International Brotherhood of Teamsters United Parcel Service Southwest Package Rider supplemental Agreement

For the Period Beginning <u>August 1, 2013</u> through July 31, <u>2018</u> covering:

LOCAL UNION NOS. 63, 104, 186, 381, 396, 492, 542, 572, 631, and 952 <u>and 986</u>

The parties reserve the right to correct inadvertent errors and omissions.

Where no reference is made to a specific Article or Section thereof, such Article and Section are to continue as in the current Master Agreement, as applied and interpreted during the life of such Agreement. Additions and new language are **bold and underlined**.

SOUTHWEST PACKAGE RIDER

THIS AGREEMENT made and entered into this 1st day of August, 2013 49th day of December, 2007, by and between UNITED PARCEL SERVICE; SOUTH EAST CENTRAL CALIFORNIA, WEST LOS ANGELES, SOUTH CALIFORNIA, GREAT BASIN (Southern Nevada) and DESERT MOUNTAIN (New Mexico and Arizona) DISTRICTS, hereinafter referred to as the "COMPANY" or the "EMPLOY-ER", and LOCAL UNION NOS. 63, 104, 186, 381, 396, 492, 542, 572, 631, AND 952; AND 986 affiliates of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, hereinafter referred to as the "UNION".

SECTION 10 - WORKDAY-WORKWEEK

SUBSECTION 2 - PACKAGE CAR DRIVERS

(b) It is agreed that no employee with a seniority date prior to August 1, 2011 2008, will be forced on to a Tuesday through Saturday work week unless otherwise mutually agreed to or unless the employee bid such work week in accordance with the bidding procedures set forth in Article 6, Section 2.

SUBSECTION 3 - ALL OTHER FULL-TIME EMPLOYEES

(b) It is agreed that no employee with a seniority date prior to August 1, <u>2011</u> 2008, will be forced on to a Tuesday through Saturday workweek unless otherwise mutually agreed to or unless the employee bid such workweek in accordance with the bidding procedure set forth in Article 6, Section 2 of the Western Region of Teamsters United Parcel Service Supplemental Agreement.

SECTION 12 - BIDDING AND DELIVERY AREA OPENINGS

SUBSECTION 1 - PACKAGE CAR VACANCIES

When the Company makes the decision that it is necessary to break out, or temporarily eliminate, a route(s) within a loop for one (1) or more days the seniority of the drivers within that loop shall be applicable and the driver whose route was broken out, or temporarily eliminated, shall have the option of working as a utility driver for the day(s), or bumping the least senior driver within the loop and delivering that driver's route for the day(s). The least senior driver who is bumped shall then work as a utility driver for the day(s). The Company shall call the driver at least ninety (90) minutes prior to the driver's posted start time, using a current phone number provided by the driver, and either speak to the driver to get his decision to work as a utility driver, or bump the least senior driver within the loop, or leave a message for the driver to return the call with his decision no later than sixty (60) minutes prior to the drivers posted start time. If the Company follows the prescribed procedure and the driver does not return the call in the prescribed time, the driver shall work as a utility driver. When the driver's bid route is reinstated the driver shall return to it immediately.

When a driver's bid route is permanently eliminated and the work is assigned to another route(s), one of the two following options shall apply and within thirty (30) days of ratification of this Agreement each Local Union shall select which option shall be applicable throughout their jurisdiction:

Option #1 All routes, within the loop(s) that received work from the permanently eliminated route, shall be re-bid amongst all drivers within the loop(s) by seniority and the remaining driver left without a bid shall become a utility driver.

Option #2 Only the routes that received work from the permanently eliminated route, shall be re-bid amongst the affected drivers by seniority and the remaining driver left without a bid shall become a utility driver.

The definition of "permanently eliminated route" shall be a route that is eliminated, or broken out, three (3) days per week for a thirty (30) day period. This procedure can only be invoked and applied by the affected driver, whose route was permanently eliminated, filing a timely grievance.

SECTION 13 - TRANSFER REQUEST

8. A package car driver who transfers shall retain his/her Company seniority for the purpose of fringe benefits, but shall be placed at the bottom of the center seniority list for the purpose of layoff, rehire, bid, and the selection of vacation and transfers. Package car drivers transferring outside their Local Union's jurisdiction shall be placed at the bottom of the center seniority list for the purpose of promotion.

SECTION 16 - REST BREAKS

All full-time employees of Local Union Nos. 63, 104, 186, 381, 396, 542, 572, 631, and 952 and 986 shall be allowed to take a fifteen (15) minute rest break during the first four (4) hours of work, and another fifteen (15) minute rest break shall be allowed during the second four (4) hours of work.

