

SUMMARY OF LOCAL 986 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.*

AGREEMENT

THIS SUPPLEMENTAL AGREEMENT made and entered into this first day of **January 2018** by and between AIR EXPRESS INTERNATIONAL USA, INC., hereinafter referred to as the "Employer" or "Company", and General Teamsters Airline, Aerospace & Allied Employees, Warehousemen, Drivers, Construction, Rock and Sand Local 986, an affiliate of the International Brotherhood of Teamsters, hereinafter referred to as the "Union". **T/A**

ARTICLE 40., UNION SECURITY

[No Change]

ARTICLE 41. MANAGEMENT RIGHTS

[No Change]

ARTICLE 42, GRIEVANCE PROCEDURE

(Refer to Master Article 7)

[No Change]

ARTICLE 43, HOLIDAYS

1. The following holidays shall be granted with allowance of regular pay for a day of eight (8) hours or without deduction from the weekly pay, and such holidays not worked shall be considered as time worked for the purpose of computing overtime:

1. New Year's Day
2. Memorial Day
3. Independence Day
4. Labor Day
5. Thanksgiving Day
6. Christmas Day
7. Five (5) Floating Holidays.

2. When any of the above holidays fall on the employee's first day off, the previous day will be the recognized as his holiday. If holidays fall on the employee's second day off, the following day will be the recognized as his holiday.
3. A list of employees required to work any of the foregoing holidays will be posted seven (7) calendar days in advance of the holiday **Employees will not be required to work if a floating holiday has been approved. T/A**
4. The holiday work schedule will be established on the basis of seniority. If volunteers cannot fill the schedule, the inverse order of seniority will be used to fill the schedule.
5. To be eligible for holiday pay an employee must have been employed ninety (90) calendar days and must:
 - a. Have not have failed to report or perform scheduled work as provided in section above, or not have failed to report or perform work on the holiday after agreeing to work such holiday.
 - b. Have actually worked one (1) day during the seven (7) calendar days following the holiday.
 - c. Have worked the last full scheduled workday preceding and the first scheduled workday succeeding the holiday unless excused by the Company. Section 5c does not apply to floating holidays.
6. If an eligible employee works on a holiday, he shall receive one and one-half (1-1/2) times his regular straight time hourly rate for all hours so worked in addition to holiday pay.
7. Employees with at least one (1) year of service on June 1st of any year shall, on June 1st of each year, be credited with five (5) floating holidays. Employees with less than a year of service on June 1st, will receive one (1) floating holiday for every three (3) calendar months. No Employee will receive more than five (5) floating holidays per 12 months.
8. The employee must use two of five floating holidays during the first half of a calendar year. However, the five (5) floating holidays are available and may be used on June 1 of each year. Conflicts in scheduling are to be resolved by seniority. The employee shall notify the Employer in writing not more than forty-five (45), but at least five (5) calendar days prior to the holiday date desired, and the Employer shall approve or disapprove the request in writing not later than two (2) working days after its submission. **The Employer shall approve or disapprove the request in writing not later than two (2) calendar days after its submission. If the Employer fails to notify the Employee who submits the request in writing not later than two (2) calendar days after its submission, the Holiday request will automatically be approved.** Seniority rights shall not be used to preempt a previously approved floating holiday. There will be no pay in lieu of floating holidays not used. **T/A**
9. The Company agrees to grant floating holidays to a minimum of one (1) office employee per department per shift and four (4) warehouse employees per twelve (12) hour shift, based on starting time, on any given day. Warehouses "shifts" are defined as. **2400 to 1159 hours and 1200 to 2359 hours.** **T/A**

ARTICLE 44. VACATIONS

1. An employee of the Company on June 1st of any year will be entitled to paid vacation based on his months of service in the preceding twelve (12) months and in accordance

with the rate of accrual as set forth in Section 2. The year shall be from June 1st to May 31st. Vacation accrual will be based on Company seniority date.

