arise under the terms of this Agreement and any amendment or additions thereto and which are properly submitted to it, which Board shall be

known as the Company System Board of Adjustment, hereinafter referred to as “the Board.”

2. Composition of the Board

(a) The Board shall consist of four (4) members, two (2) of whom shall be selected and appointed by the Company and two (2) of whom shall be selected and appointed by the Union, and such appointees shall be known as “Board Members.” In addition, the Company and the Union shall each designate an alternate, and in the event of unavailability of a Board Member, such alternate shall serve in place of the absent Board Member. It is understood that the Company will not select a Management person from the operation in which the grievance originated. The Union will not select an Official from TLU 769, but shall be selected from a Local Union signatory to the UPS Southern Region Supplement or UPS Freight Agreements.

(b) The two (2) Board Members appointed by the Company and the two (2) Board Members appointed by the Union and their alternates shall serve for one (1) year from the date of their appointment and thereafter until their successors have been duly appointed. Vacancies shall be filled within thirty (30) days in the same manner as provided herein for the selection and appointment of the original Board Members and the original alternates.

(c) The terms of office of Chairman and Vice Chairman shall be for one (1) calendar year. Thereafter, from year to year, the Board shall designate one (1) member to act as Chairman and one (1) member to act as Vice Chairman for one (1) year terms or until his or her successor has been duly selected. Such terms of office shall commence on January 1st of each year.

(d) The office of the Chairman shall be filled and filled alternatively by the parties. A Union representative shall serve as Chairman and a Company representative shall serve as Vice Chairman in even years, and vice versa, in odd years. The Vice Chairman shall act as Chairman in his or her absence.

(e) The Board shall meet once every two (2) months at mutually determined location, during the months of January, March,

May, July and September and November for each year provided that at such times there are cases filed with the Board for consideration. The meetings shall continue in session until all matters before it have been considered unless otherwise mutually agreed upon in writing or unless two (2) members terminate the meeting. In case where there are off the payroll discharges, the Board will meet sooner than the two (2) month schedule.

(f) Members of the Board who are employees of the Company shall suffer no loss of pay while attending to Board meetings.

3. Jurisdiction of the Board

(a) The Board shall have jurisdiction over all disputes growing out of grievances. The jurisdiction of the Board shall not extend to proposed changes in hours of employment, rates of compensation, or working conditions covered by this or other existing agreements between the parties hereto.

(b) The Board shall consider any dispute properly submitted to it when such dispute has not been previously settled in accordance with the other provisions of this Agreement.

4. Proceedings Before the Board.

(a) All disputes properly referred to the Board for consideration shall be addressed to the Chairman. Five (5) copies of each petition, including all papers and exhibits in connection therewith, shall be forwarded to the Chairman, who shall transmit one (1) copy thereof to each member of the Board within ten (10) calendar days. Each case submitted shall show:

- (1) Question or questions at issue.
- (2) Statement of facts
- (3) Position of grievant(s)
- (4) Position of Company

(b) Upon receipt of notice of the submission of a dispute the Chairman shall set a date for hearing, which shall be the time of the next regular meeting of the Board as provided in Section B above, or if at least two (2) Board Members consider the matter of sufficient urgency and importance, then at such earlier date at such place as the Chairman and Vice Chairman shall agree upon but not more than forty-five (45) days after such request for a meeting is made by at least two (2) of said Board Members, and the Chairman shall give the necessary notices in writing of such meeting to the Board Members and to the parties to the dispute. Failure to meet within forty-five (45) day time limit of said meeting will result in automatic deadlock and will proceed to Deadlock Procedure when requested by either party. It is understood and agreed that there will not be any defaults under any section of this provision, relating to the selection of the Board and its meetings and its processes. If there are failures or what would be regarded as actions inconsistent with the provisions relating to the Board, the process will move to the next step, involving the use of the neutral. If there are any difficulties then the neutral will resolve the difficulties and hear the disputed without other Board Members.

(c) Employees covered by this Agreement may be represented at Board hearings by such person or persons as they may choose and designate, and the Company may be represented by such person or persons as it may choose to designate. Evidence may be presented either orally or in writing, or both.

(d) The Board Member(s) may summon, witnesses who are employed by the Company and who are deemed necessary by the entire Board. Such employee shall suffer no loss of pay.

(e) The Board shall be competent to hear the disputes properly submitted to it and decide said disputes by a majority vote of all members of the Board. Decisions of the Board shall be final and binding upon the parties hereto. The Board may, at the option of two members, agree to have an arbitrator hear the case without the Board present.

5. Deadlock Procedures.

When a dispute is properly submitted to the Board for hearings

before the two (2) Company and two (2) Union Board Members or their alternates, and the Board is unable by majority vote to decide the dispute, the Board shall declare itself deadlocked and the Company and the Union shall select an arbitrator as provided herein. The arbitrator shall join the Board as a Board Member and as Chairman in subsequent and hearing of the dispute if three or more members so desire. The Board, so composed or with only the neutral arbitrator shall be competent to decide said dispute by majority vote. Decisions of the Board so composed shall be final and binding on the parties. The Board may agree by vote of two or more to have the arbitrator hear the case without the Board present.

6. Deadlock Notices.

(a) When a deadlock occurs for any reason, the board, by written notice shall immediately notify the Union of such deadlock, including the date hereof, and the need for the services of a fifth member of the Board. If the Union desires to submit the case to such five (5) member Board pursuant to the terms of this provision, it must do so by written notice to the Company Cargo Service Manager with copies to the Chairman and Vice Chairman of the Board within ten (10) days from the receipt of notice from the Board that the Board was deadlocked.

7. Selection of a Fifth (5th) Board Member (Arbitrator).

(a) If notice is provided of the desire to convene the five (5) member Board, or a neutral arbitrator pursuant to the terms of this provision, the Union and the Company shall promptly meet, but in no event later than fifteen (15) days from the date of such notice by the Union to select an arbitrator by mutual agreement, and if agreement is reached, shall advise the members of the Board of the name, address and availability of the arbitrator.