SECTION 17 - HOLIDAYS AND PERSONAL DAYS

Every January each seniority employee shall be granted floating holidays to be taken each calendar year. Local Union Nos. 63, 186, 381, 396, 492, 542, 572, and 952 and 986 eligible seniority employees shall be entitled five (5) personal days to be taken each anniversary year and every January 1st each seniority employee shall be granted four (4) floating holidays to be taken each calendar year. Local Union Nos. 104 and 631 eligible seniority employees shall be entitled five (5) personal days to be taken each anniversary year and every January 1st each seniority employee shall be granted five (5) floating holidays to be taken each calendar year. Employees hired on or after October 1, 1993, shall be eligible for the floating holidays upon completion of one (1) year seniority.

SECTION 21 - PENSION BENEFITS

The following pension contribution rates are applicable to Local Union Nos. 63, 104, 186, 381, 492, 542, 572, 631, and 952 and 986.

Effective August 1, 2008 2013, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$7.00 \$9.85 per hour for each hour

for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2009 2014, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$7.65 \$10.35 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2010 2015, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$8.30 \$10.85 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2014 2016, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$8.95 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2016 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2015 contribution rate of \$10.85 per hour.

Effective August 1, 2012 2017, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$9.60 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2017 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2016 contribution rate.

The following pension contribution rates are applicable to Local Union No. 396.

Effective August 1, 2008 2013, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$7.15 \$10.00 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2009 2014, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$7.80 \$10.50 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2010 2015, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on

account of each employee working under this Agreement an hourly contribution rate of \$8.45 \$11.00 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2011, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$9.10 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2015 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2016 contribution rate of \$11.00 per hour.

Effective August 1, 2012 2017, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$9.75 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2017 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2016 contribution rate.

SECTION 25 - HEALTH INSURANCE COVERAGE

UPS will provide Health and Welfare benefits as described in their Plan Description titled "THE UPS HEALTH AND WEL-FARE PACKAGE" and benefit comparison that was proposed and presented on August 28, 1997.

Employees hired on or after October 1, 1993, and their eligible dependents, shall become eligible for this coverage six (6) months after their seniority date.

It is recognized that health insurance coverage, "THE UPS HEALTH AND WELFARE PACKAGE", shall be provided for eligible retirees who meet eligibility requirements.

The Company shall print and make available a summary plan description book specifically for the Health and Welfare Plan that includes a detailed description of all benefits, including but not limited to medical benefits, dental benefits, vision benefits and retiree benefits, included in such plan.

Maintenance of benefits of Health and Welfare plans shall continue for the life of the Agreement.

(a) For those full-time or part-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.

- (b) 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.
- (c) 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.

SECTION 26 - LAYOFFS

(3) The employee on layoff shall be afforded the opportunity to displace the least senior part time employee on two (2) separate shifts within their facility and the shifts shall be consecutive whenever possible. In this case, the full-time qualified seniority employee shall receive the appropriate full-time guarantees at the appropriate part-time rate of pay in accordance with their seniority in addition to maintaining their appropriate full-time benefits.

Upon request, the Company will provide the Local Union with relevant layoff information.

Any laid off package car driver or combination employee who chooses to displace one (1) part-time inside employee shall also be able to exercise his/her seniority to perform exception air delivery, provided he or she is qualified to do so.

SECTION 38 - COVER DRIVERS

Upon request, the Company will provide the Local Union with accurate daily dispatch logs in order to monitor compliance with this Section.

The rate of pay for cover drivers shall be as follows:

Start Rate

70% of prevailing package car driver top rate of pay as of the date(s) negotiated for each general wage increase in the National Master Agreement August 1st of each succeeding year.

six (6) months

Cover Driver 75% of prevailing package car driver top rate seniority plus of pay as of the date(s) negotiated for each general wage increase in the National Master Agreement August 1st of each succeeding year.

SECTION 40 - FULL-TIME COMBINATION JOBS

SUBSECTION 2 - JOB OPENINGS, VACANCIES AND **BIDDING PROCEDURES**

(F) All Article 22.3 opportunities offered for bid within a Local Union's jurisdiction shall be specific as to the work to be performed. After successfully completing the probationary period a 22.3 Combination Job employee may

request a preferred job opportunity within his/her bid time frame. These job opportunities shall be selected from vacated positions or newly created work. The 22.3 Combination employee's preferred work selection shall not adversely affect the operation of the Employer. There shall be no bumping and seniority shall prevail.

