

Atlantic Area

and

UNITED PARCEL SERVICE

Supplemental Agreement

to the

NATIONAL MASTER

UNITED PARCEL SERVICE

AGREEMENT

For The Period
August 1, 2018
through July 31, 2023

UNITED PARCEL SERVICE
ATLANTIC AREA
SUPPLEMENTAL AGREEMENT

For The Period
August 1, 2018 through July 31, 2023

ATLANTIC AREA SUPPLEMENT

This Supplement to the National Master United Parcel Service Agreement shall apply to all United Parcel Service employees working in the classifications set forth in the Wage Schedule and within the jurisdiction of Locals 22, 29, 61, 71, 171, 175, 322, 355, 391, 453, 509, 639, 697, 822 and 992. Except as provided herein, the provisions of the National Master UPS Agreement shall prevail.

ARTICLE 46 – ACQUISITION OF SENIORITY

Section 1

A new employee shall work under the provisions of this Agreement but shall be employed only on a thirty (30) working day trial basis, during which period he may be discharged without further recourse, provided, however, that the Employer may not discharge or discipline for the purpose of evading this Agreement or discriminating against Union members. After working thirty (30) days within a ninety (90) consecutive day period, the employee shall be placed on the regular seniority list and his seniority date shall be the first day worked within any ninety (90) day period of his employment. He shall be placed on the seniority list of the classification in which he worked. In case of discipline within the probationary period, the Employer shall notify the Local Union in writing.

Time worked from November 1 through December 31 of each year shall not accrue towards seniority. Any employee who is retained after December 31 or recalled within sixty (60) days after December 31 must work thirty (30) days in a ninety (90) consecutive day period commencing with the first day worked after December 31. However, those employees hired prior to November 1 and retained after December 31 or recalled within sixty (60) days will retain credit for the number of days worked prior to November 1. These days retained will count towards the thirty (30) days worked in a ninety (90) consecutive day period commencing with the first day worked after December 31. November and December shall not be used in computing the ninety (90) consecutive day period. These employees shall acquire seniority as of the date of their original employment. Seasonal employees hired from outside sources prior to November 1 and retained after December 31, will retain credit.

A new employee shall work under the provisions of this Agreement but shall be employed only on a thirty (30) working day trial basis, during which period he may be discharged without further recourse, provided, however, that the Employer may not discharge or discipline for the purpose of evading this Agreement or discriminating against Union members. After working thirty (30) days within a ninety (90) consecutive day period, the employee shall be placed on the regular seniority list and his seniority date shall be the first day worked within any ninety (90) day period of his employment. He shall be placed on the seniority list of the classification in which he worked. In case of discipline within the probationary period, the Employer shall notify the Local Union in writing.

Time worked from November 1 through December 31 of each year shall not accrue towards seniority. Any employee who is retained after December 31 or recalled within sixty (60) days after December 31 must work thirty (30) days in a ninety (90) consecutive day period commencing with the first day worked after December 31. However, those employees hired prior to November 1 and retained after December 31 or recalled within sixty (60) days will retain credit for the number of days worked prior to November 1. These days retained will count towards the thirty (30) days worked in a ninety (90) consecutive day period commencing with the first day worked after December 31. November and December shall not be

used in computing the ninety (90) consecutive day period. These employees shall acquire seniority as of the date of their original employment. Seasonal employees hired from outside sources prior to November 1 and retained after December 31, will retain credit for the number of days worked prior to November 1. These days retained will count towards the thirty (30) days worked in a ninety (90) consecutive day period commencing with the first day worked after December 31, and their seniority dates shall be the first day worked after December 31. Seasonal employees, when hired, shall be notified they are seasonal. Upon request, the Employer will provide a list of peak season employees to the Local Union.

Attendance at orientation meetings, not to extend beyond five (5) days, shall not count as working days. After successfully qualifying within the ninety (90) consecutive day period, these employees shall acquire seniority as of the first day of orientation. Orientation pay shall be paid in accordance with the start rate as outlined in Article 22, Section 5 of the National Master Agreement for all employees for all hours worked, except that actual work performed within the classification will be paid at the appropriate contract rate. Upon qualifying in the new job assignment, current seniority employees shall be compensated the difference between the orientation rate and the applicable rate for the classification of work for time spent in orientation. The Company agrees that employees shall be reimbursed any expenses above normal if they are required to travel out of town for orientation including travel expenses, motel, meals, etc. Meal costs shall not exceed amounts listed in Article 59.

If employees are hired through an employment agency, the Employer shall pay the employment agency fee.

Where two (2) or more employees have the same starting date, then the one who achieved the thirtieth (30th) work day first shall go ahead on the seniority list. If still tied, the date of employment application shall govern, and if still tied, seniority order shall be decided by coin toss.

An employee hired prior to November 1 to fill vacancies created by a full-time employee who quits, retires or is terminated for any reason and who is retained after December 31 or who is recalled within

sixty (60) days will retain credit for the number of days worked prior to November 1 and shall acquire seniority as of the date of original employment and upon acquiring seniority shall receive pay for holidays as provided in Article 54 of this Agreement that he would not have been entitled to had he not been retained or recalled as specified above. It is further understood that health and welfare contributions will be made retroactive.

Section 2

The work of supervisors will not include assignments to work normally performed by employees in the bargaining unit, except for the purpose of training and demonstration. Supervisors shall follow UPS Training-Demonstration methods in instructing employees. The Company will furnish each Local Union, upon request, a copy of United Parcel Service Training and Demonstrating Methods. Supervisors will not perform bargaining unit work until after all reasonable efforts have been exhausted to have the work covered. Reasonable efforts shall include calling the Local Union for qualified personnel.

ARTICLE 47 – SENIORITY FOR SHOP STEWARDS

All Local Unions party to this Agreement will notify the Employer in writing, within thirty (30) days following the ratification of this Agreement, as to their policy regarding seniority of shop stewards. The stated policy shall prevail for the duration of this Agreement. This Article shall not override any local, state or federal law.

ARTICLE 48 – SENIORITY

Section 1 – General

Seniority, as measured by length of continuous service with the Company, shall prevail at all times.

The Employer agrees to post an updated seniority list quarterly (January, April, July, October), in each center for that center. If no

protest is made within a thirty (30) day period, the list shall stand as correct. A copy of the seniority list will be sent to the Local Union at the time of posting.

Seniority shall be broken only by discharge, voluntary quit, layoff for a period of three (3) years from last date of employment, failure to respond to notice of recall or unauthorized leave of absence, or failure to notify Employer for a period of three (3) consecutive working days. This language will not override proven emergencies.

Section 2 – Layoff and Recall

When it becomes necessary to reduce the working force, the last employee on the center seniority list shall be laid off first and when the force is again increased, the employees shall be returned to work in the reverse order in which they were laid off, providing they still maintain seniority as described herein, and further providing the employees recalled at the time of recall from layoff must be qualified to perform the work required. In a building where there are two or more package centers, the affected driver may displace the least senior driver in the building.

Voluntary time off will be offered in seniority order in each center. The Employer agrees to give full-time seniority employees a seven (7) calendar day notice of intended layoff in writing with a copy to the Local Union. Agreed upon notices of layoff do not apply during a declared emergency.

An emergency occurs where conditions beyond the Employer's control compel interruptions or delays in operations caused by strikes, sleet or snow, ice or flood or similar catastrophe.

One day unwritten notice is required for layoff of less than fourteen (14) days. The Company is obligated to give as much notice as possible. Except for employees who do not have a telephone, the Company is obligated where possible and as soon as possible, to attempt to notify employees when an emergency occurs beyond its control. Notice must be given before the employee's regular starting time. The Company shall be deemed to have fulfilled its obligation when an employee is called and does not answer the telephone.

In the event of an emergency, available work shall be performed in seniority order by employees normally assigned to that work and that starting time within the classification.

Recall from layoff of over fourteen (14) days will be by certified mail to the employee's last known address with a copy to the Local Union, after a telephone attempt to the employee. Employees being recalled will have seven (7) calendar days to notify the Company of their intention to return to work and seven (7) calendar days to report following notification.

In the event the employee fails to comply with the above, he/she shall lose all seniority rights under this Agreement.

After following the Atlantic Area reduction of force procedure, the following shall apply:

After a one (1) day layoff, full-time seniority employees who may be subject to layoff may in the order of their seniority elect to take the work of part-time employees, if any, for the duration of the layoff provided the full-time employee has more Company seniority than the part-time employee being displaced.

In such case, the employee will be provided with eight (8) continuous hours of work (unless otherwise mutually agreed to by the Company and the Union) at the appropriate rate for the classification of work performed, except that:

A. If the laid off employee displaces a part-time employee and continues to perform the same work as his full-time assignment, he will continue to receive his regular wage rate.

B. If in the building there is a part-time employee receiving a higher wage rate than the rate of the displaced part-time employee(s), the full-time employee will receive such higher rate. However, if as a result of C below, another laid off employee receives more than the employee covered herein; this employee will receive the same rate as the employee covered in C.

C. Employee(s) in progression will continue to receive their regular rate of pay.

D. The two (2) most junior employees in each center hired after ratification will be guaranteed eight (8) hours per day which may or may not be continuous.

The provisions of this Section shall not apply:

1. During the first three (3) days of emergencies beyond the Employer's control such as fire, flood, snow storm, power failure, T.O.F.C. delays.

2. During strikes against UPS or other companies which require a reduction of the work force.

Section 3 – Full-Time Inside Jobs

A. A schedule of all starting times within each classification, by center, shall be posted for bid on the first (1st) Monday in April and shall remain posted for three (3) weeks.

The first (1st) week of posting shall be for employees' review. During the second (2nd) and third (3rd) weeks, employees will select jobs in seniority order. A total of ten percent (10%) of the employees will bid each day of the bidding process. Once an employee has bid such employee will not be permitted to change his bid. All employees shall bid on their assigned day; otherwise their selection will be made from the jobs available at the time of their bid.

All bids will be written and will be posted at one designated point in each building. Upon request, the Company will provide the Union with copies of the completed bid sheets.

Employees in each classification including Article 22, Section 3, full-time inside only, shall, in the order of their seniority, have the right to bid starting times within their own classification from the schedule posted. (For the purposes of clarification, full-time air and full-time air combination employees shall bid from their own seniority list.)

Such bid will be held until the schedule is posted the following April.

Full-time 22.3 bids shall include a start time and shift description including, but not limited to carwash/hub, hub/preload, preload/air, etc.

The schedule of starting times shall become effective by the first Monday in May unless otherwise mutually agreed.

B. In the event of changes in starting times exceeding one (1) hour, employees in those classifications in the order of their overall seniority within the operating center shall be permitted to select such jobs. In the event that no employee within the classification elects to fill the new starting time the least senior employee in that classification will be required to fill the new starting time. In the event an employee elects to select such starting time and this results in a starting time where there is again a spread of over one (1) hour, the same procedure shall be followed.

Starting time changes exceeding one (1) hour in November and December shall not be subject to the job bidding procedure. If the new starting times become permanent they shall be posted for bid during January.