(b) Within twenty (20) days after proper notification, if no agreement on the selection of an arbitrator can be reached, the Company or the Union may petition American Arbitration Association (“AAA”) for a list of seven (7) names from which the fifth (5th) member of the Board shall be selected. Either party shall have the right to reject one (1) list

of arbitrators sent by the AAA in its entirety, in which case the parties will request a new list of arbitrators from the AAA. The order of striking shall be determined by lot for the first case in which a neutral member is chosen under the provisions thereof and in subsequent cases, the parties shall alternate taking the first strike.

8. Five (5) Member Board Hearing

Within sixty (60) days after selection of the fifth (5th) member from the panel or whenever that fifth (5th) member of the arbitrator is available and with the arbitrator's concurrence, the Board shall schedule a hearing of the dispute by the five (5) member Board, or by the neutral arbitrator, including the presentation of such witnesses and evidence as the five (5) member Board or neutral arbitrator shall in its or the arbitrator's discretion permit. A decision of the majority of the Board sitting with the fifth (5) member or the neutral arbitrator shall be final and binding upon the parties hereto. The Board by vote of any two members, may agree to have the arbitrator hear the case without the Board present.

9. General

(a) Expenses of the Board

Each of the parties hereto will assume their respective travel expenses and other expenses of the Board members selected by it and each of the parties hereto will assume their respective travel expense and other expenses of the witnesses called or summoned by it except employees of the Company will suffer no loss of pay and that the Company will provide space available transportation over its lines, in accordance with existing regulations, for any Board member or Company employee who is called or summoned as a witness. The reasonable expense and compensation of the fifth (5th) member arbitrator appointed in accordance with Section 7 hereof will be borne equally by the parties.

(b) Freedom Act

It is understood and agreed that each and every Board member shall

be free to discharge his or her duty in an independent manner, without fear that his or her individual relations with the Company, with the employees or with the Union will be affected in any manner by any action taken by him or her in good faith in his or her capacity as a Board member.

(c) Time Limits

Time limits set forth in this may be extended in writing by mutual agreement of the Company and the Union.

(d) Rights Under The Law:

Nothing herein shall be construed to limit, restrict, or abridge the rights or privileges accorded either to the employees or to the Company, the Union, or to their duly accredited representatives under the provisions of the law.

(e) Records of the Board

The Board shall maintain a record of all matters submitted to it for its consideration and of all findings and decisions made by it.

Section C. No Strike – No Lockout

1. The Company, the Union and the employees represented by the Union shall not engage in, encourage, threaten or assist any strike, slowdown or other restriction or interruption of work during the term of this Agreement. Any such prohibited activity, including unfair labor practice strikes, sympathy strikes or any refusal to handle or perform work on any shipments, goods, consignments, parts or supplies because of any labor dispute, even though not initiated or countenanced by the Union, shall be construed to be an essential violation of this Agreement. Any employee engaging in such activity shall be subject to selective discipline up to and including discharge.

2. It is agreed that the Union, its representatives, officers, stewards, and/or other officials are charged with an affirmative duty to maintain this Agreement and shall immediately take all reasonable

and necessary steps to prevent to stop such illegal acts as quickly as possible.

3. The Company shall not engage in any lockouts during the term of this Agreement.

Article VII

Seniority Layoff & Recall

Section A. Seniority

A. Seniority is defined as length of continuous bargaining unit employment with the Company since the employee's last date of hire including the probationary period and all time the employee is on an approved leave or layoff as provided by this contract. Seniority rights, as created by this Agreement, exist only to the extent expressed herein, and shall be negotiable beyond the terms of this Agreement. Seniority shall not prohibit the Company from discontinuing its operation, in whole or in part. It also will not prohibit the Company from discontinuing a job classification if the work no longer exists in the classification or rearranging duties within a classification.

B. The parties recognize the right and need of the Company to have and maintain at all times, the best qualified work force. Seniority shall be applied as set forth in this Agreement provided the employees involved have the qualifications and ability to satisfactorily perform the work involved. "Qualifications and ability" means, able to perform the work in an efficient manner based on experience, job knowledge, training, and skill. It is agreed when the company is moving employees from one work area to another work area the most junior qualified employee will be moved unless a more senior qualified employee is identified by the lead employee to be moved. The company will consider seniority in the assignment of forklift responsibilities within a work area when more senior employees are scheduled to start later than junior employees. In cases when an employee is loading or unloading a vehicle such work should be completed prior to employee reassignment to forklift responsibilities.

C. Seniority and the employment relationship shall be terminated automatically when an employee:

1. voluntarily quits
2. is discharged for just cause and not reinstated under the grievance machinery.
3. fails to notify the Company of his or her intent to return to work upon recall from layoff within seven (7) days, or failure to return to work upon recall from layoff within fourteen (14) days after being notified to report to work unless prior arrangements have been made with the Company. Such notification to return to work will be given by registered mail (delivery or attempted delivery) or telegram addressed to such employee at his or her last address filed with the Company. It shall be the responsibility of each employee to have his or her correct address and telephone number on file with the Company.
4. is absent for three (3) consecutive working days without properly notifying the Company within that time. Notice may be by telephone. This provision shall not be construed in any way to modify the Company's right to discipline employees for unexcused absence.
5. fails to report to work as scheduled at the end of a leave of absence.
6. engages in gainful employment while on approved leave of absence.
7. is laid off or absent for any reason for a period of thirty-six (36) months or the amount of his or her seniority as of his or her last day of work, whichever period is shorter.
8. retires.

D. The Company shall post on the bulletin board an up-to-date seniority list within fifteen (15) days after the execution of this Agreement and thereafter shall compile and post an updated seniority list as of June 1st and December 1st and this must be posted

within thirty (30) days after those specific dates once each six (6) months. In addition, the Company shall furnish a copy of the same list to the Union. Seniority dates of employees shown on the posted lists shall be considered permanently established seniority dates, except as may be corrected as the result of a protest filed within thirty (30) calendar days after posting; such protests shall be confined to names added or deleted since the last posting and errors in the copying of the list. Upon timely presentation of proof of error, such error will be corrected.