SECTION 43 - TERM OF AGREEMENT

This Agreement shall be effective on <u>August 1, 2013</u> December 19, 2007 and remain in effect through <u>July 31, 2018</u> July 31, 2013.

ADDENDUM NO. 1 TO THE TEAMSTERS/UNITED PARCEL SERVICE SOUTHWEST PACKAGE RIDER APPLICABLE TO TEAMSTER LOCAL UNION NO. 104

Memorandums of Agreement between Teamster Local Union No. 104 and United Parcel Service

Miscellaneous:

Automotive equipment being transferred from one operation center to another within the state of Arizona are to be driven by employees of the bargaining unit provided such employees are available from their regular assignment. It is understood that the Employer may use alternative means for the transferring of vehicles interstate. It is further understood that the movement of vehicles between Phoenix, Mesa, Estrella and Tempe for the purpose of repair, painting, or maintenance work may be performed by mechanics.

MEMORANDUM AGREEMENT FOR ALL AUTOMOTIVE AND MAINTENANCE MECHANICS

The Company hereby recognizes the Union as the collective bargaining agent for auto and maintenance mechanics employed by it, in conjunction with its package delivery operations in Phoenix, Tempe, <u>Mesa, Estrella</u> and Tucson facilities only.

TOOL ALLOWANCE:

All Automotive and Maintenance Mechanics shall receive an annual "Tool Allowance" of **Two Hundred Dollars (\$200.00)** One Hundred Dollars (\$100.00) payable each year on December 1st, provided the employee has sixteen hundred (1600) paid hours within the past twelve (12) months.

RATES OF PAY:

Effective July 31, 2013 2008

Classification:

Journeymen Auto Mechanics \$32.77 \$28.5

Journeymen Maintenance Mechanics \$32.77 \$28.57

The top rates of pay for the Classifications listed below shall be as follows:

Classifications:	Top Rate Effective 8/1/2013	Top Rate Effective 8/1/2014	Top Rate Effective 8/1/2015	Top Rate Effective 8/1/2016	Top Rate Effective 2/1/2017
<u>Auto</u> <u>Mechanic</u>	<u>\$33.47</u>	<u>\$34.17</u>	<u>\$34.87</u>	<u>\$35.27</u>	<u>\$35.67</u>
Maintenance Mechanic	<u>\$33.47</u>	<u>\$34.17</u>	<u>\$34.87</u>	<u>\$35.27</u>	<u>\$35.67</u>
Classifications:	Top Rate Effective 8/1/2017	Top Rate Effective 2/1/2018			
<u>Auto</u> <u>Mechanic</u>	<u>\$36.17</u>	<u>\$36.67</u>			
Maintenance Mechanic	<u>\$36.17</u>	<u>\$36.67</u>			
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<u>Classifications:</u>	Top Rate Effective 8/1/2008	Top Rate Effective 2/1/2009	Top Rate Effective 8/1/2009	Top Rate Effective 2/1/2010	Top Rate Effective 8/1/2010
Classifications: Auto Mechanic	Effective	Effective	Effective	Effective	Effective
Auto	Effective 8/1/2008	Effective 2/1/2009	Effective 8/1/2009	Effective 2/1/2010	Effective 8/1/2010
Auto Mechanic Maintenance	Effective 8/1/2008 \$29.12	Effective 2/1/2009 \$29.47	### September 1	Effective 2/1/2010 \$30.22	Effective 8/1/2010 \$30.595
Auto Mechanic Maintenance Mechanic	\$29.12 \$29.12 Top Rate Effective	\$29.47 Top Rate Effective	\$29.845 Top Rate Effective	\$30.22 Top Rate Effective	\$30.595 Top Rate Effective
Auto Mechanic Maintenance Mechanic Classifications:	\$29.12 \$29.12 Top Rate Effective	\$29.47 Top Rate Effective	\$29.845 Top Rate Effective	\$30.22 Top Rate Effective	\$30.595 Top Rate Effective

The progression for employees entering a package car driving, feeder, or other full-time job after August 1, $\underline{2013}$ $\underline{2008}$ shall be as follows:

Forty-eight (48) months		Top Rate
Thirty-six (36) months	Top Rate	\$25.00
Twenty-four months	\$20.75	\$21.00
Twelve (12) months	\$18.45	\$19.50
Seniority	\$17.25	\$18.75
Start	\$16.10	<u>\$18.75</u>

Employees who were hired into the journeymen classifications described in this addendum, prior to August 1, 2013, shall be paid in accordance with the following wage progression schedule:

 Start
 \$16.10

 Seniority
 \$17.25

 Twelve (12) months
 \$18.45

 Twenty-four months
 \$20.75

 Thirty-six (36) months
 Top Rate

Start 70% Seniority 75%

Date of hire plus one (1) year

Date of hire plus eighteen (18) months

Date of hire plus two (2) years

100%

The top rate in effect on July 31, 2008 will be used to calculate the progression rates above.