C. During the year between the postings of the schedule, full-time inside seniority employees in order of their seniority shall have the right to move to another shift within the same building when a new permanent full-time job or vacancy occurs. The Employer will fill the third opening which results from the above procedure. The employee shall be limited to one (1) move each year, however, this shall not limit advancement to a higher rated position. In addition, part-time employees successfully bidding on full-time 22.3 jobs shall be precluded from bidding to a different 22.3 job until completion of the full-time progression. This restriction shall not apply during the annual bid. This procedure shall also apply to any full-time employee who is hired off the street to fill a 22.3 job. If as a result of the Article 48 bid procedure a 22.2 opening that otherwise would be offered to part-time employees or filled by the Company will first be offered to all eligible employees who hold 22.3 full-

time jobs within the building. The opening created by this move will then follow the respective bid language and be filled by part-time employees or by the Company.

All employees, including those who are red circled wage employees, who elect to bid to a lower paying wage classification shall receive the rate of pay for the classification to which they bid.

Those employees who are red circled wage employees will lose the protection of the red circle wage if they bid to a lower paying wage classification.

Should the employee transfer from a job covered under Article 22, Section 2, to another job covered under Article 22, Section 2, the employee will continue to receive the protection as outlined in that Article.

An Article 22, Section 3 full-time employee with a protected wage rate which is higher than the contractual rate shall not lose such protected inside rate as a result of bidding to another Article 22, Section 3 inside job. This protection applies only to the inside portion of their job.

D. The Company will recognize seniority within the full-time work group when it becomes necessary to temporarily move full-time inside and full-time combination employees (who are working the inside portion of their assignment) to another area. Employee must be qualified to perform the work. In no event, may employees displace other employees who have not completed their assignment.

Section 4 – New Jobs or Vacancies

A. During the year between postings of the schedule, employees in the order of their seniority shall have the right to move into a classification when a new permanent job or vacancy occurs in such classifications in the center or building, provided the employee is qualified to perform such job.

Full-time inside employees who bid out to driving jobs and fail to qualify as drivers shall not be eligible to come out again until all

other full-time inside employees shall have had an opportunity to qualify as drivers.

B. A permanent job is defined as one that has been in existence for thirty (30) working days, except that all jobs added in November and December shall not be subject to bid. Those jobs, if they become permanent, shall be posted for bid during the first week of January.

New permanent jobs and/or vacancies shall be posted for a period of seven (7) working days and awarded within the next seven (7) working days.

Section 5 – Package Area Bids

A. There shall be area bids for all full-time package delivery drivers in accordance with Section (3A) above. These bids shall be posted annually on the second Monday in February. All bids will have route numbers and start times. Delivery drivers in the order of their seniority shall be permitted the opportunity to bid the area of their choice within their center. Such area bid shall not be considered as a move for the purpose of a bid on a new vacancy as outlined in Section 6(A).

Such bids will be posted in each center and will remain posted for three (3) weeks. The first (1st) week of posting will be for employee review. During the second (2nd) and third (3rd) weeks the employees shall bid “in seniority order”. A total of ten percent (10%) of the employees will bid each day. All employees shall bid on their assigned day; otherwise their bid will be made from the areas available at the time of their bid.

All package delivery drivers shall be placed on their bid route within sixty (60) calendar days following the completion of the bid.

Package drivers who did not exercise a bid or drivers who are removed from their bid training route will work as cover drivers.

The primary job of these employees is to cover vacations or absences of a week or more in duration.

These package cover drivers must select such work in seniority order. This selection will be completed by Thursday for the following weeks to be covered. Example: Driver Smith on vacation for one (1) or more weeks. Cover driver Brown selects to cover Smith's vacation. Brown must cover for duration of vacation(s). Once cover work is selected, the cover driver must complete the work schedule selected prior to making another selection.

Any cover driver who does not receive a start time for the following week will be assigned any work in the classification or be subject to the appropriate layoff Article.

All bids will be written and will be posted at one designated point in each building. Upon request, the Company will provide the Union with copies of the completed bid sheets.

Section 6 – (Package) New Jobs and/or Permanent Vacancies

A. Package drivers shall be given the preference to select in their building, based on seniority, permanent vacancies or when a permanent new area is established. The employee shall be limited to one move each year. In the event of an emergency or possible service delay, the Company may temporarily reassign the driver another area within the center. The vacancy created by this move shall be filled by the Company. After ratification, all employees obtaining a package driver position are required to remain in the classification for two (2) years.

All permanent vacancies and permanent new areas shall be bid by seniority to all package drivers in that building. If not filled or this creates another vacancy, such vacancy shall be bid by seniority in the building including any tractor trailer driver who meets the requirements of this Agreement and has expressed in writing his desire to bid back to package. The vacancy created by this move shall be filled by the Company. It is agreed by the parties that permanent vacancies, including all package cover drivers, shall be replaced with full-time employees at the time of the vacancy pursuant to the bidding procedure as outlined in this section. When a package driver's bid area is geographically permanently (thirty (30) calen-

dar days) changed by fifty percent (50%) or more, the driver will have the option to choose which portion of the delivery area he will keep, excluding November and December.

During the year between posting of the schedule, Package Pickup and Delivery Drivers in the order of their seniority shall have the right to move to another center within the same building when a new permanent job or vacancy occurs. The Employer will fill the third opening which results from the above procedure. The employee shall be limited to one move each year. The Company will designate training areas in each center, not to exceed fifteen percent (15%) of the total areas in each center. Once a route has been designated and bid as a training route, it will not be changed prior to the next bid.

If there is a claim that a single training route is being utilized excessively without utilizing the other training routes in the center, the driver who holds the bid may file a grievance. If the parties are unable to settle the grievance, it shall be referred directly to the Co-Chairs of the AAPGC for resolution.

A permanent job is defined as one that has been in existence for thirty (30) working days, except that all jobs added in November and December shall not be subject to bid. Those jobs if they become permanent, shall be posted for bid during the first week of January.

The Company will award each bid within a maximum of thirty (30) calendar days from the end of the bidding procedure unless otherwise mutually agreed to between the Company and the Local Union.

Employees do not have the right to select any specific unit, load or route, except in Section 5.

B. When a package driver's area is eliminated such employee may displace any junior employee in his classification in his center. The employee displaced by this move may displace any junior employee in his classification in his center. The employee displaced by this move will replace the least senior employee in that classification in the building.

When a package driver's area is temporarily eliminated the affected driver will be allowed to displace the least senior unassigned cover driver or he will be allowed to select in seniority order any unassigned area within the center, provided he is qualified and service will not be disrupted.

C. Excluding November and December, permanent start time changes of one (1) or more hours will be subject to bid by all seniority package drivers in the center. If no driver elects to fill the new start time, then the least senior cover driver must fill the opening.

Employees who lose their package driving jobs by this move, after a layoff of thirty (30) working days within a sixty (60) working day period, will be allowed to move to a permanent new job or permanent vacancy in that classification in the Local Union area's jurisdiction, within the district before hiring a new employee for that job. An employee will be allowed this move once during the life of the Agreement. This employee will be placed at the bottom of the seniority list of the new building, but will maintain seniority only for benefits. The employee must return to his previous job if it becomes available within six (6) months of the date of layoff. The employee who moves shall be permitted to return to the original building if a permanent job opening becomes available within a three (3) year period from the date of layoff. The opportunity to return will only be offered once. Should employees return under these provisions they shall regain their original full-time seniority date.

This provision shall supersede the present 6 for 1 language.

This provision shall not apply to those employees who have elected not to follow work as outlined in Article 48, Section 11.

Section 7 – Tractor-Trailer Bids

A. Twice each year on March 1st and September 1st, all tractor-trailer runs (time and farthest destination) will be posted for bid and will remain posted for three (3) weeks.

The first (1st) week of posting will be for employees' review. During the second (2nd) and third (3rd) weeks, employees will select jobs

or pass the bid; however, all bids must be filled. Drivers passing the bid will perform available tractor-trailer work in seniority order. A total of ten percent (10%) of the employees will bid each day of the bid process. Once an employee has bid, such employee will not be permitted to change his bid. All employees shall bid on their assigned day; otherwise their bid will be made from the jobs available at the time of their bid.

The March 1st and September 1st bids in the tractor-trailer center will be subject to bid by all present tractor-trailer drivers on the tractor-trailer seniority list. Runs will be awarded according to seniority and will become effective the first Monday thereafter.

B. When a vacancy or a new permanent job occurs in the Tractor-Trailer Driver Classification employees in that classification, in the order of their overall seniority within the operation center, shall be permitted to select such job. If this creates another vacancy of a bid tractor-trailer run, employees in that classification, in the order of their seniority within the operation center, shall be permitted to select such job. If accepted, the vacancy created shall be filled from the qualified Tractor-Trailer Driver List. In the event that no tractor-trailer driver presently in that classification or anyone on the qualified list elects to fill the opening, the least senior employee on the qualified Tractor-Trailer Driver List will be required to fill the opening. This vacancy will be filled by the Employer.

A permanent job is defined as one that has been in existence for thirty (30) working days, except that all jobs added in November and December shall not be subject to bid. Those jobs, if they become permanent, shall be posted for bid during the first week of January.

All bids will be written and will be posted at one designated point in each building. The Company shall provide copies of all tractor-trailer bids to the Local Union, upon request.

Section 8 – Tractor-Trailer Layoff – Recall

A. Temporary reductions such as those experienced after Christmas, shall not interrupt the semi-annual bids. Seniority employees shall be provided work within the tractor-trailer classification until

their bid job returns. The bottom employee on the tractor-trailer seniority list shall perform available work as assigned until the work force is increased or be subject to appropriate layoff Article.

B. Should an employee's bid run not operate on some particular day when it normally would, due to an emergency, the employee will be paid for that day unless notified by the Company before the employee's scheduled start time that the run will not operate.

C. If a run is permanently discontinued, the employee who had that run may choose according to seniority any run in the employee's seniority center, or go on the Super Qualified List. The employee displaced by this move may choose any other run in the employee's seniority center or go on the Super Qualified List.

The employee displaced by this move may choose any other run in the employee's seniority center or go on the Super Qualified List.

The employee displaced by this move may choose any other run in the employee's seniority center or go on the Super Qualified List.

The employee displaced by this move will displace the bottom person on the tractor-trailer center seniority list, or be subject to the appropriate layoff Article.

For the purpose of this Agreement, a permanently discontinued run is one that has not operated for fourteen (14) calendar days.

When a tractor-trailer driver loses his/her bid run as a result of the above he/she will be placed on the "Super Qualified List". This employee will be protected from displacement by present qualified list employees regardless of seniority standing. These employees will be allowed to pass any work to a junior Super Qualified List driver and select daily work in seniority order.

If no tractor-trailer work is available, the employee on the Super Qualified List may elect to displace the most junior employee working in the tractor-trailer classification until such time work is available.