E. It is understood and agreed by the Company and the Union that when two (2) or more employees are hired at the same time, or have the same seniority date, the following method will be used to determine seniority:

1. An employee with a steward and management person present will agree to an acceptable tie break procedure (ex. flip of a coin).

2. Once seniority is established under this procedure, it shall be permanent for the life of the individual's employment with the Company.

F. An employee covered by this Agreement who transfers out of the bargaining unit shall retain his or her seniority status for up to one (1) month. Employees will lose seniority after one (1) month or thirty (30) days.

G. It is recognized that the probationary period is a part of the Company's evaluation and selection process and that transfer, reassignment or retention of an employee during the probationary period shall be at the sole discretion of the Company. There shall be no responsibility or obligation for reemployment of employees if they are laid off or discharged for any reason during their probationary periods. There shall be no seniority among probationary employees and they may be laid off, discharged or otherwise terminated at the sole discretion of the Company. Such actions are not subject to the grievance procedure or arbitration.

H. Upon successfully completing the probationary period, the

employee's seniority shall accrue and shall be considered as beginning with his or her most recent date of hire.

I. An employee may bid shift preference, by classification and seniority, no more than twice a year provided, that the bidding, which is by seniority in the employees' areas or job skills, cannot occur more than twice a year. The bidding will take place in the months of January and July.

J. The Company agrees to review proposed bid schedules with the Local Union prior to posting. Any dispute will be resolved by the Union and Company co chairs of the System Board of Adjustment. The decision of the Co chairs is final and binding.

K. Job openings or vacancies will be posted for ten (10) days and be awarded on the basis of seniority and ability to perform the job.

Section B. Layoff

A. The decision to layoff and/or recall employees, including the order of those affected, shall be made entirely within the discretion of the Company to produce the most effective workforce. Seniority will be the deciding factor in making layoff and recall decisions when, in the opinion of management, the employees are qualified to perform the job.

B. If an employee is to be laid off from a classification under this Article who has, in the judgment of the Company, the proven skill to immediately perform the work of the most junior employee in that or another classification who has less Company wide seniority than the laid-off employee, then the laid-off employee may bump the junior employee from a job which he or she is qualified to perform. Similarly, an employee bumped under this Article who has, in the judgment of the Company, the proven skill and ability to immediately perform the work of the most junior employee in that or another classification who has less seniority than the bumped employee, then the bumped employee may bump that junior employee from his or her job. The Company agrees that it will not exercise its rights under the Article in an unreasonable manner and such actions shall be subject to the grievance procedure.

Section C. Overtime

The Company and the Union agree that overtime will be distributed by seniority and ability in the work area which means job skills (not a physical or geographical location such as one warehouse as opposed to another site at the airport facility). The parties agree that they will discuss this matter further and if they mutually agree to change the provision they shall do so in a written form.

It is agreed that when an employee has the ability to do an overtime job (such as when, and if, a forklift operator were needed for overtime, and the employee were capable and able to operate the forklift on such overtime), overtime will be assigned by seniority (and such ability). Strict seniority shall be followed, along with the ability as noted above; but, if there are questions as to ability to do the job, or as to seniority, the questions can be the subject of the grievance and arbitration procedure. This process is designed to ensure that issues as to qualifications can be challenged; but, it is understood, when there are questions or disputes, the employees must follow the instructions of management and then file grievances. There is no basis for employees to maintain that they will not work or demand to work, so that another employee chosen by management will be bumped or affected, in a manner that would prevent the management from making the assignments. The employees are obligated to grieve, if they feel that an incorrect decision has been made, so that an arbitrator (if the matter cannot be adjusted through the agreement of the parties) can resolve the problem with finality at a later point. There will not be, as a result of issues, a basis for insubordination, or challenging assignments, and refusing to do work. If employees refuse to do work, when they are assigned overtime under this agreement, then the employees can be disciplined; and, discipline can include suspension without pay, and if deemed appropriate, termination (it being understood that such discipline will be subject to grievance and arbitration too).

If employees are not willing to do overtime work, and there is a need to have overtime work performed, then the Company shall designate those employees it determines to be able and to have the least amount of seniority and they will be required to do the overtime work; provided that:

Overtime will be offered on a seniority basis within the respective job area. In the event there are insufficient volunteers the least senior employee available will be required to work such overtime.

The employer will notify the employees on the clock at least half (1/2) hour prior to quitting time of known overtime.

Overtime will be offered as follows:

If overtime is four (4) hours or less, it will be offered to employees who are at work. If needed overtime exceeds four (4) hours, it will be offered to employees who are on their day off.

Once an employee is working on overtime seniority will prevail provided the employees involved have the qualifications and ability to satisfactorily perform the overtime work involved. "Qualifications and ability" means, able to perform the work in an efficient manner based on experience, job knowledge, training, and skill. Once the overtime work has been assigned to an employee, that employee must complete the work. However, fork lift drivers will have the opportunity to bump junior fork lift drivers provided both drivers are on overtime.

If assignments are being made, and there are assignments which, in the discretion of management, appear to be capable of being performed by all employees, but they are not regarded as the best jobs (such as going out in foul weather, putting nets on palletizing, or going into a cooler) then, assuming that all employees are equally qualified, the Company agrees that it will assign the most junior employees to the work that is undesirable first, provided that:

1. When assignments are made, they must be performed and directions followed; and, if there are objections or grievances, the objections have to be stated and grievances filed and the employees cannot refuse to do the work.
2. If employees are working on a job that they do not feel is desirable, and they see other employees who have less seniority completing work elsewhere, or reporting to work, the employees working are not at liberty to stop working, or to demand that the less sen-

ior employees immediately replace them. This is a matter that involves the discretion of management and the Company in terms of completion of the work. The Company will, however, where there are selections and employees are not working, follow the procedure of assigning the least desirable work to the least senior employees, to reward those with seniority. Questions or disputes that arise out of the interpretation of this agreement will not allow employees to refuse to work or refuse to take assignments, and the employees must take the assignments and grieve as to their differences, or any disputes.