ADDENDUM NO. 4 TO THE TEAMSTERS/UNITED PARCEL SERVICE SOUTHWEST PACKAGE RIDER APPLICABLE TO TEAMSTER LOCAL UNION NO. 631

Memorandums of Agreement Between Teamster Local Union No. 631and United Parcel Service

MEMORANDUM AGREEMENT FOR ALL AUTOMOTIVE AND MAINTENANCE MECHANICS FOR TEAMSTERS LOCAL 631

JOB BIDDING:

Openings and or vacancies shall be posted for bid. Such bid shall be by classification and first bid within the facility where the vacancy exists. Such bids shall remain posted for five (5) working days. Once the previous step has been exhausted, and prior to filling any vacancies from the outside, the company shall offer the newly created or permanently vacated position to all Automotive and Maintenance Mechanics within the jurisdiction of Teamsters Local 631. Thereafter, the company shall fill such vacancies from other current employees in other classifications who qualify for the available position within the jurisdiction of Teamsters Local 631. If the company still cannot fill the vacancy they will fill the position from the outside. An Automotive or maintenance Mechanic who transfers to another location shall retain his/her Company seniority for the purpose of fringe benefits, but shall be placed at the bottom of the seniority list for the purpose of layoff, rehire, bid and the selection of vacation within the jurisdiction of Teamsters Local 631. After one (1) year, their seniority shall be dove-tailed. Automotive and Maintenance Mechanics who transfer to another location within the iurisdiction of Teamsters Local 631 shall be required to remain in that new location for a period of one (1) year from the date of the transfer before they are eligible to utilize this transfer language again. It is understood that the Employer shall not be responsible for any costs associated with an employee transfer unless it falls under the guidelines of Article 38 of the National Master Agreement. Automotive mechanics will continue utilizing the annual bidding process.

International Brotherhood of Teamsters United Parcel Service Southwest Sort Rider supplemental Agreement

For the Period Beginning <u>August 1, 2013</u> through July 31, <u>2018</u> covering:

LOCAL UNION NOS. 63, 104, 186, 381, 396, 492, 542, 572, 631, and 952 and 986

The parties reserve the right to correct inadvertent errors and omissions.

Where no reference is made to a specific Article or Section thereof, such Article and Section are to continue as in the current Master Agreement, as applied and interpreted during the life of such Agreement. Additions and new language are **bold and underlined**.

SOUTHWEST SORT RIDER

THIS AGREEMENT made and entered into this 1st day of August, 2013 19th day of December, 2007, by and between UNITED PARCEL SERVICE; SOUTH EAST CENTRAL CALIFORNIA, WEST LOS ANGELES, SOUTH CALIFORNIA, GREAT BASIN (Southern Nevada) and DESERT MOUNTAIN (New Mexico and Arizona) DISTRICTS, hereinafter referred to as the "COMPANY" or the "EMPLOYER", and LOCAL UNION NOS. 63, 104, 186, 381, 396, 492, 542, 572, 631, AND 952; AND 986 affiliates of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, hereinafter referred to as the "UNION".

SECTION 9 - OVERTIME RATES OF PAY

Qualified part time employees shall be afforded the first opportunity to perform peak season driver helper work, provided they can report to and complete their primary job, prior to the Company hiring from the street. Peak season driver helpers may be used between the dates of October 1st and December 31st only.

Part time employees, including part time air drivers, available for peak season driver helper work Monday through Friday shall be assigned the peak season driver helper work in seniority order first, prior to hiring from the street. Those part time employees, including part time air drivers, available less than the Monday through Friday work week shall be assigned the peak season driver helper work, in seniority order, as work is available. Part time air drivers may only work as peak season

driver helpers if they are not needed for air work. There is no obligation to the Company to work anyone on overtime.

Part time employees shall be afforded the opportunity to sign a bid for peak season driver helper work which will be posted from September 1, to September 30, of each year. If additional peak season driver helpers are needed, the Company may hire from the street.

The peak season driver helper rate of pay for existing parttime employees who choose to work as peak season driver helpers shall be one dollar (\$1.00) per hour higher than the "All other" rate of pay. The rate of pay for employees hired off the street to work as peak season driver helpers shall be the "All other" rate of pay.