Once the employee goes on the Super Qualified List, he will have a choice of the following options:

1. Displace one (1) or more part-time employees (as provided in Article 63, Section 7).
2. Displace the junior package driver provided he/she has more seniority (if not qualified will be trained as provided in this Agreement).
3. Remain on the Super Qualified List and be offered work in the tractor-trailer classification ahead of those employees on the Qualified List (such work could be vacations, personal holidays, sick days, overflows, coverage, etc.).

These employees will be required to return to the tractor-trailer classification when a vacancy or new permanent job becomes available prior to those jobs being offered to the Qualified List.

A laid off tractor-trailer driver who has never driven a package car or route shall be considered not qualified as a package driver. Such tractor-trailer driver will be trained to be a package driver. If more than one tractor-trailer driver is laid off the senior laid off tractor-trailer driver will be trained first. When that training is finished, the next most senior tractor-trailer driver on layoff will be trained. This training will occur provided the laid off tractor-trailer drivers have more seniority than package drivers still working in the center. After completing package training and regular work becomes available in the tractor-trailer classification, the laid off tractor-trailer driver must return to his original classification. While training, this employee will be offered no work in tractor-trailers unless full-time work becomes available. After training, he will work in package and retain his position on the Super "Q" List.

D. In the event a tractor-trailer bid run is changed by one (1) or more hours, or the work week is changed, as example; (Monday through Friday to Tuesday through Saturday, etc.), or if the employee's work week is changed from a four (4) ten (10) hour days to a

five (5) eight (8) hour days, or from a work week of five (5) eight (8) hour days to a four (4) ten (10) hour days it will be considered a cancellation and shall be posted for bid. The affected employee shall have the right to exercise his/her seniority as outlined in Article 48, Section 8(C).

Section 9 – Tractor-Trailer Cover Jobs

Coverage jobs shall be bid by tractor-trailer center bid employees at the semi-annual bid by seniority. This number will be subject to adjustment as the need for vacation cover in the classification increases or decreases.

The number of vacation cover jobs will not exceed fifteen percent (15%) of the bid jobs. Tractor-trailer drivers who bid on tractor-trailer vacation cover jobs must select such jobs in seniority order on Thursday of each week for the following week.

The primary job of these employees is to cover absences due to vacations.

Vacation cover drivers may pass vacation cover work to a junior vacation cover driver and select daily work in seniority order.

Any vacation cover driver who does not receive a regular start time for the following week will perform any work in the classification or be subject to the appropriate layoff Article.

Section 10 – Tractor-Trailer Qualifying School

Full-time employees will be allowed to attend any tractor-trailer qualifying school within the district by Local Union. Priority to fill these slots shall be by center/building that needs tractor-trailer drivers. Open slots will be filled by seniority from the list of employees who meet the requirements and signed the list. An employee that signs a list to attend tractor-trailer qualifying school and does not attend for any reason will not be allowed to attend another school for a period of two (2) years. If disqualified by the Company, he/she can attend the school after one (1) year. Consideration will be made for an employee with a legitimate emergency.

Full-time employees who are interested in qualifying as tractor-trailer drivers shall so notify the Employer. Such employees, in the building or area, by mutual agreement between Company and Union, in seniority order, will be permitted to attend, on their own time, the Employer training program which will be established periodically when the Employer determines there is a need to qualify additional tractor-trailer drivers for the building. (Unless otherwise mutually agreed, lists for the Employer's training programs shall normally be posted not earlier than three (3) months before the school and include the dates of the training program and the number of the employees anticipated to be trained.) Letters of Understanding regarding transfer between buildings, where applicable, shall apply. Absent a Letter of Understanding, the following shall apply: In the event that no eligible full-time employee elects to qualify, qualified part-time employees in that building will be afforded the opportunity to fill the full-time qualified position prior to hiring from outside sources. Such employees will be considered newly-hired full-time employee(s) and will be placed on the full-time qualified list as a full-time employee upon successfully completing the required training and will receive all full-time benefits. In the employee's first thirty (30) working day period beginning with the first (1st) day of training, should the employee disqualify himself/herself or should the Company disqualify the employee for reasons that any newly-hired employee would be disqualified, he/she will return to their former part-time position with all part-time seniority and benefits. A good driving record, the age of 25, valid CDL and present or future required state or federal government license requirements and other Employer standards shall be a prerequisite to such training. Age 25 is primary but in cases where employees are not available at age 25, the Company may, in certain circumstances, waive that requirement, provided those employees meet all other requirements. The Employer agrees to furnish the instructors and the necessary equipment. New tractor-trailer openings will be filled from the list of qualified employees. In the event no employee on the list of qualified employees elects to fill an opening, the least senior employee on the list of qualified employees for tractor-trailer drivers must fill the opening. After filling a permanent opening, such employee shall exercise all of his seniority in the tractor-trailer classification. Tractor-trailer drivers shall work as directed, including but

not limited to, loading, unloading, sorting and performing yard work in any operation center irrespective of domicile.

Those employees on the building Tractor-Trailer Qualified List will be used, in seniority order, to fill tractor-trailer coverage jobs, except during the month of December.

The building Tractor-Trailer Qualified List will be used in seniority order to fill tractor-trailer coverage jobs. Any qualified list driver who has worked in the tractor-trailer classification during the month of November shall be eligible to work in that classification in the month of December for that year. The Qualified List will be maintained at a sufficient number of employees to provide tractor-trailer coverage as required. The qualified list shall be maintained at no less than fifteen percent (15%) of the total number of bid feeder runs where the center's bid runs exceeds ninety (90).

Those employees will be dovetailed into the tractor-trailer seniority list for vacation selection only at the time of the vacation bid.

After being on the Tractor-Trailer Qualified List for two (2) years or more, an employee may remove his name from the Qualified List and will not be offered any work in the tractor-trailer classification.

After being in the tractor-trailer classification for two (2) years or more, employees may bid into a lower paying classification when a vacancy or new job occurs, provided he is qualified. After accepting a job in the lower paying classification, the employee shall be removed from the Qualified List. However, such employee may request to be put back on the Qualified List at a later date providing he still meets all necessary requirements. Should the employee, after being on the Qualified List for two (2) years or more, desire to remove his name from the Qualified List he will not be offered any work in the tractor-trailer classification, and, in addition, he will not be permitted to bid into either the tractor-trailer center or the Tractor-Trailer Qualified List for a period of two (2) years.

Employees who desire to add or delete their names from the Qualified List, or move from the Tractor and Trailer Classification to

another classification are required to make the request in writing with a copy from the employee to the Local Union.

The Employer may require requalification.

Except as otherwise provided above, bidding shall be on a Center basis. Employees do not have the right to select any specific unit, load or route, except as otherwise provided.

Section 11 – Opening, Closing or Partial Closing

Opening, closing or partial closing of operating centers covered by this Agreement:

Whenever a center or hub is closed or partially closed and the work is transferred to or absorbed by another center or hub, those employees whose jobs are actually transferred may either follow their work and have their seniority dovetailed in the new center or be allowed to exercise their seniority. Part-time employees shall be entitled to follow the part-time work under the same procedure, including the return procedure.

A. Partial center or hub opening or closing, the following procedure shall apply:

1. The employee affected may displace any junior employee in the center.
2. The employee displaced by this move may displace any junior employee in the center.
3. The employee affected by that move shall displace the least senior employee in his classification within the building.

B. Total closing of center or hub, the following procedure shall apply:

1. The employee affected may displace any junior employee in his classification within the building.
2. The employee affected by that move may displace any junior employee in his classification within the building.

3. The employee affected by that move shall displace the least senior employee in his classification within the building.

If any of the employees whose work is transferred elect not to follow their work then the remaining employees in the classification within the building in which the work was transferred may elect in seniority order to follow the transferred work and have their seniority dovetailed in the new center or hub. Such work must remain in the new center for at least thirty (30) working days to become a permanent transfer.

Article 38, Section 2 shall not be applied until the work has become a permanent transfer as outlined above.

If the least senior employees in the classification as outlined in A.3 and B.3 above, elect not to fill the remaining vacancies, the employees may elect to take the work of part-time workers, if any, for the duration of the layoff. In such cases, the full-time seniority employees will be guaranteed three and one-half (3 ½) hours work at the appropriate rate of pay for the work performed. If the least senior employees elect not to fill the remaining vacancies, and elect not to take the work of part-time employees, the Company will consider them as laid off employees for the purpose of unemployment compensation.

If, as a result of this move, there are employees who notified the Company prior to the move that they wished to move, but were not afforded the opportunity, such employees will have the right to take the next available permanent opening within their classification in the new center within a six (6) month period after the move.

If an operating center is closed or partially closed and later reopened, the employees affected in the original closing shall have the right to return to that center up to a period of three (3) years from the date of the time the center was first closed.

Employees who follow their work shall be permitted to return to the original building as job openings become available within a three (3) year period.

Section 12 – Merger, Sale or Lease of Operations

While it is not the policy of the Employer to merge, sell or lease operations, the Employer agrees that should it happen, the seniority of the employees taken over shall be dovetailed with the existing employees, except that if one of the merged, sold, or leased companies is insolvent at the time of the take-over, the employees of the insolvent company will go to the bottom of the list.

The Employer shall not require, as a condition of continued employment, that an employee purchase truck, tractor and/or trailer or other vehicular equipment or that any employee purchase or assume any proprietary interest or other obligation in the business.

ARTICLE 49 – GRIEVANCE PROCEDURE

Section 1 – No Strikes – No Lockouts

The Union and the Employer agree that there shall be no strike, picketing, lockout, tie-up or legal proceedings without first using all possible means of settlement, as provided for in the Agreement, of any controversy which might arise under this Agreement. The parties further agree that the words “Legal Proceedings” as used in this paragraph shall not be construed to prohibit the Union or the Employer from going to court of proper jurisdiction for an injunction against the other for breach of the no-strike, no lockout, no tie-up, no picketing promises made herein.

Section 2 – Grievances

A grievance is hereby jointly defined to be any controversy, complaint, misunderstanding or dispute arising as to interpretation, application or observance of any of the provisions of this Agreement.

Grievance procedures may be invoked only by authorized Union representatives. In the event of a grievance, it shall be handled in the following manner:

(a) The employee shall report it to his shop steward in writing within five (5) working days. The steward shall attempt to adjust the matter with the supervisor within forty-eight (48) hours. Man-

agement will sign and date each grievance that is presented to them, provided this does not interrupt the operations, regardless of the merits of said grievance. The purpose of the signature is only to verify that the grievance was actually received.

(b) Failing to agree, the shop steward shall promptly report the matter to the Union which shall submit it in writing and attempt to adjust the same with the Employer within five (5) days.

(c) If the parties fail to reach a decision or agree upon a settlement in the matter, it shall be submitted in writing within ten (10) working days unless otherwise mutually agreed to the Atlantic Area Parcel Grievance Committee. (For the purpose of this Article, the term “working days”, when used to indicate time limitations on the parties shall mean the days Monday through Friday.)