2. Paid vacation allowance will be based on the number of months worked in the preceding year and the number of years with the Company in any capacity as of June 1st in accordance with schedule below:

<u>MONTHS OF SERVICE PRIOR TO JUNE 1ST</u>	<u>LESS THAN 5 YEARS</u>	<u>5 YEARS 9 YEARS</u>	<u>10 YEARS AND OVER</u>
1	1 DAY	1 DAY	2 DAYS
2	2 DAYS	3 DAYS	3 DAYS
3	3 DAYS	4 DAYS	5 DAYS
4	3 DAYS	5 DAYS	7 DAYS
5	4 DAYS	6 DAYS	8 DAYS
6	5 DAYS	8 DAYS	10 DAYS
7	6 DAYS	9 DAYS	12 DAYS
8	7 DAYS	10 DAYS	13 DAYS
9	7 DAYS	11 DAYS	15 DAYS
10	8 DAYS	13 DAYS	17 DAYS
11	9 DAYS	14 DAYS	18 DAYS
12	10 DAYS	15 DAYS	20 DAYS

3. **—The Company will allow up to six (6) warehouse employees per twelve (12) hour shift and 20% of the employee count in each of three clerical groups – night, day and Customer Service in any 24 hour period to schedule vacation at any one time according to seniority. “Shifts” are defined as 2400 to 1159 hours and 1200 to 2359 hours. T/A/ 10-4-17 T/A**
4. Vacation allowance will accrue during each calendar month for which an employee received pay for eighty-five (85) or more hours from the Company. An employee absent due to on the job injury / illness shall be credited, up to a maximum of six (6) months during the vacation year, June 1st to May 31st, with vacation qualification time. An employee may not be paid for accrued vacation while absent due to on the job injury or illness, unless specifically requested, in writing, by the employee.
5. In case of severance of employment, an employee with more than (6) months of service shall be entitled to vacation earned but not taken.
6. Compensation for the vacation period shall be computed at the straight time rate in effect at the time of vacation. Vacations shall be taken at a time mutually agreed to between the Employer and the employee and vacation selection will be based on seniority.
7. When one of the recognized holidays falls within an employee’s vacation period, the employee shall receive an extra day vacation or pay in lieu thereof
8. Employees shall be permitted to take their third (3rd) week and/or fourth (4th) week of vacation after June 1st of the calendar year in which their fifth (5th) and/or tenth (10th) anniversary of employment occurs.
9. When an employee has received his vacation with pay prior to his eligibility date, as described above, the Company may recover the overpayment in the event the employee terminates for any reason.

10. Warehouse vacation schedules shall be bid during April and awarded by seniority prior to May 16th. Office vacation schedules shall be bid at the conclusion of the annual office shift bid.

When a vacation is split, employees making this selection will be permitted a choice for the second period in seniority order from periods available after all concerned employees have made their first selection; third choices after others have made their second choice, etc.

Changes in vacation schedules after May 15th shall be subject to **availability and in accordance with Article 44, Section 3. The Employer shall approve or disapprove the request in writing not later than five (5) calendar days after its submission. If the Employer fails to notify the Employee who submits the request in writing not later than five (5) calendar days after its submission, the Vacation request will automatically be approved** and shall not conflict with the first preference of any other employee. Unless otherwise mutually agreed, vacations must be taken in segments of at least one (1) week and vacation shall start at the end of the shift on the last day of the employee's regular work week, or if none on Monday. Vacations approved by the Company shall not be changed or canceled except by mutual agreement. **T/A**

11. Employees with five (5) plus years of service eligible for three (3) weeks plus will be allowed to designate one (1) week of vacation time to be used one day at a time, with a fourteen (14) day written notice. Employees with ten plus years of service eligible for four weeks will be allowed to designate two weeks of vacation time to be used one day at a time with a fourteen (14) day written notice. This vacation time cannot be bid during the annual vacation bid..**All vacation requests will be subject to the approval process as mandated in Article 44,Section 10. T/A**

Vacation pay taken in (8) hour increments shall be considered as time worked for the purpose of computing overtime.

ARTICLE 45, SICK LEAVE

1. The Company agrees to provide full and casual employees with ten (10) workdays sick leave each calendar year in accordance with and pursuant to the following section of this Article.
2. During the second full pay period of November, each employee with one or more years of continuous service shall be credited ten (10) days sick leave to used without a waiting period. The following November, the balance may be cashed out or rolled into the bank to a maximum of 25 days. Such payments and credits at the employee's then regular straight time rate of pay shall constitute the employee's sick leave entitlement for the calendar year. Employees must notify Company by October 10th of each year whether they want to rollover or cash out their balance. Part time employees shall be entitled to sick leave payments and credits at the rate of five (5) hours per day; full time employees, eight (8) hours per day. New employees, shall for purposes of sick pay entitlements in November of any year, be entitled to prorated pay and accumulations at a ratio of ten-twelfths (10/12th) days per full month worked upon prior completion of three (3) full calendar months of employment, to the first (3) full days accumulated and the balance in excess of such three days if any shall be paid.
3. Except as otherwise provided in section 2, 6 and 13 of this Article, employees absent from work for illness of injury shall not receive cash sick leave payments.