SECTION 12 - HOLIDAYS AND PERSONAL DAYS

Every January each seniority employee shall be granted floating holidays to be taken each calendar year. Local Union Nos. 63, 186, 381, 396, 492, 542, 572, and 952 and 986 eligible seniority employees shall be entitled five (5) personal days to be taken each anniversary year and every January 1st each seniority employee shall be granted four (4) floating holidays to be taken each calendar year. Local Union Nos. 104 and 631 eligible seniority employees shall be entitled five (5) personal days to be taken each anniversary year and every January 1st each seniority employee shall be granted five (5) floating holidays to be taken each calendar year. Employees hired on or after October 1, 1993, shall be eligible for the floating holidays upon completion of one (1) year seniority.

SECTION 16 - HEALTH INSURANCE COVERAGE

UPS will provide Health and Welfare benefits as described in their Plan Description titled "THE UPS HEALTH AND WELFARE PACKAGE" and benefit comparison that was proposed and presented on August 28, 1997.

(a) For those full-time or part-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.

(b) 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.

(c) 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.

In accordance with National Master United Parcel Service Agreement Article 34, Section 2(b), (Health & Welfare and Pension - Part-Time Medical Coverage) employees hired on or after August 1, 2008, shall become eligible for this coverage after twelve (12) months of active employment and spousal or dependant coverage will be made available to these part-time employees twelve (12) eighteen (18) months after their initial date of employment.

It is recognized that health insurance coverage, "THE UPS HEALTH AND WELFARE PACKAGE", shall be provided for eligible retirees who meet eligibility requirements.

The Company shall print and make available a summary plan description book specifically for the Health and Welfare Plan that includes a detailed description of all benefits, including but not limited to medical benefits, dental benefits, vision benefits and retiree benefits, included in such plan.

Maintenance of benefits of Health and Welfare plans shall continue for the life of the Agreement.

SECTION 17 - PENSION BENEFITS

For Local Union Nos. 63, 186, 381, 542, 572, and 952 and 986 The Company shall 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:

Effective August 1, 2013 2008, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an

hourly contribution rate of \$5.10 \text{ \frac{\$8.15}{2}} per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2014 2009, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$5.75 \$8.65 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, <u>2015</u> <u>2010</u>, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of <u>\$6.40</u> <u>\$9.15</u> per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2016 2011, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$7.05 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2016 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2015 contribution rate of \$9.15 per hour.

Effective August 1, <u>2017</u> <u>2012</u>, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of <u>\$7.70</u> per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. <u>The 8/1/2017 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2016 contribution rate.</u>

For Local Union Nos. 104 and 631 The Company shall 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:

Effective August 1, <u>2013</u> <u>2008</u>, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of <u>\$5.00</u> <u>\$8.05</u> per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, **2014** 2009, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$5.65 \$8.55 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, <u>2015</u> <u>2010</u>, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of <u>\$6.30</u> <u>\$9.05</u> per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2016 2011, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$6.95 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2016 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2015 contribution rate of \$9.05 per hour.

Effective August 1, 2017 2012, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$7.60 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2017 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2016 contribution rate.

For Local Union No. 492 The Company shall 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:

Effective August 1, 2013 2008, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$5.32 \$8.37 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2014 2009, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$5.97 \$8.87 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, <u>2015</u> <u>2010</u>, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of <u>\$6.62</u> <u>\$9.37</u> per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2016 2011, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an

hourly contribution rate of \$7.27 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2016 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2015 contribution rate of \$9.37 per hour.

Effective August 1, 2017 2012, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$7.92 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2017 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2016 contribution rate.

For Local Union No. 396 The Company shall 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:

Effective August 1, <u>2013</u> <u>2008</u>, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of <u>\$5.10</u> <u>\$8.15</u> per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, **2014** 2009, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$5.75 \$8.65 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, <u>2015</u> <u>2010</u>, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of <u>\$6.40</u> <u>\$9.15</u> per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, 2016 2011, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$7.05 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2016 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2015 contribution rate of \$9.15 per hour.

Effective August 1, 2017 2012, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on

account of each employee working under this Agreement an hourly contribution rate of \$7.70 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year. The 8/1/2017 Pension increase will be in accordance with Article 34 of the National Master Agreement and will be between \$0.00 and \$0.50, which will be added to the 8/1/2016 contribution rate.