(d) In order that the A.A.P.G.C. may operate quickly and efficiently, the parties agree that a person who may or may not be a member of the A.A.P.G.C. shall be mutually selected and designated to serve as Secretary. The Secretary, if not a member of the A.A.P.G.C. shall have no voice in making decisions and shall perform only the duties assigned to him by the A.A.P.G.C. The Secretary shall docket cases, prepare the agenda and mail a copy prior to the scheduled meeting of the A.A.P.G.C. to each member of the Committee, the Employer and Local Unions whose case appears on the agenda. The Secretary shall attend the meeting to prepare and keep the minutes and mail copies of the minutes to the members of the Committee and shall also mail copies of the decisions of the A.A.P.G.C. to all United Parcel Service, Inc. representatives and Local Unions who are parties to this Agreement.

(e) A grievance to be heard by the A.A.P.G.C. must be put in writing and submitted to the Secretary thirteen (13) days before the meeting of the Joint Area Grievance Committee. The parties further agree that no grievance or grievances shall be discussed except those which have been received by the Secretary of the A.A.P.G.C. before the thirteen (13) days prior to the date of the meeting of the A.A.P.G.C. It is agreed that any panel of the A.A.P.G.C. hearing a case shall consist of an equal number of Employer Committee members and Union Committee members, not to exceed three (3) Union

Committee members and three (3) Employer Committee members and not less than two (2) Union Committee members and two (2) Employer Committee members. The members of the panel are to be selected from the overall A.A.P.G.C. The decision of the majority of the panel hearing the case shall be binding on all parties.

(f) It is understood and agreed that the United Parcel Service representatives and the Local Union representatives of the A.A.P.G.C. representing the United Parcel Service operation and/or Local Union involved in a proceeding before the panel will be ineligible to act as a member of the panel during the proceeding. Representatives from Local Union(s) utilizing the A.A.P.G.C. may be involved in the hearing of Atlantic Area cases.

(g) Payment for grievances settled at the local level at any step of the grievance procedure must be made within two (2) weeks following the date of the settlement. Payment for grievances resolved by the Atlantic Area and National Committees shall be made within two (2) weeks following the Company's receipt of the Committee's resolution statement. A copy of the payroll adjustment will be mailed to the Local Union. Payment of grievance amount will be listed on the employee's payroll advisory. Payment for grievance settlement shall be taxed at the employee's regular withholding rate where legally permissible.

Section 3 – Illegal Strikes

It is further mutually agreed that the Local Union will, within two (2) weeks of the date of the signing of this Agreement, serve upon the Employer a written notice which notice will list the Union's authorized representatives who will deal with the Employer, make commitments for the Union generally and in particular have the sole authority to act for the Union in calling or instituting strikes or any stoppages of work in a case where a strike or stoppage is authorized under this Agreement and the Union shall not be liable for any activities unless so authorized.

It is agreed that in all cases of unauthorized strike, slowdown, walk-out, or any unauthorized cessation of work in violation of this Agreement, the Union shall not be liable for damages resulting from any

unauthorized action of its members. While the Union shall promptly undertake every reasonable means to induce said employees to return to their jobs during such periods of unauthorized stoppage of work mentioned above, it is specifically understood and agreed that the Employer shall have the sole and complete right of discipline, including the sole and complete right to discharge any employee participating in any unauthorized strike, slowdown, walkout or any other cessation of work and such employee shall not be entitled to have any recourse to any other provisions of this Agreement.

Section 4

(a) The A.A.P.G.C. shall be composed of United Parcel representatives and representatives from each of the Local Union Nos. 22, 29, 61, 71, 171, 175, 322, 355, 391, 453, 509, 639, 697, 822 and 992. The expense incurred by the A.A.P.G.C. shall be borne equally by all the Local Unions on a pro rata basis for the Local Unions having cases docketed on the agenda and United Parcel operations which are covered by this Agreement.

(b) Except as otherwise provided in the Master Agreement, it is agreed that all grievances pertaining to matters described in this Article must be referred to the A.A.P.G.C. The Atlantic Area Parcel Grievance Committee will meet monthly for a three (3) day period for the purpose of hearing grievances docketed on the agenda. During this three (3) day period the Committee will hear cases in the following order: Discharges, suspensions and regular cases.

Every other month, beginning in January 2014, the Committee will hear an additional day of regular cases. On these months regular cases will be heard on Tuesday and Wednesday, unless otherwise mutually agreed by the Chairmen.

Upon the request of either chairman and by mutual agreement of both chairmen, the Committee will hear discharge and suspension cases on Tuesday and Wednesday and Thursday, if necessary, in order to clear the docket. In these month(s), the A.A.P.G.C. will run a second panel to hear regular cases on Tuesday, Wednesday and Thursday. Such request will be limited to one (1) time a year unless otherwise mutually agreed to by both the Company and the Union chairmen.

(c) On discharge and suspension cases only, an impartial arbitrator, one (1) from a panel of three (3), will sit as a fifth (5th) or seventh (7th) panel member of the A.A.P.G.C. and shall render a bench decision on all deadlocked cases. Individual arbitrators are subject to review and dismissal by either party upon a thirty (30) day notice and will be replaced. (It is understood by the parties there will be an implementation period.)

Section 5

If any grievance or dispute cannot be satisfactorily settled by a majority decision of the panel of the A.A.P.G.C. then the grievance shall be submitted to the Federal Mediation and Conciliation Service by either or both parties within twenty (20) days from the date of the panel decision. The arbitrator must be selected to hear the deadlocked case within thirty (30) working days except by mutual agreement. It is agreed that the arbitrator is empowered to hear and decide the deadlocked case even if only one of the parties submits to arbitration, or, if one of the parties fails to appear at the hearing or to present evidence. The arbitrator shall have the authority to apply the provisions of this Agreement, and to render a decision on any grievance coming before him, but shall not have the authority to amend or modify this Agreement or establish new terms and conditions under this Agreement. The arbitrator must render a decision within forty-five (45) days from the date of the agreed upon filing of the post hearing briefs. The cost of the arbitration shall be shared equally by the parties. The decision of the arbitrator shall be final and binding on the parties and employees involved. In the event that the losing party fails to abide by the arbitrator's decision, or that either party refuses to submit to his jurisdiction, the other party shall have the right to take all legal or economic recourse.

Section 6

The Local Union Business Agent shall have the right to examine time sheets and any other records pertaining to the computation of compensation of fringe benefits of any employee whose pay is in dispute or records pertaining to a specific grievance.

Section 7

(a) Notwithstanding anything herein contained, it is agreed that in the event the Company is delinquent at the end of a period in the payment of its contribution to the Health and Welfare or Pension Fund or Funds created under this Agreement in accordance with the rules and regulations of the Trustees of such Funds, the employees or their representatives after the proper official of the Local Unions shall have given a seventy-two (72) hour notice to the Company of such delinquency in Health and Welfare or Pension payments, shall have the right to take such action as they deem necessary until such delinquent payments are made and it is further agreed that in the event such action is taken, the Company shall be responsible to the employees for losses resulting there-from.

(b) It is mutually agreed that all monies due and owing under the Health and Welfare and Pension provisions of the Agreement shall be considered as wages and collectible as such.

ARTICLE 50 – DISCHARGE OR SUSPENSION

The Employer shall not discharge nor suspend any employee without just cause but in respect to discharge or suspension shall give at least one warning notice of a complaint against such employee to the employee, in writing, and a copy of the same to the Union, except that no warning notice need be given to an employee before he is discharged if the cause of such discharge is dishonesty, drinking alcoholic beverages during the workday, use or possession of illegal drugs while on duty, recklessness resulting in a serious accident while on duty, or the carrying of unauthorized passengers while on the job. The warning notice as herein provided shall have no force or effect for a period of more than nine (9) months from the date of said warning notice.

Warning notices or file write-ups beyond the nine (9) month period set forth above will not be considered in the grievance procedure. The above does not prohibit the Company from using prior suspensions, discharges, or prior panel cases during the presentation of cases. All warning notices must be issued within ten (10) days of

the Employer's discovery of said infraction. The ten (10) day time limit may be waived by mutual agreement between the Employer and the Union. Language contained in the National Master United Parcel Service Agreement concerning drugs/alcohol and drug/alcohol testing shall apply.

Suspension must be by proper written notice signed by an authorized representative of the Company, and sent to the employee. Discharge must be by proper written notice, signed by an authorized representative of the Company, sent certified mail and return receipt requested, to the employee. The Union will also receive copies of all suspension and discharge notices via mail, or by mutual agreement in electronic format. If requested at the hearing by the steward, the manager, as a courtesy, will provide another copy of the written notice within a reasonable time from the date of issuance. Any employee may request an investigation as to his discharge or suspension. Should such investigation prove that an injustice has been done an employee, he shall be reinstated. The A.A.P.G.C. and the impartial arbitrator shall have the authority to order full, partial or no compensation for time lost.

Appeal from discharge, suspension or warning notice must be taken within ten (10) days by written notice and a decision reached within thirty (30) days from the date of discharge, suspension or warning notice.

Suspensions are to be served upon:

1. Employee acceptance of the suspension.
2. Notification of decision of the A.A.P.G.C.
3. Failure of the employee to file a timely grievance.

If an employee is involved in a minor chargeable accident and after a full investigation it is proven beyond a reasonable doubt that the accident was caused by the employee's negligence, the employee shall receive a warning notice, with a copy of said notice to the Local Union.

For the second (2nd) such offense the employee shall receive another warning notice and be subject to a three (3) day suspension

with a copy of the warning notice to the Local Union. For the third (3rd) such offense, the employee is subject to discharge.

All employees have the right to examine their Center personal files upon request on their own time and shall receive copies of any documents in the file upon request with the understanding that the employee is responsible for all administrative and copying expenses.

The purpose of an employee's signature on a Company form or file write-up is to ensure nothing is placed into the employee's center file without review by the employee. The employee's signature does not indicate that the employee agrees with the content of the item being placed in his/her file, but does indicate his/her knowledge of the contents.

ARTICLE 51 – MEAL PERIOD

For full-time employees the meal period shall be one (1) hour which may be divided between a forty-five (45) minute lunch period and fifteen (15) minute coffee break except for inside employees, said coffee break to be taken between the second and third hour. Full-time inside employees shall be entitled to a one (1) hour lunch period of which fifteen (15) minutes must be taken between the second and third hour, unless otherwise mutually agreed to between the Local Union and the Company.

All full-time seniority employees shall receive one (1) ten (10) minute paid relief period.

Package drivers will be allowed to schedule their ten (10) minute relief period at their option provided they make all their scheduled or assigned pickups or deliveries in a timely manner.

Meal periods shall be taken between the fourth and sixth hours on duty, except:

1. In case of equipment breakdown; and
2. Where no place to eat is accessible, the meal period is to be mutually agreed to.

Tractor-trailer drivers may elect to break their meal period into three (3) parts as follows:

A fifteen (15) minute coffee break to be taken between the second and third hour, a thirty (30) minute meal period after he has reached his destination point and fifteen (15) minute coffee break on his return run. It is understood that if a driver is not delayed at his destination point the driver is entitled to make a thirty (30) minute meal stop and a fifteen (15) minute break on his return trip.