4. Each employee shall, in accordance with section 2 above, accumulate sick leave credits from one year to the next to existing sick leave balances, if any, up to a maximum accumulation of twenty-five (25) days sick leave.
5. Unused sick leave accumulations in excess of twenty-five (25) days will be paid out on an annual basis in the second pay period in November with the payments provided for in section 2. Such payments will be made at the straight time rate of pay then in effect. Such Payments will be issued by a separate deposit if the employee is enrolled in direct deposit only. If the employee is not enrolled in direct deposit there will not be a separate check.
6. Banked sick leave credits shall be used and paid only for prolonged illness or non-industrial injury which exceeds two (2) consecutive work days and only for the third (3rd) and succeeding full work days of such illness, until such absence is terminated or the banked credits are exhausted, whichever occurs first. Proof of such disabling illness or injury shall be required to receive payments under this section.
7. Upon termination after one (1) full year of employment, except termination for just cause, unused accumulated sick leave credits and prorated sick leave earned at the rate of ten-twelfths (10/12ths) days for each full calendar month of employment since the prior January 1st, shall be paid at the rate of fifty percent (50%) of the balance accrued and unused at the straight time rate pay then in effect. Employees terminated for just cause shall forfeit any unused sick leave accumulations at the time of discharge.
8. Sick leave accumulations shall be paid only for full days of absence, as provided for in section 6.
9. Notwithstanding any other provisions in this Article, an employee who is off work because of bona fide illness may elect to utilize an existing unused floating holiday to receive pay for such illness. In order to receive such pay the employee must provide satisfactory written medical verification of the illness to the Employer on the employee's first day back to work.
10. Prior to January 1st of each year, each employee will receive a statement indicating the number of sick days then accumulated in his account.
11. The first ten (10) sick leave days and any sick leave days paid for pursuant to section 6 will be counted as time worked for the purpose of calculating overtime. **T/A**
12. Sick leave for employees changing from full time to casual status or from casual to full time status shall be adjusted as of the first of the calendar month following the month in which the change of status occurs.
13. An eligible employee who elects to retire under the Teamsters Pension Fund shall be paid accumulated sick leave on a one-for one basis.
14. The Company shall allow employees on state disability or workmen's compensation to use their sick bank to be made whole, provided that the Company's net liability shall not be increased.

ARTICLE 46, BEREAVEMENT LEAVE

In the event of a death of a spouse/domestic partner, parent, step-parent, child, step-child, brother, sister, grandfather, grandmother, grandchildren, mother-in-law

or father-in-law, non-probationary employees shall be entitled to three (3) workdays bereavement leave without loss of pay. If the funeral services are to be conducted outside of the State of California, the employee may, upon prior request and approval use up to four (4) unused floating holidays, if any are available and at the discretion of the Company, unused vacation. This includes same or opposite sex “domestic partner” in-laws as well as children of domestic partners if the domestic partner affidavit has been completed and verified. T/A

In the event of the death of a sister-in-law or brother-in-law, employees may, upon prior request and approval, use up to four (4) unused floating holidays, if any are available and, at the discretion of the Company, unused vacation. If no such days are available, employees may take up to three (3) days-unpaid leave. Evidence and/or proof of death and relationship satisfactory to the Company shall be required.