SECTION 18 - SAVINGS

Effective August 1, 1996 United Parcel Service shall make contributions at the rate of forty cents (\$.40) per compensable hour for Local Union Nos. 104, 492 and 631, eighty-five cents (\$.85) per compensable hour for Local Union Nos. 63, 186, 381, 542, 572, and 952, and 986 one dollar (\$1.00) per compensable hour for Local Union No. 396, into the Pacific Coast Benefits Trust (herein "Trust") on behalf of all employees covered under this Rider on whose behalf United Parcel Service was obligated to make contributions in the Trust immediately prior to August 1, 1996. With respect to employees whose first hour of employment (or re-employment) with United Parcel Service is on or after August 1, 1996, United Parcel Service shall make contributions at the rate of forty cents (\$.40) per compensable hour for Local Union Nos. 104, 492 and 631, eighty-five cents (\$.85) per compensable hour for Local Union Nos. 63, 186, 381, 542, 572, and 952, and 986 one dollar (\$1.00) per compensable hour for Local Union No. 396, into the Pacific Coast Benefits Trust Fund on behalf of each such employee beginning on the earlier of the employee's achievement of seniority or the employee's completion of 600 hours of employment (or re-employment) within twelve consecutive calendar months, such contributions to be made retroactively for all compensable hours in the twelve consecutive months immediately preceding achievement of seniority or the completion of 600 hours of employment (or re-employment) as the case may be. Provided, however, that United Parcel Service shall not contribute for more than 173 hours in any calendar month for each covered employee. The total amount due for each calendar month shall be remitted in a lump sum not later than the tenth day of the following month. United Parcel Service acknowledges that it has received a true copy of the Trust and shall be considered a party thereto. It is understood and agreed that United Parcel Service accepts the terms and conditions of this Trust and agrees that the Employer Trustees named pursuant to the Trust are its representatives and consents to be bound by the actions and determinations of the Trustees. United Parcel Service further agrees to abide by such rules as may be established by the Trustees of said Trust to facilitate the audit of hours for which contributions are due, the prompt and orderly collection of contributions, and the accurate recording of such hours.

SECTION 27 - LAYOFFS

Upon request, the Company will provide the Local Union with relevant layoff information.

SECTION 28 - COVER DRIVERS

Upon request, the Company will provide the Local Union

with accurate daily dispatch logs in order to monitor compliance with this Section.

The rate of pay for cover drivers shall be as follows:

Start Rate

70% of prevailing package car driver top rate of pay as of the date(s) negotiated for each general wage increase in the National Master Agreement August 1st of each succeeding year.

Cover Driver 75% of prevailing package car driver top rate seniority plus of pay as of the date(s) negotiated for each six (6) months general wage increase in the National Master Agreement August 1St of each succeeding year.

SECTION 29 - PEAK SEASON DRIVER HELPERS

Prior to each Peak Season, the Company shall meet with each Local Union and discuss their plans for the utilization of Peak Season Driver Helpers.

- 1. Peak Season Driver Helper positions shall only be utilized by the Company between the dates of October 15th and January 15th and shall be subject to the following guidelines and restrictions:
- 2. Part-time employees shall be afforded the opportunity to sign a bid for Peak Season Driver Helper work which will be posted from September 1-30 of each year. Qualified part-time employees shall be afforded the first opportunity to perform Peak Season Driver Helper work, provided they can report to and complete their primary job, prior to the Company hiring from the street.
- 3. Part-time employees, including part-time air drivers, available for Peak Season Driver Helper work Monday through Friday shall be assigned the Peak Season Driver Helper work first, in seniority order, prior to hiring off the street. Those part-time employees, including part-time air drivers, available less than the Monday through Friday work week shall be assigned the Peak Season Driver Helper work, in seniority order, as work is available. Parttime air drivers may only work as Peak Season Driver Helpers if they are not needed for air work. There is no obligation to the Company to work anyone on overtime.
- 4. Peak Season Driver Helper positions shall first be filled in seniority order by part-time employees who sign up to perform this work prior to hiring off the street. Only after exhausting all part-time employees who have signed up to be Peak Season Driver Helpers shall the Company be allowed to hire off the street to fill the remaining open positions (if any). All off-the-street Peak Season Driver Helpers shall be paid the "All Other" starting rate for newly hired part-time employees for all hours worked as helpers.