Tractor-trailer drivers who are bid on runs with “hot” loads will have their schedule reviewed at bid time and will have all options available to them explained. After making their choice, such drivers will retain this schedule which necessitates a change.

Other tractor-trailer drivers will have all options made available but will be allowed to change the ten (10) minute relief period to any of the other option segments provided they are able to do so and make their scheduled run.

The above shall apply in all cases, even when the employee is delayed by the Company.

ARTICLE 52 – PAID FOR TIME

Section 1

All employees covered by this Agreement shall be paid for all time spent in the service of the Employer. Rates of pay provided for by this Agreement shall be minimums. When the starting time of fifty percent (50%) or more of a shift is to be changed, one week’s notice shall be given, except in the event of an act of God. When the starting time of less than fifty percent (50%) of a shift is changed, reasonable notice of forty-eight (48) hours is to be given. During November and December, for package and hub operations only, the notification above shall not apply to start time changes of fifteen (15) minutes or less; however for those operations, the affected employees shall be notified prior to the end of their shift the preceding workday.

For the purpose of a start time change a shift shall be considered as those employees who have the same workday guarantee and primary job responsibility, (i.e., Twilight Hub, Midnight, Sunrise, Noon-day and Preload).

Start times shall not be changed to circumvent applications of provisions relating to holiday pay.

Time shall be computed from time that the employee is ordered to report for work and registers in and until he is effectively released from duty. All time lost due to delays as a result of overloads or certificate violations involving Federal, State or City regulations, which occur through no fault of the driver shall be paid for. If the Company changes an employee's starting time, the employee will be compensated at time and one-half (1-1/2) for all unscheduled hours worked in any one day.

Section 2 – Call in Time

Employees called to work shall be allowed a reasonable time, without pay, to get to the Center and shall be paid full pay from the time they report or register in as ordered. If called and reporting, full-time employees shall be guaranteed eight (8) hours pay at the rate specified in the Supplement for their classification of work. If the employee is put to work, he shall be guaranteed a minimum of eight (8) hours pay. In cases where an employee does not report at the scheduled starting time, the daily guarantee shall be reduced by the amount of lateness, if allowed to work by the Employer.

Section 3 – Absence Notification

The employee shall see that the Company is notified of his inability to report for work as far in advance of his starting time as possible (at least one (1) hour) on his first day of absence. The employee shall determine from the Company how frequently he shall call the Company to report his progress. The employee will notify the Company when he is able to return to work. If an employee reports for work without having so advised the Company, the Company shall be relieved of the obligation for that day of the call-in guarantee and eight (8) hour guarantee provided for in this Agreement.

ARTICLE 53 – WAGES AND HOURS

Section 1

| Classifications | 8/1/18 | 8/1/19 | 8/1/20 | 8/1/21 | 8/1/22 |
|---|---------|---------|---------|---------|---------|
| Package Pickup and Delivery Drivers, Feeder Drivers | \$36.89 | \$37.64 | \$38.44 | \$39.34 | \$40.34 |
| Tractor-Trailer Drivers | \$36.99 | \$37.74 | \$38.54 | \$39.44 | \$40.44 |
| Truck-Truck or Truck-Pup Drivers | \$36.99 | \$37.74 | \$38.54 | \$39.44 | \$40.44 |
| Preloader-Sorters | \$36.89 | \$37.64 | \$38.44 | \$39.34 | \$40.34 |
| Package Handlers | \$35.63 | \$36.38 | \$37.18 | \$38.08 | \$39.08 |
| Car Washers | \$35.38 | \$36.13 | \$36.93 | \$37.83 | \$38.83 |

Full-time employees still in progression on the effective date of the Master Agreement shall receive the above contractual increases and will be paid no less than what they are entitled to in accordance with Article 41, Section 2.

Employees pulling doubles will receive sixty cents (\$0.60) per hour over the package driver rate. Employees pulling twin 40's or triple trailers off the property shall receive seventy-five cents (\$0.75) per hour over the package driver rate. Employees pulling "truck pups" will receive twenty-five cents (\$0.25) per hour over the package driver rate.

Package Driver Helper Rate of Pay shall be \$13.00 per hour for new hires. For all seniority employees, the Package Driver Helper rate shall be the prevailing part-time rate as outlined in Article 22.5 of the National Master Agreement.

Full and part-time driver helpers may be used between November 1st through the second full week of January of any calendar year, during periods of weather emergencies or volume peaks and at customer's locations where the customer or another carrier is loading and/or unloading packages, providing the Local Union is contacted to explain the reason for and the expected duration. No tractor-trailer driver will be laid off or displaced from tractor-trailer classifica-

tion as a result of this. The Company will use part-time employees to fill part-time helper jobs and will not hire part-time helpers off the street until all seniority part-time requests for this work are honored. The part-time helper work will be awarded in seniority order providing that this work would not interfere with their regular scheduled duties for the work day.

Package driver helper shall be guaranteed three (3) hours per day, provided they report at their helper scheduled start time.

Not more than one (1) helper will work from a vehicle with a driver at any one time. The helper must deliver or pickup packages only in conjunction with the drivers they are assigned to while on duty.

A helper will normally not be required to work a split shift of helper work. There may, however, be occasions when an employee may work more than one (1) shift as a helper in a twenty-four (24) hour period.

If a helper is scheduled to meet a driver and the driver is late at the scheduled meet point, the helper hours will commence from the scheduled time of the meet.

The Company may continue a TAW program pursuant to Article 14, Section 2. Employees on TAW shall receive their regular hourly rate of pay.

The following wage progression schedule shall cover all full-time employees, except apprentices, hired on or after August 1, 1990. The rate in effect on July 31, 2018 will be used to calculate the progression rates for the life of this Agreement.

Rates in Effect on July 31, 2018

| | |
|--|----------|
| Start | 70% |
| Seniority | 75% |
| Seniority Date Plus one (1) year | 80% |
| Seniority Date Plus eighteen (18) months | 90% |
| Seniority Date Plus two (2) years | Top Rate |

Part-time employees on the payroll as of 7/31/18 who are subsequently promoted to full-time employment will be paid their current wage rate until such time as the calculated progression rate exceeds that rate. The transfer date will become his/her full-time start date for purposes of applying the above progression.

When a part-time employee bids to a full-time classification where the top rate of the full-time classification is less than his/her current rate, the employee shall be placed at the top rate of the new classification immediately.

Section 2 – Hours of Work and Overtime

A. The workweek shall be five (5) consecutive days of eight (8) hours each or feeder drivers only may work four (4) days of ten (10) hours each and the hours of labor each day shall be worked in uninterrupted succession. The workweek for feeder drivers may be changed by the Employer from one to the other as operating conditions may demand, provided, however, that the employee shall receive a one (1) week notice of contemplated change.

By mutual agreement between the parties, the Company may place four (4) ten (10) hour day routes for bid during the bidding process within the package car classification.

The Company will review all four (4) day ten (10) hour runs and those that are improperly put together or not economically feasible will be eliminated. The four/ten (4/10) cover driver (5th driver) will follow the appropriate layoff language.

For employees assigned to five (5) eight (8) hour days, time and one-half (1-1/2) shall be paid for all hours worked in excess of forty (40) hours in a week or in excess of eight (8) hours in a day.

For employees assigned to four (4) ten (10) hour days, time and one half (1-1/2) shall be paid for all hours worked in excess of forty (40) hours in a week or in excess of ten (10) hours in a day. An employee who works on the sixth (6th) report shall be paid time and one half (1-1/2) the straight time hourly rate for all work performed on that day. An employee who works on the seventh (7th) report shall be paid double (2) the straight hourly rate for all work

performed on that day. In the above cases, the employee may be guaranteed eight (8) hours or ten (10) hours depending on the schedule of the job performed. The Company agrees to pay time and one half (1-1/2) for Saturday and double time (2) for Sunday work unless it is a normally scheduled work day.

Employees called or assigned to cover for absent employees who are scheduled to work on Saturday or Sunday shall be considered as working on regular assigned shifts on a normally scheduled workday.

B. The Company shall make every effort to reduce overtime where requested. If a review does not indicate that progress is being made in the reduction of assigned hours of work, the following language shall apply:

Employees shall have the right to file a grievance if the Company has continually (means any three (3) days in five (5) consecutively scheduled work days) caused an employee to work over nine (9) hours and forty-five (45) minutes per day.

If the grievance cannot be resolved at the Local Union level, it will be referred directly to the Employer and Union Negotiations Chairmen for settlement. This procedure shall not apply in the peak season of November and December nor in other classifications other than package car driver.

C. When an employee begins work on a particular day and works into the next day, the wage rate shall be the rate in effect at the starting time.

Section 3 – Overtime Application

It is understood that no time shall be subject to the application of more than one (1) overtime provision.

Section 4 – Compensation for Work in Different Classifications

An employee may be required to work in more than one job classification within any workday, but shall be compensated at the rate

applicable to the highest rated classification for all work performed during that day. In order to qualify an employee shall work a minimum of one (1) hour in the higher classification. This provision shall not apply to the occasional spotting or shifting of equipment at the operating center. When an employee is requested to work in a lower-priced classification he shall receive his regular rate of pay for all such lower rated work performed.

Section 5 – Notice of Layoff

The Employer agrees to give full-time seniority employees a seven (7) calendar day notice of intended layoff in writing with a copy to the Local Union. Agreed upon notices of layoff do not apply during a declared emergency.

An emergency occurs where conditions beyond the Employer's control compel interruptions or delays in operations caused by strikes, sleet or snow, ice or flood or similar catastrophe.

One (1) day (by the end of the previous work day) unwritten notice is required for layoff of less than fourteen (14) days. The Company is obligated to give as much notice as possible. Except for employees who do not have a telephone, the Company is obligated where possible and as soon as possible, to attempt to notify employees when an emergency occurs beyond its control. Notice must be given before the employee's regular starting time. The Company shall be deemed to have fulfilled its obligation when an employee is called and does not answer the telephone. In the event of an emergency, available work shall be performed in seniority order by employees normally assigned to that work and that starting time within the classification.

ARTICLE 54 – SUNDAYS AND HOLIDAYS

Section 1 – Holidays

(a) 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 December 31. Seniority employees shall be eligible for the above named holidays after the employee's seniority date and twelve (12) months.

(b) Any regular employee who does not work on the holiday, but who has worked ninety (90) hours (forty-five (45) hours for part-time employees) in the thirty (30) consecutive workdays immediately preceding the holiday shall be entitled to eight (8) hours pay at the straight time hourly rate for such holiday or ten (10) hours pay for four (4) day, ten (10) hour employees, or four (4) hours for part-time employees, and further provided the employee must work the regular scheduled workdays which immediately precede and follow the holiday, except in cases of proven illness or unless the absence is mutually agreed to. Time lost due to compensable injury or vacation shall be used in computing hours worked. A seniority employee who is absent due to compensable injury shall receive holiday pay for all holidays occurring within the first six (6) months of absence due to such compensable injury.