Article VIII

Wages – Holidays

Section A. Wages

Each employee who reports to work upon request five (5) days in any week as required by his/her department schedule is guaranteed pay for such work equivalent to not less than forty (40) hours per week to be worked in five (5) consecutive eight (8) hour days. The forty (40) hours guarantee does not apply if the employee is absent of his or her own volition. All work in excess of twelve (12) hours in any one (1) day and forty (40) hours in any one (1) week shall be paid at one and one half (1 ½).

This guarantee of forty (40) hours is contingent upon conditions beyond the employer's control which may prevent the full operation of the business. No employee shall be required to work in excess of twelve (12) hours in any one (1) day. A meal break must be given to each employee not less than one half (½) hour and no more than one hour in any one (1) day. The meal break should be taken between the fourth and sixth hour, whenever possible. If an employee is required to work through his or her meal break period, then the employee would be entitled to a meal break after eight (8) hours. If a full eight (8) hour shift had to be worked, in the opinion of the Company, then the employee would have the option of either taking the one-half hour meal break and being paid at whatever rate would be applicable (without pyramiding of any special overtime or penalty, pay) or, if the Company and the employee both agreed (and it would have to be mutually agreed to) the employee could be

allowed to leave if there were no further reason for the employee to remain. The Company upon such Agreement would pay for the extra one-half hour at the applicable rate, it being understood that there would not be any pyramiding of overtime or penalty pay and the pay would be based upon the regular provisions of the Agreement for the work not done in order to compensate for the lost meal break.

Section B.

1. All employees hired after the date of ratification will be paid in accordance with the following:

\$11.00	Start
\$12.00	Seniority
\$14.70	Seniority plus 12 months
\$17.30	Seniority plus 24 months
\$19.90	Seniority plus 36 months
\$22.50	Seniority plus 48 months

After twelve (12) months at the \$22.50 rate the employee shall be eligible for the subsequent general wage increases.

2. All employees on the payroll who have attained seniority as of August 1, 2013 will receive the general wage increases per the provisions of Article 41 Section 1 of the UPS NMA.

3. Differentials

- a. Lead - \$1.50
- b. Palletizing Pallet Control Cargo Auditor - \$1.00 (one clerk per shift)
- c. Dangerous good Document clerk - \$.50 (one clerk per shift)
- d. PPQ Document - \$.50
- e. Night - \$.60
- f. Driver - \$1.00
- g. Customs Agent \$1.50
- h. Ramp Pallet Control / Auditor \$1.00
- i. Cooler Cargo Auditor \$.50

4. Nightshift differential payment between 9:00 p.m. and 4:00 a.m. for the shift that would be known as the nightshift. This nightshift differential would be paid for the hours worked, including overtime in connection with the nightshift. However, if an individual were called in on a prior shift and had to stay late and, as a result, worked into the hours of 9:00 p.m. and 4:00 a.m.; or had been called in early and worked prior to 4:00 a.m.; that employee would not receive the differential (regardless of how many hours that individual worked during the so-called nightshift). This would be because the employee would be entitled to the rate from the prior, or later, shift plus any overtime as to the non-nightshift that would be available. The pay would not in any way be pyramided. This provision is designed to avoid the possibility that someone called from another shift to do overtime working during the nightshift, or to come in early and do overtime during the nightshift, would be able to obtain the nightshift differential rate. They cannot obtain the nightshift rate unless they work the full nightshift on a regular basis. Employees hired after ratification of this agreement shall not be entitled to the application of the nightshift differential in this agreement.

5. The company has the right to correct payroll errors upon discovery of such; however, the employee will only be responsible for overpayments for a period of ninety (90) days prior to such discovery. Likewise, the Company shall only be responsible for correcting underpayments covering a period of ninety (90) days prior to discovery.

Section C-Holidays

1. The following named holidays, or the days observed as such, shall be recognized as legal holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, and New Year's Eve Day, provided the employees comply with qualifications set forth hereinafter. Seniority employees shall receive eight (8) hour straight time pay for the above designated holidays. One of the qualifications is that seniority employees must complete the regularly scheduled work days which immediately precedes and follows the holiday, except in cases of proven illness, or unless the absence is mutually agreed to.

2. All employees on the payroll who have met the hours/reports and years of service requirements listed below shall receive nine (9) personal holidays on January 1st of each subsequent year during the term of this agreement. Personal holidays awarded on each January 1st are to be used by the subsequent November 15th of each year. Unused personal holidays will be paid at eight (8) hours at the employee's straight time hourly rate for each unused day on the second pay period of each December. An employee must be on the payroll to receive this benefit.

3. In order for employees on the payroll to receive the nine (9) personal holidays the employee must have worked at least one hundred and fifty six (156) reports in the previous calendar year.

4. Newly hired employees are not entitled to holiday pay for personal holidays and named holidays falling within the first year of their employment. After completion of one year of employment, the employee who meets the qualifications stated above will receive pay for future named holidays. They will also receive nine (9) personal holidays on the following and each subsequent January 1st, to be used by each subsequent November 15th, provided the employee worked at least one hundred fifty six (156) reports in the previous calendar year. They shall be paid eight (8) hours at straight time hourly rate for each unused personal holiday. An employee must be on the payroll to receive this benefit.

5. Personal holidays shall be awarded by seniority in the order requested and the following procedure shall apply: Any employee desiring a personal holiday will make a request in writing on a form furnished by the Company. Such request must be submitted no later than the start of his/her shift on the seventh (7th) calendar day preceding the day requested. A signed copy of the request form stating approval or disapproval shall be returned to the employee by the end of the next working day.

6. No personal holiday may be taken after November 15 or before December 31 of any year.

7. Any employee who is out due to sickness or injury shall have the right, after the third day of absence due to such sickness or

injury, to be paid for any personal holidays to which they are entitled up to the number of days off due to sickness or injury. Employees may elect to be paid two (2) of their personal holidays for up to two (2) single days of illness. A written request for payment must be made the day following the absence. It is understood for these days to be paid the employee must provide medical documentation to support the absence. If these two (2) days of illness are paid as personal holidays they will not be counted towards management determination of an unacceptable attendance record.