- 5. All existing part-time employees working as Peak Season Driver Helpers with a package driver for the period of October 15th through December 31st shall be paid \$1.00 per hour more than the "All Other" starting rate for newly hired employees for all hours worked as helpers.
- 6. All Peak Season Driver Helpers who use a bike, golf cart, or any future, similar motorized or mechanized mode of transportation to make deliveries independent of a Package Car Driver shall only do so for the period of October 15th to December 31st. Existing part-time employees who do this work shall be paid their current part-time inside rate of pay for all hours worked as a helper in this capacity. If the part-time employee has no inside rate and is instead a part-time bid air driver, then that rate shall apply.
- 7. Peak Season Driver Helpers may not be utilized if fulltime package drivers are laid off in the Local Union's jurisdiction. If the laid off drivers accept work as a driver or as a helper (paid the driver rate), then the Company may then use helpers.
- 8. For the period of January 1st to January 15th, helpers referred to in paragraph 6 above may not work. Only Peak Season Driver Helpers working with package car drivers shall be utilized during this period. These positions shall be filled in seniority order by existing part-time employees, and they shall be paid \$3.00 per hour more than the "All Other" rate of pay for all hours worked as a helper during this period. Only after exhausting all part-time employees who have signed up to be Peak Season Driver Helpers during this period may the Company hire off the street.
- 9. Package Drivers holding a bid route shall deliver their bid route between October 15th and January 15th consistent with Section 12.1 of the SWPR and shall not be forced from their bid route for the purpose of using only helpers to deliver the driver's bid route.

SECTION 31 - TERM OF AGREEMENT

This Agreement shall be effective on <u>August 1, 2013</u> December 19, 2007 and remain in effect through <u>July 31, 2018</u> July 31, 2013.

ADDENDUM NO. 1 TO THE TEAMSTERS/UNITED PARCEL SERVICE SOUTHWEST SORT RIDER APPLICABLE TO TEAMSTER LOCAL UNION NO. 104

Memorandums of Agreement between Teamsters Local Union No. 104 and United Parcel Service Miscellaneous:

Automotive equipment being transferred from one operation

center to another within the state of Arizona are to be driven by employees of the bargaining unit provided such employees are available from their regular assignment. It is understood that the Employer may use alternative means for the transferring of vehicles interstate. It is further understood that the movement of vehicles between Phoenix, Mesa, Estrella and Tempe for the purpose of repair, painting, or maintenance work may be performed by mechanics.

MEMORANDUM OF AGREEMENT

The UPS Desert Mountain District and Teamsters Local Union No. 104 agree that the rate of pay for part-time car wash employees who must drive on public streets in performance of their car wash duties shall be paid an hourly rate of pay of \$16.10 per hour as the top rate of pay and will receive the general wage increases for each contract year.

MEMORANDUM AGREEMENT

The Company hereby recognizes the Union as the collective bargaining agent for auto and maintenance mechanics employed by it, in conjunction with its package delivery operations in Phoenix, Tempe, <u>Mesa, Estrella</u> and Tucson facilities only.

TOOLALLOWANCE:

All Automotive and Maintenance Mechanics shall receive an annual "Tool Allowance" of one hundred dollars (\$100.00) two hundred dollars (\$200.00) payable each year on December 1st, provided the employee has sixteen hundred (1600) paid hours within the past twelve (12) months.

RATES OF PAY:

Effective July 31, 2013 2008

Classification:

Journeymen Auto Mechanics \$32.77 \$28.57

Journeymen Maintenance Mechanics \$32.77 \$28.57

The top rates of pay for the Classifications listed below shall be as follows:

Classifications:	Top Rate Effective 8/1/2013	Top Rate Effective 8/1/2014	Top Rate Effective 8/1/2015	Top Rate Effective 8/1/2016	Top Rate Effective 2/1/2017
Auto Mechanic	<u>\$33.47</u>	<u>\$34.17</u>	<u>\$34.87</u>	<u>\$35.27</u>	<u>\$35.67</u>
Maintenance Mechanic	<u>\$33.47</u>	<u>\$34.17</u>	<u>\$34.87</u>	<u>\$35.27</u>	<u>\$35.67</u>

Top Rate Top Rate Effective Effective Classifications: 8/1/2017 2/1/2018 Auto Mechanic \$36.17 \$36.67 Maintenance Mechanic \$36.17 \$36.67 Top Rate Top Rate Top Rate Top Rate Top Rate Effective Effective Effective Effective Effective 8/1/2008 Classifications Auto Mechan Maintenan Mechanic \$20.12 \$30,595 Top Rate Top Rate Top Rate Top Rate Top Rate **Effective** Effective **Effective Effective Effective** 8/1/2011 Classifications: 2/1/2011 2/1/2012 8/1/2012 2/1/2013 Auto \$20.07 Mechanic Maint Mechanie