(c) Any regular employee who works on a holiday and is eligible for holiday pay as provided in (b) above shall be paid for all work performed at time and one-half (1-1/2) the straight time hourly rate in addition to receiving his holiday pay and shall be guaranteed a minimum of eight (8) hours work. Those employees on a work-week of four (4) ten (10) hour days shall be guaranteed a minimum of ten (10) hours work. Part-time employees will be guaranteed a minimum of three and one-half (3 ½) hours work.

Tractor-trailer drivers who are bid to runs assigned a single trailer will receive the single rate of pay.

All drivers who are bid to runs assigned double trailers will receive the doubles rate of pay.

Tractor-trailer drivers' bid on cover jobs will be paid holidays based on the single or double rate, depending on which pay scale he has earned the majority of the time during the preceding twelve (12) month period.

(d) When a holiday falls during the regular vacation of an employee entitled to holiday pay, he shall receive an extra day's pay for such holiday.

(e) Pay for unworked holidays shall not be used in computing overtime pay in the regular workweek. Time worked in excess of thirty-two (32) hours in any week in which a holiday occurs (twenty-four (24) hours in weeks with double holidays) shall be paid for at the rate of time and one-half (1-1/2) where the holiday falls within the employee's scheduled workweek and such overtime shall be paid after thirty (30) hours (twenty (20) hours in weeks with double holidays) for those employees on a workweek of four (4) ten (10) hour days provided the holiday(s) falls on a scheduled work day. Time and one-half (1-1/2) shall be paid after the fortieth (40th) hour where the holiday falls outside the employee's scheduled workweek.

(f) When any of the above-mentioned holidays fall on Sunday, the day observed shall be Monday and all work performed on such day shall be paid for at the holiday rate.

Section 2 – Personal Holidays

There shall be five (5) holidays for seniority employees known as personal holidays. The eligibility for personal holidays will be as follows:

Seniority date plus twelve (12) months – one (1) personal holiday.

Seniority date plus eighteen (18) months – one (1) personal holiday.

Seniority date plus twenty-four (24) months – All personal holidays as provided herein for that entitlement year.

Employees presently in progression will continue in progression.

Personal holidays shall be awarded by seniority within each classification in each center 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 a request must be submitted no later than the start of his/her shift on the eighth (8th) 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. In the event of an

emergency, the notification period will be waived provided no other employee in that classification has requested that day off.

No personal holiday may be taken after the Saturday after Thanksgiving or before December 26 of any year. The personal holidays must be taken during the calendar year. In the event employees elect not to take their personal holidays by December 31 they shall be paid eight (8) hours (ten (10) hours for four (4) day, ten (10) hour employees and four (4) hours for part-time employees) at their straight time rate for the unused personal holidays. Prior to the Personal Holiday (PH) pay-out for unused Personals, the Company shall determine those employees with unused PHs. If any such employees wish to utilize the unused PHs between December 26 and December 31, those PHs will be paid at time of use. If an employee works on an approved personal holiday, he/she shall receive holiday pay plus time and one-half (1-1/2) for all hours worked or at the employee's option he/she may elect to receive time and one-half (1-1/2) for all hours worked and retain the personal holiday for future use. The Company will make available for selection one (1) personal holiday per day in each center, or a number equal to five percent (5%) of the employees in the center, whichever is greater.

Example:

- 1 -29 Employees – 1 PH per day.
- 30 -49 Employees – 2 PH per day.
- 50 -69 Employees – 3 PH per day.
- 70 -89 Employees – 4 PH per day.
- 90 -109 Employees – 5 PH per day.

Any employee who is out due to sickness or injury shall have the right, after the third (3rd) day of absence due to such sickness or injury, to take any personal holidays to which he is entitled.

An employee may elect an option to combine the five (5) personal holidays and schedule an additional one (1) week of vacation in its place. This shall be construed to mean forty (40) hours pay for full-time employees and twenty (20) hours pay for part-time employees. This week shall be bid after the vacations have been selected

and will be included in the ten percent (10%) and fifteen percent (15%) vacation schedule.

Employees who terminate their employment between January 1st and December 31st shall be paid any unused personal holidays on a pro rata basis.

Employees who are bid four (4) ten (10) hour days shall receive ten (10) hours straight time pay for each personal holiday taken separately.

Employees who are bid five (5) eight (8) hour days shall receive eight (8) hours straight time pay for each personal holiday taken separately.

Employees who are bid on vacation cover jobs shall receive holiday pay at the straight time pay rate based on the workweek the employees are working at the time the holiday is taken (i.e., employee is covering a four (4) ten (10) hour week the employee will receive ten (10) hours straight time pay for all personal holidays taken separately during that week). If an employee is covering a five (5) eight (8) hour workweek the employee will receive eight (8) hours straight time pay for each personal holiday taken during that week.

Section 3 – Sundays

Any employee covered by this Agreement required to work on Sunday shall be paid for such work at the rate of double time, except where the regular schedule extends into Sunday with a minimum guarantee of eight (8) hours which shall not be included in the regular forty (40) hour workweek. This shall not apply to employees on regular assigned shifts starting Sunday.

Employees called or assigned to cover for absent employees who are scheduled to work on Saturday or Sunday shall be considered as working on regular assigned shifts on a normally scheduled workday.

ARTICLE 55 – VACATIONS

Section 1

(a) Employees who on December 31st of any calendar year, have worked for the Employer one hundred and fifty (150) days or more

in such calendar year and have been employed by the Employer less than two (2) years, shall receive one (1) week of vacation with pay during the following vacation period. Employees who on December 31st have not worked for the Employer one hundred fifty (150) days but have, by July 31st of the succeeding year for the first time, worked one hundred fifty (150) days, shall receive one (1) week of vacation with pay following their anniversary date.

(b) Employees who on December 31st of any calendar year have been employed by the Employer two (2) years or more but less than nine (9) years shall receive two (2) weeks of vacation with pay. Those employees who have not been employed by the Employer for two (2) years by any December 31st whose second (2nd) anniversary of employment occurs within the following vacation period shall also receive two (2) weeks of vacation with pay. Such employee will be allowed to select the second (2nd) week of vacation after the second (2nd) anniversary date.

(c) Employees who on December 31st of any calendar year have been employed by the Employer nine (9) years or more shall receive three (3) weeks of vacation with pay during the following vacation period. Those employees who have not been employed by the Employer for nine (9) years on December 31st but whose ninth (9th) anniversary of employment occurs within the following vacation period shall receive three (3) weeks of vacation with pay. Such employee will be allowed to select the third (3rd) week of vacation after the ninth (9th) anniversary date.

(d) Employees who on December 31st of any calendar year have been employed by the Employer fifteen (15) years or more but less than twenty (20) years shall receive four (4) weeks of vacation with pay during the following vacation period. Those employees who have not been employed by the Employer for fifteen (15) years on December 31st but whose fifteenth (15th) anniversary of employment occurs within the following vacation period shall also receive four (4) weeks of vacation with pay. Such employee will be allowed to select the fourth (4th) week of vacation after the fifteenth (15th) anniversary date.

(e) Employees who on December 31st of any calendar year have been employed by the Employer twenty (20) years or more shall

receive five (5) weeks of vacation with pay during the following vacation period. Those employees who have not been employed by the Employer for twenty (20) years on December 31st but whose twentieth (20th) anniversary of employment occurs within the following vacation period shall also receive five (5) weeks of vacation with pay. Such employee will be allowed to select the fifth (5th) week of vacation after the twentieth (20th) anniversary date.

(f) Employees who on December 31st of any calendar year have been employed by the Employer twenty-five (25) years or more shall receive six (6) weeks of vacation with pay during the following vacation period. Those employees who have not been employed by the Employer for twenty-five (25) years on December 31st but whose twenty-fifth (25th) anniversary of employment occurs within the following vacation period shall also receive six (6) weeks of vacation with pay. Such employee will be allowed to select the sixth (6th) week of vacation after the twenty-fifth (25th) anniversary date.

(g) Employees whose anniversary date falls after a date in November or December where a full week cannot be taken and, who passes an anniversary date where an additional week of vacation is earned shall receive the first available full week after December 26, as his vacation. This will not prevent such employee from bidding his entire vacation due for the following period.

(h) Tractor-trailer drivers who are bid to runs assigned a single trailer will receive the single rate of pay for all vacations.

Tractor-trailer drivers who are bid to runs assigned double trailers will receive the doubles rate of pay for all vacations.

Tractor-trailer drivers bid on cover jobs will be paid vacations based on the single or double rate depending on which pay scale he has earned the majority of the time during the preceding twelve (12) month period.

Section 2

Vacations are to be scheduled any time during the time from December 26 through Thanksgiving week exclusive of the time be-

tween the Monday after Thanksgiving through December 25. Employees are to select their vacation period in the order of seniority on a center basis starting with the first full week in November and to be completed in four (4) weeks. Twenty-five percent (25%) of those center employees per week will select; of the twenty-five percent (25%) selecting weekly, twenty percent (20%) will select daily within that week. Employees who have not selected their vacation in seniority order will make their selection from weeks available at the time of their bid. Any employee bidding into a different classification shall retain his/her originally selected vacation period. No employee shall accept vacation pay in lieu of vacation.

The sick day option vacation weeks shall be selected in seniority order from the ten percent (10%) and fifteen percent (15%) schedule after the regular vacation weeks have been selected.

The sick day option week and personal holiday option week taken as vacation will be included in the ten percent (10%) and fifteen percent (15%) vacation schedule. Sick days and personal holidays may be combined to schedule an additional vacation week.

The vacation list shall be made available for selection from November 1st through November 30th of each year and shall contain the following information: employees eligible for vacation, the number of weeks each employee is entitled to and the number of employees who can take a vacation simultaneously.

Vacation pay shall not be less than forty-five (45) hours of pay at the employee's regular rate of pay as set forth in Article 53 or for two (2) year employees, ninety (90) hours of pay, or for nine (9) year employees, one hundred thirty-five (135) hours of pay, or for fifteen (15) year employees, one hundred eighty (180) hours of pay, or for twenty (20) year employees, two hundred twenty-five (225) hours of pay, or for twenty-five (25) year employees, two hundred seventy (270) hours of pay except as provided below.

All employees must receive their vacation pay in a separate check before taking vacation. Vacation checks for an employee who is taking a properly scheduled vacation in accordance with Article 55, Section 2

of this Agreement, will be at the operating center on Monday of the week prior to the employee's vacation week and/or weeks. This is to ensure that the employees receive their pay prior to taking their vacation. The employees will be shown their check upon request, but will not receive the check until the regular scheduled pay day. Vacations are to be taken seven (7) consecutive days as of the Employer's pay week, and for two (2) year employees either fourteen (14) consecutive days or two (2) seven (7) day periods, and for nine (9) year employees, either twenty-one (21) consecutive days or three (3) seven (7) day periods, and employees with fifteen (15) years of service shall receive either twenty-eight (28) consecutive days or four (4) seven (7) day periods, and employees with twenty (20) years of service shall receive either thirty-five (35) consecutive days or five (5) seven (7) day periods, and employees with twenty-five (25) years of service shall receive either forty-two (42) consecutive days or six (6) seven (7) day periods. A minimum of fifteen percent (15%) of the employees in a center will be permitted off each week during the months of June, July, August, September, October and the first two (2) full weeks of November.