Article IX

Call-In Pay and Pay Period

Section A. Call-In-Pay

The Company will provide call-in-pay in accordance with the following guidelines:

- A. Guarantee four (4) hours provided the following:
1. Once called, employee is required to show for work at specified time (minimum notice one (1) hour)

 2. Failure to show when scheduled will be considered to be an infraction of attendance rules.

Section B. Pay Period

All employees covered by this Agreement shall be paid in accordance with the company's current pay procedures.

Article X

Vacations

A. Full time employees will be granted paid vacation time based upon the length of their active service. An employee must have worked one hundred and fifty-six (156) reports in the preceding year to earn their vacation. Vacation will be accrued from January 1st to December 31st and taken the following year. Each employee who meets the eligibility rules stated above, shall be entitled to a vacation with pay as follows:

Active Service

One (1) year

Two (2) years

Five (5) years

Fifteen (15) years

Weeks Earned

One (1) week

Two (2) weeks

Three (3) weeks

Four (4) weeks

B. Newly hired employees will not begin to accrue vacation until January 1st following their hire date.

C. Vacation time is not cumulative, and must be taken during the calendar year following December 31st. If vacation is not taken by the end of the year, the employee will be paid in lieu of vacation.

D. Vacation pay shall be at the rate of pay which the employee would normally have received for the regular straight time during the period of their vacation at forty (40) hours for each vacation week.

E. Vacation will be approved by the Company taking into consideration the desires and seniority, classification, area and shift of the employee and the Company's operational requirements. The Company reserves the right to restrict vacations during high volume periods. Vacation requests will be submitted by November 30th and approved and posted by the following January 1st.

F. When an employee splits their vacation period, an employee may not exercise their seniority on the second part of their vacation time over any employee who has not picked their vacation.

G. An employee who does not request a vacation will be assigned to an open vacation period.

H. When a named holiday falls during an employees paid vacation, the employee will be paid an additional eight (8) straight time hours as holiday pay for the named holiday.

Article XI

Uniforms

The Company will continue its policy of providing uniforms (8

shirts and 7 pants) for those employees required to wear uniforms. Exchanged uniforms will be inspected by the company and if a uniform is required it will be new.

The Company will continue to provide jackets, vests, and gloves for the employees working in the cooler area. Jackets, vests, gloves will be exchanged as needed.

Article XII Equipment, Accidents, Etc.

A. The Employer shall not require employees to take out on the street or highways any vehicle that is not in safe operating condition or equipped with safety appliances prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment unless such refusal is unjustified.

B. Any employee involved in any accident or who has knowledge of freight damage or theft shall immediately report in writing said accident and any physical injury sustained, freight damage or theft to the Employer before completion of his or her shift that day, and shall turn in all available names and addresses of witnesses to the accident, freight damage or theft. Failure to comply with this provision shall subject such employee to immediate discharge.

Article XIII Conflicting Agreements

The Employer agrees not to enter into any agreement or contact with any employees covered by this Agreement individually or collectively, which in any way conflicts with the terms and provisions of this Agreement.

Article XIV Posting of Agreement

A copy of this Agreement shall be posted in a conspicuous place on the Employer's premises.

Article XV

Managerial Employee's Duties

A. The Company and the Union both recognize that it is not in their best interests to have managers performing bargaining unit, or class or craft work.

B. Managerial employees will not be used on work for the same nature as that performed by Fleet Service Employees except as follows:

1. Managerial employees may fill in for absent employees until a replacement can be called in if practical.

2. Managerial employees may perform bargaining unit, or class or craft work in the course of training employees for bargaining unit, or class or craft positions or for supervisory positions.

3. Managerial employees may perform bargaining unit, or class or craft work where, in the opinion of the company, it is necessary due to an emergency or unexpected condition.

4. Managerial employees may perform bargaining unit, or class or craft, work in connection with the installation, turning and/or testing of equipment.

Article XVI

Management Rights

A. All management rights, functions and prerogatives, whether previously exercised or not and regardless of the frequency or infrequency of their exercise, are and shall remain vested solely and exclusively in the management of the Company, except and only to the extent that they are expressly (not impliedly or through a past course of conduct) limited by a specific provision of this Agreement. The Company's failure to exercise any function or right in a particular way, shall not be deemed a waiver of its right to exercise such function or right or preclude the Company from exercising the same right in some other way.

B. Unless spelled out elsewhere in this Agreement, and without limiting the general effect of the foregoing paragraph, this Agreement shall not affect or impair the Company's right, in its sole discretion and judgment, to: exercise full and exclusive control and management of its business and its facilities or warehouses and to direct the workforce; determine the size and composition of the workforce and the policies affecting the hiring, selection, retention, assignment, suspension, layoff, recall, training, promotion, and demotion of employees; discipline or discharge employees for cause and maintain the discipline, order and efficiency of employees; determine the scope of its activities, the services to be rendered and the methods, machinery, equipment, layout and locations pertaining thereto; determine and enforce standards for the quality and quantity of work performed; establish, change, combine, or eliminate jobs, positions, departments, job classifications or descriptions; introduce new or different methods, processes, procedures, technological changes, equipment or facilities; contract or subcontract any work; determine suppliers with whom it will deal and the prices at which and the terms upon which its material's, equipment and supplies will be purchased, leased, or otherwise acquired and its products and services will be sold; establish and change production shifts, standards and schedules and determine the assignment of work; determine the number, size and location of its facilities and the extent to which and the means and manner by which its facilities or business or any part thereof will be operated, relocated, shut down, consolidated, sold or otherwise transferred; determine whether and to what extent work required in its business shall be performed at the plant and by the employees covered by this Agreement; determine when and if vacancies in the workforce exist and whether they should be filled; establish wage rates for new or changed classifications or positions, following discussion of such rates and position with the Union; and establish or change incentive or bonus compensation.