The progression for employees entering a package car driving, feeder, or other full-time job after August 1, 2013 2008 shall be as follows:

Start	\$16.10	\$18.75
Seniority	\$17.25	\$18.75
Twelve (12) months	\$18.45	\$19.50
Twenty-four months	\$20.75	\$21.00
Thirty-six (36) months	Top Rate	\$25.00
Forty-eight (48) months	•	Top Rate

Employees who were hired into the journeymen classifications described in this addendum, prior to August 1, 2013, shall be paid in accordance with the following wage progression schedule:

Start	<u>\$16.10</u>
Seniority	<u>\$17.25</u>
Twelve (12) months	<u>\$18.45</u>
Twenty-four months	\$20.75
Thirty-six (36) months	Top Rate

Start	70%
Seniority 75%	
Date of hire plus one (1) year	80%
Date of hire plus eighteen (18) months	90%
Date of hire plus two (2) years	100%

The top rate in effect on July 31, 2008 will be used to calculate the progression rates above.

ADDENDUM NO. 3 TO THE TEAMSTERS/UNITED PARCEL SERVICE SOUTHWEST SORT RIDER APPLICABLE TO TEAMSTER LOCAL UNION NO. 492

Memorandums of Agreement between Teamster Local Union No. 492 and United Parcel Service

Premium Rates of Pay

Part-time Employees

This is an agreement between Teamster Local Union No. 492 and United Parcel Service in New Mexico detailing the use of a Part-time Mechanic in the Espanola and Santa Fe and Taos Center only.

A Part-time mechanic shall be assigned to the Santa Fe, or Taos Centers and will maintain the position of Part-time mechanic as their primary job classification in Santa Fe

Guaranteed hours and layoff provisions will be the same as those listed in the Sort Addendum for a part-time employee. The Part time mechanic will receive overtime after five (5) hours, but in the event of covering a regular full-time mechanic, overtime will be paid after eight (8) hours.

The Part-time mechanics rate of pay <u>and progression shall be</u> <u>as follows</u> <u>will follow the normal progression of a Full time mechanic.</u>

New Hire **part-time** Mechanics hired prior to 08-01-<u>13</u>08:

Start:	70%	\$19.94	<u>\$22.94</u>
Seniority	75%	\$21.36	\$24.58
12 Months	80%	\$22.78	\$26.22
18 Months	90%	\$25.63	\$29.49
24 Months	100%	\$Curren	t Top Pay

Progression will be based on mechanics top pay as of 7-31-13 (\$32.77) 7-31-08 (\$28.48).

The progression for employees entering a package car driving, feeder, or other full-time job after August 1, <u>2013</u> 2008 shall be as follows:

Start	\$16.10	\$18.75
Seniority	\$17.25	\$18.75
Twelve (12) months	\$18.45	\$19.50
Twenty-four months	\$20.75	\$21.00
Thirty-six (36) months	Top Rate	\$25.00
Forty-eight (48) months	Top Rate	

It is understood that this mechanic shall be used as vacation and other absentee coverage for the mechanics in Espanola and Santa Fe Centers only. If in the event that this position works more that eight (8) hours in a day while covering for another full-time mechanic, that day will not be counted towards attaining Full-time seniority status. In the event that both the Santa Fe and the Espanola mechanics are off at the same time, coverage for such time off will be covered as per past practice.

There will be no compensation for time or travel when reporting to the Espanola Center to cover vacation or other absentee. The mechanics day will begin and end at the center he/she reports to.

This agreement is for the Espanola and Santa Fe Centers only. The Company will maintain the right to cover vacation and other absentees in the remaining outlying centers as established by past practice.

Part-Time Transfers from Airport/Gateway Hub (Section 25 – Transfers)

Part-employees with one (1) year seniority who are employed at the United Parcel Service facility located at Albuquerque Airport in Albuquerque, shall have the right, in seniority order, to request a transfer to either the Aspen facility or the Comanche facility in order to fill vacancies and/or openings in those buildings prior to the Company hiring from the outside.

A maximum of one (1) employee per week shall be able to exercise this transfer privilege. However, no more than twenty-five percent (25%) of the total workforce per shift in any one (1) year shall be allowed the opportunity to transfer under this provision.

A part-time employee who transfers under this provision shall retain their Company seniority for the purpose of wages and fringe benefits, but shall be placed at the bottom of the center seniority list for all other purposes (bidding, layoff and recall, vacation selection, etc.).

Part-time employees choosing to utilize this ability to transfer under this provision shall submit their request in writing to the Human Resources Department. Transfers are not to be considered during peak season.