A minimum of ten percent (10%) of the employees in a center will be permitted off the remainder of the vacation period.

The ten percent (10%) and fifteen percent (15%) will be applied per the following example:

Vacation Chart for Ten Percent (10%) Off on Vacation:

| Number of Employees | Number of Vacations Per Week |
|---------------------|------------------------------|
| 1-14 | 1 |
| 15-24 | 2 |
| 25-34 | 3 |
| 35-44 | 4 |
| 45-54 | 5 |
| 55-64 | 6 |
| 65-74 | 7 |
| 75-84 | 8 |
| 85-94 | 9 |
| 95-104 | 10 |

Vacation Chart for Fifteen Percent (15%) Off on Vacation:

| Number of Employees | Number of Vacations Per Week |
|---------------------|------------------------------|
| 1-9 | 1 |
| 10-16 | 2 |
| 17-23 | 3 |
| 24-29 | 4 |
| 30-36 | 5 |
| 37-43 | 6 |
| 44-49 | 7 |
| 50-56 | 8 |
| 57-63 | 9 |
| 64-69 | 10 |
| 70-76 | 11 |
| 77-83 | 12 |
| 84-89 | 13 |
| 90-96 | 14 |
| 97-103 | 15 |

Employees entitled to four (4) or more weeks of vacation may choose to select one (1) week of their vacation in one (1) day increments and will be compensated at nine (9) hours for full-time employees and four (4) hours for part-time employees. The vacation day shall be selected in seniority order from the five percent (5%) schedule after the regular personal holiday request. At least one (1) vacation day will be permitted in each center each day in addition to the five percent (5%).

The selection procedure contained in Article 54, Section 1 shall apply with the following exception:

The request for the vacation day must be submitted on the seventh (7th) calendar day preceding the day requested.

In the event the above days are not taken by December 31st, they shall be paid at nine (9) hours for full-time employees and four (4) hours for part-time employees at the straight time rate for the unused vacation days.

Section 3

Absence of less than sixty (60) workdays in the aggregate due to lack of business or illness shall not be construed as interrupting the yearly working service of such employees. Employees who are absent more than sixty (60) workdays for the reasons stated above shall receive pro rata vacation and pay based on their earned vacations as of the prior December 31st. Absence from work because of a compensable injury shall not be construed as interrupting the yearly working service of an employee.

The pro rata provisions of this Article shall also apply to all employees who terminate their employment with their Employer between January 1st and December 31st.

Section 4

Part-time employees who are otherwise eligible shall be entitled to receive vacation benefits on the basis of one-half (1/2) that which an eligible full-time employee would be entitled to receive. One-half (1/2) vacation pay means four (4) hours straight time pay per day.

ARTICLE 56 – UNION COOPERATION

The Union, as well as the members thereof, agree that at all times as fully as it may be within their power, to further the interests of the Employer.

ARTICLE 57 – PARKING TICKETS

The Company shall pay all parking tickets for illegal parking if employee does not abuse.

ARTICLE 58 – UNIFORMS AND PERSONAL APPEARANCE

Employer agrees that if any employee is required to wear any kind of uniform as a condition of his continued employment, such uni-

form shall be furnished, and maintained by the Employer, free of charge, at the standard required by the Employer.

The Employer will provide shirts with a maximum of ten (10) shirts allowable each year (5 winter – 5 summer) on the basis of one (1) new shirt for each worn shirt turned in. These shirts will be maintained by the employee.

The uniform and UPS shirts will be worn at all times while on duty and at the standard determined by the Employer. Employees shall not wear any article of clothing determined to be incompatible with the uniform standards established by the Employer.

It is agreed that employees must strictly comply with the Employer's regulations concerning personal grooming and appearance and the wearing of uniforms and accessories.

The Employer shall provide lockers and the basic uniform shall be kept in the locker. Employees shall change into uniforms on the Company premises before reporting for duty and change out of uniforms after being relieved from duty each day.

Rain slickers and rubber boots will be available to be used by employees working as shifters and/or car washers, if requested.

Full-time and part-time inside employees shall be permitted to bring water jugs filled with water to their work area, provided the container is transparent and is subject to security checks upon entering and exiting the facility.

ARTICLE 59 – BREAKDOWNS AND IMPASSABLE HIGHWAYS

In any instance of breakdown or impassable highway which prevents an employee from proceeding to his destination (or, if instructed, from returning to his Center), the employee shall be paid for all time up to the time at which he arrives at a place of lodging with overtime payments, if appropriate. Once he has arrived at a

place of lodging, the employee shall be considered to be relieved from duty and he shall remain off duty until his regular starting time the next day or until called to duty, whichever occurs sooner. If more than one (1) day elapses before the employee is called to duty, he shall be paid not less than the daily minimum guarantee each twenty-four (24) hour period, such period to be measured from the employee's regular starting time each day until he returns to his Center or home. In addition, such an employee shall be furnished clean, comfortable, sanitary lodgings, plus meals. The meal allowance shall be twelve dollars (\$12.00) for breakfast, fifteen dollars (\$15.00) for lunch and twenty dollars (\$20.00) for supper.

ARTICLE 60 – AIR-CONDITIONING

All new tractor trailer feeder equipment placed in service shall be equipped with air-conditioning.

Road tractors manufactured during the years 1974, 1975, 1976, 1977, shall be retrofitted with air-conditioning during a time schedule mutually agreed to with the Company and Local Unions.

ARTICLE 61 – HEALTH AND WELFARE AND PENSION

Section 1 – Local Union No. 992 Health and Welfare

The Employer agrees to contribute to the Hagerstown Teamsters and Motor Carriers Welfare Fund as follows:

| | |
|----------------|---------------------|
| Effective | Per Employee |
| August 1, 2017 | \$1424.61 per month |

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2018 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

The Trust Agreement covering the Hagerstown Teamsters and Motor Carriers Welfare Fund shall be signed by the Employer and become a part of this Agreement.

If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for the period of three (3) months. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months.

Action for delinquent contributions may be instituted by either the Local Union, the Area Conference or the Trustees. Delinquent Employer must also pay all attorneys' fees and cost of collection.

Pension

The Employer agrees to continue contributions to the Hagerstown Motor Carriers and Teamsters Pension Plan as follows:

| | |
|----------------|---------------------|
| Effective | Per Employee |
| August 1, 2017 | \$2456.56 per month |

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2018 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

The Trust Agreement covering the Hagerstown Motor Carriers and Teamsters Pension Plan shall be signed by the Employer and become a part of this Agreement.

If the employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of three (3) months. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months.

Action for delinquent contributions may be instituted by either the Local Union, the Area Conference or the Trustees. Delinquent Employer must also pay all attorneys' fees and cost of collection.

Section 2 – Local Unions Nos. 61, 71, 391, 509 and 697 Health and Welfare

(a) The Employer's contribution increases to the Central States Southeast and Southwest Areas Health & Welfare Fund (CSH&W Fund) shall be increased twenty dollars (\$20.00) per week effective August 1, 2018, August 1, 2019 and August 1, 2020. The increases for August 1, 2021 and August 1, 2022 shall be determined based on Central States' cost.

By the execution of this Agreement, the Employer authorizes the Employer's Associations which are parties hereto to enter into appropriate health and welfare trust agreement necessary for the administration of such Fund and to designate the Employer Trustees under such agreement, hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such Trustees within the scope of their authority.

If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of four (4) weeks. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work;

however, such contributions shall not be paid for a period of more than twelve (12) months.

There shall be no deductions from equipment rental of owner operators by virtue of the contributions made to the health and welfare fund, regardless of whether the equipment rental is at the minimum rate or more and regardless of the manner of computation of owner-driver compensation. Contributions to the health and welfare fund must be made for each week on each regular or extra employee even though such employee may work only part-time under the provisions of this contract, including weeks where work is performed for the Employer but not under the provisions of this contract, and although contributions may be made for those weeks into some other health and welfare fund. Employees who work either temporarily or in cases of emergency under the terms of this contract shall not be covered by the provisions of this paragraph.

Notwithstanding anything herein contained, it is agreed that in the event the Employer is delinquent at the end of a period in the payment of his contribution to the health and welfare or pension fund or funds created under this Agreement, in accordance with the rules and regulations of the Trustees of such funds, the employees or their representatives, after the proper official of the Local Union shall have given a seventy-two (72) hour notice to the Employer of such delinquency in health and welfare and pension payments, shall have the right to take such action as they deem necessary until such delinquent payments are made and it is further agreed that in the event such action is taken the Employer shall be responsible to the employees for losses resulting therefrom.

Pension

(b) Jointly Trusteed UPS/IBT Full-Time Pension Fund: Locals 61, 71, 391, 509 and 697

The following provisions pertain to the UPS/IBT Full-Time Employee Pension Plan (hereinafter "UPS/IBT Plan") which was created for employees who participated in the Central States Southeast and Southwest Pension Fund ("CS Plan") and for future employees who would have participated in the CS Plan absent this agreement

who have one hour of service in Covered Employment on or after January 1, 2008.

(1) Effective January 1, 2008 the Employer and the Union established a new, single employer, jointly trustee and administered defined benefit plan within the meaning of 29 U.S.C. Section 302(c)(5) for full-time employees who under the prior agreement would have participated in the CS Plan. As of December 26, 2007, the Employer will cease to have an obligation to contribute to the CS Plan and will have no other obligation to provide such employees with future benefit accruals under the CS Plan.

(2) The benefit formula for current or future full-time employees who are participants in the UPS/IBT Plan will be as set forth below for each year of future service (hours worked in Covered Employment on or after the effective date) up to a maximum of thirty-five (35) years of Credited Service (such limitation is only applicable to service pensions). This benefit is unreduced if payable at Normal Retirement Age (age 65) and 5 years of vesting service or at age 62 with 20 years of Credited Service. Benefit payments may begin as early as Early Retirement Age (age 50 with five years of vesting service) and are reduced 6% per year for each year and partial year prior to Normal Retirement Age. There shall be no reduction or change in the level of benefits described herein unless negotiated and agreed to by the Union.

| Calendar Year Beginning | Monthly Benefit |
|-------------------------|-----------------|
| January 1, 2019 | \$175.00 |
| January 1, 2020 | \$175.00 |
| January 1, 2021 | \$175.00 |
| January 1, 2022 | \$175.00 |
| January 1, 2023 | \$175.00 |

(3) Eligible employees become participants on the first day of the month coincident with or immediately following the date the employee completes one year of service with 750 hours of service (upon becoming a participant, service credit will accrue beginning with the very first hour of service that had been performed when the participant began working in Covered Employment). Employees

already participants in the CS Plan at the date this plan is established will be immediately eligible to participate in the UPS/IBT Plan. No benefits are payable unless the participant has at least 5 years of vesting credit or has reached Normal Retirement Age while an employee. One (1) year of vesting credit is earned for each calendar year in which the participant works 750 or more hours. The Employer will grant vesting credit for those employees employed by the Employer before the effective date of the UPS/IBT Plan based on the employment records of the Employer or records of the CS Plan.