ARTICLE 47, SENIORITY [NO CHANGE]

ARTICLE 48, SHIFT AND TRANSFER BIDDING

1. [NO CHANGE]
2. [NO CHANGE]
3. [NO CHANGE]
4. The Company shall have the right to change individual employees starting times up to a maximum of one (1) hour either way on five (5) working days prior written notice. Changes in starting times of more than one (1) hour shall be made by mutual agreement between the Company and the employee and such changes shall be posted for bid if they extend beyond thirty (30) calendar days. Changes will be offered by full-time seniority within a classification if two (2) or more employees have the same start time. This limitation will be extended to two (2) hours for the purposes of training; provided the employee is given 10 calendar days' notice. **Shift scheduling may be adjusted with prior mutual agreement to accommodate training.** T/A
5. [NO CHANGE]
6. [NO CHANGE]
7. [NO CHANGE]
8. [NO CHANGE]

ARTICLE 49, JOB CLASSIFICATIONS AND WAGE RATES

1. The job classifications and minimum wage rates for all employees covered by this Agreement shall be set forth in Appendix “A” attached hereto and made a part of this Agreement.
2. Class “A” Driver Agreement:

- a. Class A Driver/Cargo Handler Classification
 - Employees who commit to and are qualified (possess Class A) to drive by virtue of signing the “Class A Driver/Cargo Handler List” will be paid an additional \$1 per hour, any Class A Driver who does not sign the list, is not entitled to the additional \$1 per hour
 - 6 Protected Class A/Cargo Handler Bid
 - 2 at 6am
 - 4 at or after 8am
 - OT/Replacement slots for the above filled by Class A Drivers only, if no Class A driver available (all Class A drivers on duty are not available because they are doing Class A work), filled by the next most senior Class A/Cargo handler.
 - Posted bid starts firm, Article 48.4 not applicable.

b. Hazardous Materials Endorsement/Certification

- **The company will designate a minimum number of:**

a) Certified Hazmat Cargo Handlers

b) Certified Hazmat Clericals

c) DOT endorsed Hazmat Drivers

Employees who sign up for hazmat processing in the above categories will need to possess the required certifications and will be paid an additional \$.50 per hour. In the event that more employees sign up than are needed, seniority will apply in selecting employees. If insufficient employees volunteer, inverse seniority will apply. T/A

- 3. **Various Warehouse Employees: Not more than ten (10) percent of the full time bids shall be deemed various and will be bid by seniority. Normal rounding rules will apply. Those employees shall be guaranteed forty (40) hours of work or pay during the workweek. The company shall offer various known vacancies of a week or more in the order of seniority and the various employee shall relieve that employee for the duration of the week. Replacements or supplementing the full time bid positions on a daily basis will be assigned by seniority no later than the end of their workday. The Company and the collective bargaining unit agree that the various shifts will be bid shifts. If a supplemental shift is assigned for 30 days or more it will be posted for bid as a permanent shift. T/A**

- 5. Limitations on CSSV Agents-Customer service agents are prohibited from generating H.A.W.B.'s, M.A.W.B.'s and agency shipments, either manually or electronically, except for shipments that cannot be completed without CSSV establishing secondary contact with customer and/or situations where there is excessive absenteeism.

ARTICLE 50, HOURS OF WORK, OVERTIME, MINIMUM DAY, COFFEE BREAKS, METHOD OF PAYMENT

1. Hours of Work: The work week shall be five (5) consecutive days as scheduled by the Employer with a guaranteed minimum of forty (40) hours of work for the scheduled workweek,. Eighty percent (80%) of all full-time office employees and eightypercent (80%) of all full-time warehouse employees shall have one (1) of the following schedules: Monday through Friday, Tuesday through Saturday or Sunday through Thursday.

2. Overtime:

a. One and one-half (1-1/2) times the regular rate of pay as herein provided shall be paid for all hours worked:

1. In excess of eight (8) hours on any one (1) day.
2. In excess of forty (40) hours in any one (1) week.
3. For the first eight (8) hours worked on the sixth (6th) consecutive day worked.
4. In excess of eight (8) hours on Sunday when an employee is scheduled to work Sunday as part of his regular workweek; except as otherwise set forth in Article 49 and elsewhere herein.
5. In the event an employee is required to report for work before the start of his regular scheduled shift, for the first four (4) hours of such pre-shift hours so worked provided the employee completes his regular shift, unless excused by his supervisor.

c. Two (2) times the hourly rate will be paid for all hours worked:

1. In excess of twelve (12) hours of any one (1) day.
2. In excess of eight (8) hours on the sixth (6th) consecutive day worked.
3. On the seventh (7th) consecutive day worked.

c. There shall be no pyramiding of overtime pay.

d. All scheduled overtime opportunities shall be offered to qualified employees on the basis of full-time seniority. If volunteers cannot fill the overtime, the inverse order of seniority of qualified employees shall be used to fill the opportunity. The Company will give as much advance notice as possible under the circumstances requiring overtime.

e. The Company may not require an employee to work more than twelve (12) hours in any one shift. If the Company cannot obtain coverage within the Union ranks, it may utilize outside source to provide said coverage.

f. Overtime shall not supersede seniority for more than two (2) hours in the warehouse and one (1) hour in the office.