C. It is intended and agreed that any person or persons (in an arbitral, administrative or judicial proceeding or otherwise) interpreting this Agreement shall do so with particular regard to the intention of the parties to reserve in the sole discretion of management all rights except to the extent that they are specifically and explicitly limited by an express provision of this Agreement.

D. The Company shall have the right to formulate, amend, add, revoke and enforce such work rules and regulations as in its opinion may be necessary or reasonable for the proper, safe and efficient conduct of the Company's business, provided such rules and regulations and their enforcement, shall not violate any express rights of this Agreement. Copies of all such rules, and regulations, amendments, additions, and revocations shall be given to the Union.

E. In the event the Company decides to subcontract any work whatsoever, it will notify the union in advance to give the union an opportunity to discuss such subcontracting. The Company agrees it will make all reasonable efforts to use existing personnel within their guaranteed workweek before subcontracting any bargaining unit work. The Employer may not subcontract work in any classification if any employee who normally performs such work is on lay-off.

In addition the Employer may subcontract work in order to meet service needs if it does not possess the facility, equipment, or personnel to perform such work.

Any dispute, arising from this article is subject to the grievance procedure.

F. Warnings notices and written reprimands (including disciplinary suspensions) will be removed from an employee's file and will not be considered in future warnings, reprimands or discipline in accordance with the following schedule:

1. Warnings, reprimands or discipline related to attendance rules (including, but not limited to, absenteeism, tardiness or leaving work early); after nine (9) months;

2. Warnings, reprimands or discipline related to safety rules or incidents that result in damage or injury: nine (9) months;

All other warnings, reprimands or discipline: nine (9) months.

G. The Company shall not discharge or suspend any employee with-

out just and proper cause. The Employer recognizes the concept of progressive discipline and will apply it in situations where appropriate. All disciplinary action including suspensions and discharges shall be subject to the grievance provisions of this agreement.

The reason for discharge or other disciplinary action must be given to the employee within ten (10) working days of knowing said incident occurred. In cases of suspension and discharge the Company will notify the Union Business Agent of the disciplinary suspension or discharge. The employee will receive a copy of the disciplinary notice issued to him or her. Working days for the purpose of issuing discipline will be defined as days the employee reports to work.

The Company shall have the sole right to discharge or otherwise discipline any employee without issuing a prior warning notice for the following categories including but not limited to: theft, dishonesty, failure to report an accident or any property damage, gross insubordination, recklessness, negligence, possession of a weapon while on the job or on company premises or other locations where the company does business, use of or possession of drugs or alcohol while on duty or on company property or any location where the company does business, fighting while on the job or on company's premises, falsification of records, and other serious offenses.

Discipline for minor offenses will consist of: First written notice; Second written notice; Suspension (not to exceed five (5) days); or Final warning notice, Termination.

Article XVII

Picket Lines

It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action, in the event an employee refuse to enter upon any property involved in a primary labor dispute with this Union, or refuses to go through or work behind any primary picket line of this Union, including the primary picket line of the Union party to this Agreement, and including primary picket lines at the Employer's place of business.

Article XVIII

Health and Welfare

A. The employer agrees to provide health coverage under the UPS Health Program Network for eligible employees and their eligible dependents.

Plan benefits shall be maintained at levels no less than those in effect as of the date of ratification and shall remain in effect throughout the term of this Agreement.

Upon request the employer will provide to all covered employees summary plan documents describing benefits.

For those full-time employees who have received health and welfare benefits from the Company Health & Welfare Plan, benefits on and after January 1, 2014 will be provided by the Central States Health & Welfare Fund (CSH&W Fund), under the terms set forth in Article 34 of the National Master Agreement. The Company will continue to provide health & welfare benefit coverage under the existing plan through December 31, 2013.

Any eligible employee covered by this Section who retires effective January 1, 2014 or thereafter shall be provided retiree medical benefits through the CSH&W Fund.

Current retirees who are receiving benefits through a UPS sponsored plan shall receive coverage on and after January 1, 2014 under the terms of the Memorandum Concerning UPS Sponsored Plans, attached to the National Master Agreement.

Contributions to the pension funds will be made in accordance with Article 34 of the National Master Agreement.

Article XIX

Pensions

When the company implements a 401K Plan the employees covered by this Bargaining Agreement will be allowed to participate in the same manner and guidelines as all other employees. The Company

will pay the annual administrative fees associated with the maintenance of this plan.

The Company will provide pension benefit coverage to eligible employees under the terms and conditions contained in the UPS Pension Plan.

Effective for any employee retiring after January 1, 2014, the total monthly service pension benefit will be equal to the following provided the employee meets the Credited Service requirement.

\$1,925 for retirement at any age after 35 years of Credited Service

\$1,650 for retirement at any age after 30 years of Credited Service

\$1,375 for retirement at age 60 with 25 years of Credited Service

There shall also be \$1,125 benefit for retirement at any age with 25 years of Credited Service. This is based on \$45.00 per year of Credited Service.

The accrual rate shall be increased to sixty-five dollars (\$65.00) for each year of future credited service after January 1, 2014.

The employer agrees to provide enrollment opportunities in the UPS/Teamsters National 401(k) tax deferred savings plan for eligible employees.

1. The employer shall withhold from an employee's earnings, amounts mutually agreed to between the employer and the employee. Such monies shall be deposited into a 401(k) account in the employee's name in compliance with the Internal Revenue Code and E.R.I.S.A. Such deposits will be made in time period which is current practice for deposits made for other Teamsters employees.

2. To the extent participation information is available to other Teamster members such information shall be available to the employees covered by this Agreement.

Article XX

Maintenance of Standards

No employee shall have vacations reduced or suffer any reduction in rates of pay as a result of the execution of this Agreement. It is agreed that the provisions of this Article shall not apply to inadvertent or bona fide errors made by the Company or the Union in applying the terms and conditions of the Agreement if such error is corrected within ninety (90) days from the date of the discovery of the error.