3. Minimum Day:

a. Any regular employee called and reporting for duty on any regularly scheduled workday shall be guaranteed a minimum of eight (8) consecutive hours of work

exclusive of lunchtime. All employees called to work on overtime days or right after regular hours, after they have clocked out and left the plant premises shall be guaranteed four (4) hours overtime pay.

b. Meals and Breaks: Meals and breaks will be in accordance with the applicable law.

1. Commercial Driver Waiver: All members holding the commercial driver designation agree to waive their meal break rights as authorized by California Labor Code section 512. This is an express waiver of the first and second meal period rights under Labor Code section 512 and as described above.
4. Coffee Breaks: All employees shall be granted a ten (10) minute coffee break approximately halfway through the first four (4) hours of their shift and a ten (10) minute coffee break approximately halfway through the second four (4) hours of their shift. Employees working more than eight (8) hours will be granted a ten (10) minute break every two (2) hours thereafter. Such coffee breaks shall be taken without loss of pay and the employee shall not be required to make up such time.
5. Shift Differential:
 - a. Any shift starting at 4:00 p.m. or later and before 10:00 p.m. shall be considered swing shift.
 - b. Employees covered by this Agreement shall receive a shift differential of thirty-five cents (\$. 35) per hour as additional compensation over the basic rate for all hours worked on swing shift.
 - c. Any shift starting at 10:00 p.m. or later and before 6:00 a.m. shall be considered as graveyard shift.
 - d. Employees covered by this Agreement shall receive a shift differential of forty cents (\$.40) per hour as additional compensation over the basic rate for all hours worked on a graveyard shift.
 - e. When an employee works more than one (1) shift during his workweek, he will receive the highest shift differential for all hours worked during such week.
 - f. An employee serving in "lead agent" position shall be responsible for leading and directing the quantity and quality of work within his/her area of responsibility. All lead agents shall be paid lead differential during all of their scheduled work week. In the event that two or more lead agents are on the premises during a single shift, one lead agent shall be designated the primary lead agent. Lead pay shall be the base rate of plus **one dollar (\$1.00)** per hour. **T/A**
6. Method of Payment: Paydays shall be each Friday for the regular weekly wage.
7. Rest Periods: Employees will not be scheduled to start a shift without a rest period of at least eight (8) hours from the scheduled end of the prior shift. No employees shall report for work without a rest period of at least eight (8) hours from the end of his prior work period.
8. Overtime List: An overtime "sign up" sheet will be posted on Monday for OT opportunities for the following week. Employees who wish to avail themselves of being called for overtime on these dates must indicate such by signing the "sign up" sheet by Thursday at 5pm and providing the relevant phone number. Employees who do not sign up for overtime may not be called and it will not be considered a violation of their

seniority. Additionally, if a message is left, an employee who calls back will only be given OT opportunity if it has not yet been filled.

9. At the Employee's option, the Company may issue an "auto pay card" in lieu of a manual check.

ARTICLE 51. LEAVE OF ABSENCE

An employee may, at the discretion of the company be granted up to thirty (30) days leave of absence upon receipt of written permission from the local **Station** Manager or his designee. During the period of such absence the employee shall not engage in gainful employment. Failure to comply with the foregoing requirements will result in the complete loss of all seniority rights for the employee involved. Employees granted a leave of absence shall not accrue more than thirty (30) days seniority during such a leave of absence. During any period of leave of absence, the employee must personally make any and all required contributions to the Health and Welfare, Drug, Pension and Dental Plans for continuation of such plans during said leave before the leave will be approved by the Company. The Company shall utilize its best efforts to grant specific requests for child bearing leave. Such a leave may be granted for up to nine (9) months. **T/A**

ARTICLE 52. HEALTH AND WELFARE PLAN, DEPENDENT VISION CARE PLAN AND ADDITIONAL LIFE INSURANCE

***See National Economics**

1. Health and Welfare benefits for all non-probationary full time employees covered by this Agreement shall be as set forth in Appendix "B" attached hereto and made a part of this Agreement.
2. Health and Welfare benefits for all Casual employees covered by this Agreement shall be as set forth in Appendix "C" attached hereto and made a part of this Agreement.
3. Dependent Vision Care benefits for all non-probationary full-time employees covered by this Agreement shall be as set forth in Appendix "B" attached hereto and made a part of this Agreement.
4. Additional Life Insurance benefits for all non-probationary full-time employees covered by this Agreement shall be as set forth in Appendix "B" attached hereto and made a part of this Agreement.

ARTICLE 53. DENTAL PLAN

[NO CHANGE]

ARTICLE 54. PRESCRIPTION DRUG PLAN

[NO CHANGE]

ARTICLE 55. DEATH BENEFITS

[NO CHANGE]

ARTICLE 56. TEAMSTERS LEGAL SERVICE TRUST

[NO CHANGE]

ARTICLE 57. MAINTENANCE OF BENEFITS

***See National Economics**

ARTICLE 58, PENSION PLAN

A Pension Plan for all employees covered by this Agreement shall be as set forth in Appendix "E" attached hereto and made a part of this Agreement.

Employer must be notified within a minimum of thirty (30) days of October 1st of each contract year of any additional Pension contributions. Failure of the Union to notify the Company will result in the increase becoming effective on the date proper notification was received.

***See National Economics**

ARTICLE 59, UNIFORMS

The Company will furnish each Cargo Handler who has worked a minimum of ninety (90) calendar days with five (5) shirts, which shall be worn by such employee while working. The Company will replace shirts on the basis of two (2) new shirts each year commencing with the second full year of employment.

The Company shall supply warm and water resistant jackets every two (2) years to warehouse employees as agreed and such jackets shall become part of the warehouse uniform.

In addition to the current provision the Company shall provide cargo handlers with five (5) pairs of shorts beginning when the company's current uniform vendor contract **expires.** **Warehouse employees are required to wear safety shoes while working; the company shall reimburse the employee for the cost of safety shoes, not to exceed \$140.00 annually. T/A**

ARTICLE 60, NON-BARGAINING UNIT

[NO CHANGE]

ARTICLE 61, REWARD AND RECOGNITION PROGRAMS

[NO CHANGE]

ARTICLE 62, TERM OF AGREEMENT

1. THIS AGREEMENT shall be in full force and effect from **January 1 2018** through **December 31, 2020** and shall continue from year to year thereafter unless written notice of desire to cancel or terminate this Agreement is served by either party upon the other at least sixty (60) days prior to date of expiration.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

APPENDIX "A"

JOB CLASSIFICATION AND WAGE RATES

ARTICLE 31. WAGES

Wage rates in effect shall be increased as set forth below:

***See National Economics**

<u>1/1/2018</u>	<u>\$.50</u>
<u>1/1/2019</u>	<u>\$.50</u>
<u>1/1/2020</u>	<u>\$.50</u>

ARTICLE 33. COST-OF-LIVING (COLA)

***See National Economics**

APPENDIX "B"

HEALTH AND WELFARE PLAN

***See National Economics**

The parties hereto agree that the Company shall, for the term of this Agreement, become a participant in a Trust Fund designated as the TEAMSTERS MISCELLANEOUS SECURITY TRUST FUND for the purpose of providing for the benefits of employees and their dependents, payments for any or all of the following: Life, Accident and certain Medical and Hospital Expenses. Said Trust Fund is administered by a Board of Trustees on which employees and employers are equally represented. The parties further agree to be bound by all of the terms and provisions of the "Agreement and Declaration of Trust Providing for Teamsters Miscellaneous Security Fund" originally established October 8, 1959.