Article XXI

Leaves of Absence

A. Upon written application, leaves of absence may be granted to employees in the sole discretion of the Company. There shall be no loss of seniority as a result of an approved leave of absence. All leaves of absence must be approved in writing. All leaves of absence shall be without pay. The following will govern the granting of leaves of absence:

1. All leaves of absence will be granted without pay or other benefits but with all insurance provided in Article XVIII.

2. The maximum leave of absence will be thirty (30) days. The Union and the Company agree, however, that if a leave were to be provided and approved by the Company beyond thirty (30) days, and it is for an approved worker's compensation leave for thirty-one (31) days, or a longer period, the individual on such a worker's compensation leave, which is approved, will accrue seniority for not only selection purposes (such as vacations and shifts) but also pay purposes (including accrual of vacation and other sick leave benefits) as long as the worker's compensation leave is approved and legitimate. As to other leaves that are approved beyond thirty (30) days (but non-workers compensation leave) there will not be any accrual of wages or benefits or pay of any kind. The only thing that can be done with the seniority accrued for the period of such an approved (non-workers compensation) leave beyond thirty (30) days will be non-economic, such as for selecting and bidding on a vacation date or shift.

3. In order to qualify for a leave of absence, an employee must have one (1) year of seniority with the Employer.

4. At least one (1) year must elapse between successive leaves of absence.

5. Short term leaves of absence, not to exceed two (2) weeks, shall be granted without pay to employees to act on Union with a limit of two (2) employees at any one time. A request for such time must be made by the Union seven (7) days in advance unless otherwise agreed to by both parties.

6. An employee shall be subject to immediate dismissal for falsifying any reason given to the Company for leave of absence.

B. The Employer agrees that in the event an employee is elected to full time office in the Union and requests a leave of absence, such employee shall be granted a leave of absence without pay or any other benefits. He shall be reinstated without loss of seniority upon expiration of his or her term of office; provided he or she returns to work within two (2) months after the expiration of his or her term.

C. Maternity, military and family medical leave will be granted in accordance with applicable federal law.

Article XXII

Successorship

This Agreement shall be binding upon the parties hereto, as well as their successors, administrators, executors and assigns.

Article XXIII

Union dues-Check-off

The company agrees to deduct reasonable dues and initiation fees from the first pay check of each month from all employees covered by this Agreement who authorize in writing such deductions. The form of such written authorization shall be submitted by the Union to the Company for approval. The Company shall remit such

deductions to the Union not later than fifteen (15) days after they are withheld.

The Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE. DRIVE shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from his/her paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to DRIVE National Headquarters on a monthly basis, in one (1) check, the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's Social Security number and the amount deducted from that employee's paycheck. The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer's actual cost for the expenses incurred in administering the weekly payroll deduction plan.

Article XXIV

Union Security

It is hereby understood and agreed by and between the Company, and the Fleet Service Employees, in the employ of the Company, as represented by the Union, that:

A. Each employee of the Company covered by the Agreement shall become a member of the Union ninety (90) days from the date of employment or ninety (90) days from the effective date of this Article, whichever is later, and shall as a condition of employment maintain membership in the Union while this Article is in effect, to the extent of paying proper and required periodic dues, initiation fees and assessments uniformly required as a condition of acquiring or maintaining membership.

B. If an employee of the Company who is required by paragraph A of this Article to pay the periodic dues, initiation fees and assessments therein specified becomes at least sixty (60) days delinquent in payment or tender of such dues, fees, and/or assessments, the Treasurer of the Union shall notify such employee by Registered Mail, Return Receipt Requested, copy to the appropriate Vice

President and Labor Relations representative of the Company, or their designee, that the employee is delinquent in the payment of such dues, fees and/or assessments and is subject to discharge as an employee of the Company. Such notice shall also inform the employee that the employee must remit, or tender, the required payment to the Treasurer of the Union within a period of twenty (20) days after receipt by the employee of the notice herein referred to, or be discharged.

C. A discharge under the terms of this Article shall be based solely upon the failure of this employee to pay or tender payment of periodic dues, initiation fees and assessments as specified herein.

D. A grievance by an employee who is discharged as a result of an interpretation of application of the provisions of this Article shall be subject exclusively to the following procedure:

1. An employee who is to be discharged who believes that the provisions of this Article pertaining to him or her, have not been properly interpreted, or applied, may submit his or her request for review in writing within twenty (20) days from the date of his or her notification. The request will be submitted to his or her immediate supervisor, who will review the grievance and render his or her decision in writing no later than twenty (20) days following the receipt of the grievance.

2. The immediate supervisor will forward his or her decision to the employee with a copy to the Union Accredited Representative. If the decision is not satisfactory to both the employee and the Union, then either may appeal the grievance directly to the System Board of Adjustment established under the basic Collective Bargaining Agreement between the parties hereto within twenty (20) days from the date of the supervisor's decision. The terms and provisions of the grievance sections of this Agreement shall be applicable except as otherwise specified herein.

3. If the Union should appeal the decision to the System Board of Adjustment, it shall prepare a joint submission of the grievance setting forth the Union's and employee's position and for-

ward copies to the employee, Cargo Services Manager, or designee, and to the members of the System Board of Adjustment. If the employee should appeal the decision, the employee may request the appropriate Vice President and Labor Relations representative, or his or her designee, to prepare the submission papers in his or her behalf for the System Board of Adjustment. In the latter event, such request shall be made by the employee in writing to his or her immediate supervisor, who will transmit all relevant facts received concerning the grievance, together with a copy of the decision from which appeal is taken. The appropriate Vice President, or his or her designee, will forward copies to the employee, the appropriate Company representatives involved, the designated International Representative of the Union and to members of the System Board of Adjustment.

E. An employee discharged by the Company under the provisions of this Article shall be deemed to have been “discharged for cause” within the meaning of the terms and provisions of this Article.