Subject to change in the amount of payment as hereinafter provided, effective with the month of **October 1, 2017**, the Employer shall pay into such trust fund for each regular full time employee covered by this Agreement. Such payments shall be due on the first day of the calendar month and shall be paid not later than the tenth day of same month. The monthly payments are as follows:

\$1,955.70 per month; \$11.3046 per hour

Plan "E"

Retiree "C"

Liberty Standard LDP-100 Composite Dental

Prescription

Dependent Vision

Additional Life (\$2000.00)

The parties hereto recognize that because of circumstances beyond their control, premiums for such plans as are provided herein may change from time to time; and

inasmuch as it is the intention of the parties that the benefits provided the employees and their dependents shall be maintained throughout the term of this Agreement, it is agreed that the amount of the monthly payment shall for the term of this Agreement be an amount determined by the Board of Trustees **to be necessary to maintain the TEAMSTERS MISCELLANEOUS PLAN "E". However, any amounts in excess of the stated amounts set for above shall be funded by employee payroll deductions and said funds to be paid to the Company to reimburse it for funding requirements over and above the negotiated amounts.** T/A

A regular employee with respect to whom such monthly payments are required to be made shall mean:

- a. Any employee on the payroll who has been on the payroll of the same employer during the preceding month; and/or
- b. Any employee on the payroll who had been employed and covered by this welfare plan by any employer within thirty (30) days of his date of employment.

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

APPENDIX "B"
HEALTH & WELFARE PLAN
PAGE 2

***See National Economics**

Damages for Delinquency

All contributions shall be due on the first day of the calendar month following the payroll month in which the employee worked. Any contributions, which are received by the Trust later, than the twentieth day of the calendar month following the payroll month in which the employee worked shall be considered delinquent. The parties recognize and acknowledge that the regular and prompt payment of Employer contributions to the Fund is essential to the maintenance of the Fund, and that it would be extremely difficult, if not impracticable, to fix the actual expense and damage to the Fund which would result from the failure of the Employer to pay his contributions in full within the time period provided. Therefore, the amount of the damage to the Fund resulting from any such failure shall be presumed to be the sum of twenty-five dollars (\$25.00) or twenty percent (20%) of the indebtedness, whichever is greater, which is an approximation of the cost of processing a delinquency. This amount shall become due and payable to the Fund by the Employer as liquidated damages and not as a penalty immediately following the date the contributions became delinquent and shall be in addition to the required contribution and any other charges and interest provided for in any Contribution Agreement.

- **Effective October 1, 2017, the Company shall increase contributions by the rate of one dollar (\$1.00) per hour per eligible employee for each year of the contract (total \$3.00 increase over life of the contract) to be allocated as between the applicable Taft-Hartley health & welfare plan and Teamsters-sponsored union pension plan as determined by the Union and the Company based upon recommendations from the Funds.**

***See National Economics**

APPENDIX "C"

DEATH BENEFIT PLAN

Effective with the month of, the Employer agrees to contribute \$per month into a separate account of the Teamsters Death Benefit Trust Fund on behalf of all employees for the purpose of providing death benefits for any and all active employees on the payroll. The coverage to be provided shall be determined by the Trustees of this Fund and limited to such benefits as can be purchased with the contributions provided herein as may be determined by the Trustees.

The Trustees are authorized and directed to establish reserves under this program based on long-term actuarial determinations and are further authorized and directed to invest such reserve funds with necessary professional advice.

The payments required under this Section shall commence on the first day of the month following the completion of the first calendar month of employment.

APPENDIX "D"

PENSION WITH PEER

1. Commencing with the month of **October 1, 2017**, the Employer agrees to pay into the Western Conference of Teamsters Pension Trust Fund, for the account of each employee working under this Agreement, a monthly sum computed as follows:

- a. The sum of **\$1197.71** per month for each employee on the payroll during the full calendar month who has worked 160 hours or more during such month.
- b. For each employee not covered under 'a' above, the payment shall be computed at the rate of:

The sum of **\$6.91** for each hour, for which compensation is paid to him, said amounts to be computed monthly.

2. The above contribution(s) are comprised of **six forty-nine (\$6.49)** for base pension coverage and **forty-two (\$.42)** for the purpose of providing the **PROGRAM FOR ENHANCED EARLY RETIREMENT (PEER)**, for the Bargaining Unit employees. The contributions required to provide the Program for Enhanced Early Retirement will not be taken into consideration for benefit accrual purposes under the Plan. The additional contribution for the **PEER** must be at all times **6.5%** of the basic contribution, and cannot be decreased or discontinued at any time.
3. Time paid for but not worked, such as holidays and vacation time, shall be considered as time worked for the purpose of this paragraph.
4. The total amount due for each calendar month shall be remitted in a lump sum not later than ten (10) days after the last business day of such month. The Employer agrees to abide by such rules as may be established by the Trustees of said Trust Fund to facilitate the determination of the hours for which contributions are due, the prompt and orderly collection of such amounts, and the accurate reporting and recording of such hours and such amounts paid on account of each member of the bargaining unit. Failure to make all payments herein provided for, within the time specified, shall be a breach of this Agreement.
5. All employees will have pension contributions made by the Employer in accordance with the Western Conference of Teamsters Trust Agreement.

**APPENDIX “E”
LEGAL SERVICE TRUST FUND
RATE TO BE CONFIRMED WITH PLAN**

The parties hereto agree, for the term of this Collective Bargaining Agreement, to be bound by the terms and conditions of the Joint Council of Teamsters No. 42 Legal Trust Fund for the purpose of providing the benefits hereinafter specified to regular full time employees and their eligible dependents.

For the purpose of this Article, a regular full time employee is defined as an employee who is hired as a regular, full time employee and who is on the payroll on the first (1st) day of the month and who has completed at least thirty (30) calendar days of continuous employment. (Continuity of service shall not be interrupted by an absence of less than one full calendar month).

The Employer shall make contributions to the Legal Service Trust Fund in the following amounts monthly for the following benefits:

	<i>EFFECTIVE DATE</i>	<i>AMOUNT</i>
Legal Trust Fund	10/01/05	\$

**APPENDIX “F”
ABSENTEEISM AND TARDINESS CONTROL PROCEDURE**

The existing policy regarding attendance and tardiness shall be replaced by the new policies set forth below. All absences and lateness's of any kind shall be governed by the new absence and lateness policies. The company shall translate record violations under the prior policy into the new policies.

LATENESS POLICY

Progressive discipline in a rolling 9 month period.

STAGE I	3 instances - Counseling letter
STAGE II	8 instances - Written reprimand
STAGE III	10 instances - Subject to 3 day suspension
STAGE IV	15 instances - Subject to termination

EXCLUSION	Bad weather as determined by management And infractions of less than two minutes.
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FORGIVENESS	60 days without lateness, roll back one stage.
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LEAVING EARLY POLICY

Progressive discipline in a rolling 9 month period.

STAGE I	3 instances - Counseling letter
STAGE II	8 instances - Written reprimand
STAGE III	10 instances - Subject to 3 day suspension
STAGE IV	15 instances - Subject to termination

FORGIVENESS 60 days without leaving early, roll back one stage.

MIS-PUNCH POLICY

Progressive discipline in a rolling 9 month period.

STAGE I	3 instances - Counseling letter
STAGE II	8 instances - Written reprimand
STAGE III	10 instances - Subject to 3 day suspension
STAGE IV	15 instances - Subject to termination

FORGIVENESS 60 days without mis-punch, roll back one stage.

ABSENCE POLICY

Progressive discipline in a rolling 9 month period.

STAGE 1	3 instances - Counseling letter
STAGE II	7 instances - Written reprimand
STAGE III	9 instances - Subject to 3 day suspension
STAGE IV	11 instances - Subject to termination

FORGIVENESS 60 days without occurrence, roll back one stage.

Overtime on a bid day:

Failure to report to work will be an attendance occurrence which may be excused due to extenuating circumstances as determined by management on a non-precedent setting basis

Consecutive day's absence will not be charged as more than one key occurrence.

3-19-08

Letter of Understanding
By and Between
Air Express International USA, Inc. and Teamsters Local 986

This will confirm the understanding between the above parties regarding the topic of MGMS scanners and introduction of new technology effecting bargaining unit work going forth. It is understood that:

- d. MGMS may be used by Management as a tool to manage the business. Management scanners will be distinguishable from scanners used by bargaining unit employees. These scanners will only be used by management to perform management functions.
- e. New technologies which aid and assist the running of the business are becoming more readily available. Introduction of those technologies will be of the benefit of the Company and the Union.
- f. There is no intent to have management perform bargaining unit work.
- g. The parties further agree to meet and confer when new technology, which could affect bargaining unit work, is being introduced.
- h. The parties may monitor and explore different technologies and opportunities in conjunction with the industry development committee.

MISCELLANEOUS WAREHOUSEMEN, DRIVERS
AND HELPERS UNION LOCAL #986, an
Affiliate of the International
Brotherhood of Teamsters

AIR EXPRESS INTERNATIONAL, USA INC.

BY: _____

BY: _____