F. During the life of this Article, the Company agrees to deduct from the pay of each member of the Union, and remit to the Union periodic dues uniformly and properly levied in accordance with the Constitution and Bylaws of the Union and prescribed by the Railway Labor Act, as amended, provided such member of the Union voluntarily executes “Check-Off Form” which shall be prepared and furnished by the Union.

G. When a member of the Union executes such “Check-Off Form” in a matter suitable to the Union, the Union shall forward an original copy to Company Payroll Department or other designated accounting official of the Company. The Union takes full responsibility for the proper format.

H. When a “Check-Off Form”, as specified herein, is received by the appropriate accounting official on or before a given pay period, deductions will commence after the Union sends a check off billing consistent with the Check-Off Form with the first regular dues deduction pay check following such pay period billing by the Union or within twenty-five (25) days from such Union billing, which-

ever is later. The Payroll Office of the Company will remit, to the appropriate official of the Union, checks in payment of all dues collected no later than the last day of the month in which such amounts are collected by the Company. The company remittance to the Union will be accomplished by lists of names from whom deductions have made in that particular period and individual amounts deducted based on the Union billing.

No deductions will be made from the wages of any employee who has executed a Check-Off Form and who has been transferred to a job not covered by the Agreement, or who is not in pay status.

Upon return to work within a classification covered by this Agreement, deductions from future wages shall automatically resume.

I. For new hires, or those not previously in the Union and paying such amounts, after the effective date of this Agreement, or Article whichever is later, the Company after receiving the appropriate Check-Off Form and billing from the Union, will commence deducting initiation fees in five (5) equal installments for a five (5) month period from date an employee is hired, or the Check-Off Form is executed, or the Article is effective, whichever is later, pursuant to the terms of, and during, this agreement and during any status quo extension pursuant to the Railway Labor Act.

J. The Company will mail to the Union monthly, a list of new hires, terminations, layoffs, or recalls of employees covered by this Agreement. Such lists will be prepared monthly and will show the name and hire date, termination date, layoff date, and recall date of such employee who were hired, terminated, laid off and recalled during the month for which the list is prepared.

K. On the last working date of the month, or as soon thereafter as possible, or no later than seven (7) days following the end of the month, the Company will prepare and mail to the Union a list of employees who experience a base rate change and/or change of address during the month. Such lists will include the em-

ployee's name, old rate, new rate, old address, new address as applicable.

L. The Union agrees that it shall indemnify and hold the Company harmless from any and all claims, suits, charges, awards or damages, including court costs and reasonable attorney's fees, by virtue of the Company's interpretation or application of this Article.

Article XXV Funeral Leave

In the event of a death in the immediate family, bereavement leave to handle family affairs and attend the funeral will be granted to employees for up to three (3) days. The "immediate" family is defined to as: spouse, children, parents, brothers, sisters, mother-in-law, father-in-law, grandparent, son-in-law and daughter-in-law. Payment for scheduled work missed for bereavement leave will be at the employee's regular rate of pay for his or her regular scheduled hours. Payment will not be granted for the employee's scheduled days off. The Company may require evidence of attendance at the funeral where it has reason to suspect abuse of this Article.

Article XXVI Bulletin Boards

The Company shall provide bulletin boards marked "International Brotherhood of Teamsters" at each location where employees hereunder are employed for posting of official notices of Union activities not inconsistent with the Railway Labor Act. Such notices shall bear the signature of an officer of the Union and shall not contain anything defamatory or of a personal nature or attacking the Company or its representatives.

Article XXVII Union Representatives

It is understood and agreed between the parties to this Agreement that Officers and Business Representatives of the Union may enter onto the Carrier's premises for the purpose of policing this

Agreement or investigating grievances arising thereunder. Provided, however, that said Officers and Business Representatives first notify and obtain permission will be in accordance with all appropriate State and Federal laws, rules and regulations. Such permissions will not be unreasonable withheld by the Carrier.

The authorized agents agree not to unduly interrupt the normal operation and will notify management upon entering the premises. The company also agrees to provide telephone numbers of its appropriate representatives, including mobile phone, or cellular numbers, so that there can be an effort to enable Union representatives to avoid interrupting operations, or appearing without notice; but, at the same time, the Union representatives can obtain permission to enter the premises after being able to communicate with appropriate management representatives.

The Company will determine those names and the telephone numbers that will be provided and the parties agree that if from time to time there are questions about the representatives, while *the company* will have total control over the designation of its representatives (just as the Union has control over its representatives), the Union can submit a request and within 10 working days, the Company will respond so that if there are changes in management personnel, the parties can cooperate to make appropriate adjustments and make appropriate information available.

Article XXVIII

Physical Examinations

An employee covered by this Agreement may be required to take a physical examination as specified by the Company. The cost of such examination will be paid by the Company. Thereafter, the Company may request an employee to submit to further Physical examinations during the course of his or her employment or recall to service after furlough or leave of absence. Physical examinations described herein include scheduled, post-accident or random drug testing by urinalysis, breathalyzer, blood test or other accepted medical means. Refusal of an employee to submit to a physical examination upon request by the Company will subject that employee to discipline up to and including discharge.

Article XXIX Miscellaneous

The Company will provide free parking to all employees covered under this Agreement during work on the Company premises.

Any masculine noun or pronoun in this Agreement will refer to an employee covered by this agreement whether male or female.

Article XXX Non-Discrimination

The Employer and the Union agree not to discriminate against any individual with respect to hiring, compensation, terms or conditions of employment because of such individual's race, color, religion, age, sex, national origin or disability, nor they will limit, segregate or classify employees in any way to deprive any individual employee of employment opportunities because of race, color, religion, age, sex, national origin or disabilities.

Article XXXI Duration

This Agreement shall become effective upon ratification. This Agreement shall remain in full force and effect for the duration of the current NMA and will, therefore, continue in full force and effect for the duration of the NMA which succeeds the current NMA. This Supplement to the successor NMA will be subject to cancellation or termination at that time provided that the notice provisions of the NMA are followed.

Eduardo Valero for Teamsters Local 769

Stokes Nelson for UPS Latin America

Negotiated this Agreement.