(4) Full-time employees will receive one (1) year of Credited Service for each 1801 paid hours in Covered Employment in a calendar year beginning on or after January 1, 2008. Employees will receive partial years of Credited Service in monthly increments (i.e., one month if employee worked 150 or more hours in Covered Employment in that month). For purposes of earning service credit for the service pensions only, full-time employees will receive one week of service credit if he has one (1) hour of service in Covered Employment. For service pensions only, if an employee has 0-19 weeks of service credit, he shall not receive any service credit for that calendar year. If he has 20-39 weeks of service credit, the amount of credit for that year will be equal to a fraction the numerator of which is the number of weeks of credit and the denominator is 40. If the employee has 40 weeks of service credit for that calendar year, he shall receive one year of service credit.

(5) The Employer will be responsible for funding the UPS/IBT Plan as required by applicable law.

(6) In addition to the normal benefit provided in paragraph (2) above, there shall be a service benefit payable after twenty (20), twenty-five (25), thirty (30) and thirty-five (35) years of full-time service. There is a twenty (20) year benefit for anyone who has reached age 50 and the amount will vary based on the person's age. There is a twenty-five (25) year service retirement benefit for anyone who has twenty-five years of service regardless of age, which shall be \$2000 per month if less than age 57 when benefits commence and \$2500 per month if at least age 57 when benefits commence. The benefit for a thirty (30) year service retirement shall be

\$3400 per month regardless of the age of the retiring employee. The benefit for a thirty-five (35) year service retirement shall be \$3900 per month regardless of the age of the retiring employee. The plan document shall specify the amounts for the 20 year service pension, eligibility criteria and how the benefits are calculated.

| Years of service Pension Credit | Age | Monthly Service Pension |
|------------------------------------|----------------------|--|
| 35 years | Any age | \$3,900 |
| 30 or more years | Any age | \$3,400 plus \$100/yr of service for years over 30 up to \$3,900 |
| 25 years | Any Age up to age 57 | \$2,000 |
| 25 years | 57 or older | \$2,500 plus \$100/yr of service for years over 25 up to \$3,500 maximum |

Effective January 1, 2020, the following enhancements will be implemented:

| | | |
|------------------|---------|--|
| 35 years | any age | \$4,300 |
| 30 or more years | any age | \$3,800 plus \$100/yr of service for years over 30 up to \$4,300 |

The UPS/IBT Plan will recognize full-time service in the CS Plan for determining eligibility for the benefits in this section and will offset at Normal Retirement Age the benefits accrued from the CS Plan commencing at Normal Retirement Age. If the benefit paid from the CS Plan is reduced as permitted or required by law, the amount of such reduction shall not be included in this offset.

(7) The UPS/IBT Plan will also provide eligible employees with a monthly disability benefit or lump sum disability benefit (based on age and years of service).

(8) The UPS/IBT Plan will be governed by the terms of the plan document and trust agreement, both of which are incorporated herein by reference. Any claims for benefits are subject to resolution solely through the UPS/IBT Plan administrative claims process.

(9) If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall ensure that the employee is credited with up to 190 hours of pension credit or four weeks of service pension credit (depending on the length of the absence). If an employee is injured on the job, the Employer shall ensure that the employee receives pension credit until such employee returns to work; however, such pension credit shall not exceed 1801 hours of service or 40 weeks of service pension credit (depending on the length of the absence).

Section 3 – Local Unions Nos. 22, 29, 171, 322 and 822 Health and Welfare

(a) Effective August 1, 2018, the Employer shall contribute to the Teamsters Joint Council No. 83 Health and Welfare Fund the sum of \$346.10 per week for each regular employee covered by this Agreement who is domiciled in the jurisdiction of Local Unions Nos. 22, 29, 171, 322 and 822.

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2019 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

(b) By the execution of this Agreement, the Employer agrees to enter into appropriate trust agreements necessary for the administration of such fund, and to designate the Employer Trustees under such agreement, hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such Trustees within the scope of their authority.

(c) If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall con-

tinue to make the required contributions for a period of four (4) weeks. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months.

(d) Contributions to the health and welfare fund must be made for each week on each regular or laid off regular employee who works at least one (1) day in that week under the provisions of this Agreement, including weeks where work is performed for the Employer but not under the provisions of this Agreement and although contributions may be made for those weeks into some other health and welfare fund.

(e) When a leave of absence is granted, the employee shall state, in writing, if he desires health and welfare coverage during the full period of the leave of absence. If he elects not to make payments direct to the trust office of the health and welfare fund, he shall have no coverage during the full period of the leave of absence.

If he elects in writing to be covered under the health and welfare fund, he shall make contributions direct to the trust office of the health and welfare fund weekly or monthly in accordance with the rules of the Trustees beginning with his leave of absence during the allowable period as provided by the rules of the Trustees. The Employer shall send a copy of the leave of absence to the trust office of the health and welfare fund as soon as it is granted.

Pension Fund

(f) Effective August 1, 2018, the Employer shall contribute to Teamsters Joint Council No. 83 Pension Fund the sum of \$589.60 per week for each regular employee covered by this Agreement who is domiciled in the jurisdiction of Local Unions Nos. 22, 29, 171, 322 and 822.

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2019 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental

Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

(g) By the execution of this Agreement, the Employer agrees to enter into appropriate trust agreements necessary for the administration of such fund, and to designate the Employer Trustees under such agreement, hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such Trustees within the scope of their authority.

(h) If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of four (4) weeks. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months.

(i) Contributions to the pension fund must be made for each week on each regular or laid off employee who works at least one (1) day in that week under the provisions of this Agreement, including weeks where work is performed for the Employer but not under the provisions of this Agreement and although contributions may be made for those weeks into some other pension fund.

Employees who work either temporarily or in cases of emergency under the terms of this Agreement shall not be covered by the provisions of this paragraph.

Section 4 – Local Union No. 639 Health and Welfare

Effective August 1, 2018 the Employer shall contribute to the Teamsters 639 Employers Health Trust Fund the sum of \$6.95 per hour for each hour worked by each employee.

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2019 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

By the execution of this Agreement, the Employer, party to this Agreement, agrees to enter into appropriate trust agreements necessary for the administration of such fund and to designate the Employer Trustees under such agreement, hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such trustees within the scope of their authority.

If a regular full-time employee is absent because of illness or off the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions on the basis of a forty (40) hour week for a period of four (4) weeks. If a regular full-time employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months. If a regular full-time employee is granted a leave of absence the Employer shall collect from said employee, prior to the leave of absence being effective, sufficient monies to pay the required contributions into the health and welfare fund during the period of absence.

There shall be no deduction from equipment rental of owner operators by virtue of the contributions made to the health and welfare fund, regardless of whether the equipment rental is at the minimum rate or more and regardless of the manner of computation of owner-driver compensation.

Contributions to the health and welfare fund must be made in accordance with each Trust Agreement on each regular or extra em-

ployee, even though such employee may work only part-time under the provisions of this contract, including weeks where work is performed for the Employer but not under the provisions of this contract and although contributions may be made for those weeks into some other health and welfare fund.

The Employer shall continue to make payments to the health and welfare fund of Drivers, Chauffeurs and Helpers, Local 639, for the life of this Agreement.

Pension

Effective August 1, 2018, the Employer shall contribute to the Teamsters 639-Employers Pension Trust Fund the sum of \$657.80 per week on each regular full-time employee.

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2019 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

There shall be no other Pension Funds under this contract for operations under this contract.

By the execution of this Agreement, the Employer party to this Agreement agrees to enter into appropriate trust agreements necessary for the administration of such funds and to designate the Employer Trustees under such agreement, hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such Trustees within the scope of their authority.

If a regular full-time employee is absent because of illness or off the job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a peri-

od of four (4) weeks. If a regular full-time employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months. If a regular full-time employee is granted a leave of absence, the Employer shall collect from said employee prior to the leave of absence being effective, sufficient monies to pay the required contributions into the pension fund during the period of absence.

There shall be no deduction from equipment rental of owner operators by virtue of the contributions made to the pension fund, regardless of whether the equipment rental is at the minimum rate or more and regardless of the manner of computation of owner driver compensation.

Contributions to the pension fund must be made for each week on each regular or extra employee, even though such employee may work only part-time under the provisions of this contract, including weeks where work is performed for the Employer but not under the provisions of this contract, and although contributions may be made for those weeks into some other pension fund.

Section 5 – Local Union No. 453-Health and Welfare

The Employer agrees to contribute to the Western Pennsylvania Teamsters and Employers Welfare Fund, as follows:

| | |
|----------------|---------------------|
| Effective | Per Employee |
| August 1, 2017 | \$1676.43 per month |

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2018 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

The Trust Agreement covering the Western Pennsylvania Teamsters and Employers Welfare Fund shall be signed by the Employer and become a part of this Agreement.

If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contribution for a period of three (3) months. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months. Action for delinquent contributions may be instituted by either the Local Union, the Area Conference or the Trustees. Delinquent Employer must also pay all attorneys' fees and cost of collection.

Pension

The Employer agrees to continue contributions to the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as follows:

| | |
|----------------|---------------------|
| Effective | Per Employee |
| August 1, 2017 | \$2308.65 per month |

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2018 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

The Trust Agreement covering the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund shall be signed by the Employer and become a part of this Agreement.

If the employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall con-

tinue to make the required contributions for a period of three (3) months. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months.

Action for delinquent contributions may be instituted by either the Local Union, the Area Conference or the Trustees. Delinquent Employer must also pay the attorneys' fees and cost of collection.

Section 6 – Local Union No. 175 Health and Welfare

Effective August 1, 2018, the Employer agrees to contribute the sum of \$2005.02 per month to the Employer-Teamsters Local Union Nos. 175 and 505 Health and Welfare Fund for all regular employees covered by this Agreement and on the payroll of the Employer for thirty (30) days or more for an insurance program to be administered jointly by the Employer and Unions in compliance with all applicable State and Federal laws and regulations. Premiums shall be paid on every qualified employee who has worked thirty (30) or more days and is on the seniority list, provided such employee shall work five (5) days per month or is on paid vacation. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions need not be paid for a period of more than twelve (12) months.

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2019 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of four (4) weeks.

If an employee is granted a leave of absence, the Employer shall collect from said employee, prior to the leave of absence being effective, sufficient monies to pay the required contributions to the health and welfare fund during the period of absence.

Contributions to the Employer-Teamsters Local Union Nos. 175 and 505 Health and Welfare Fund must be made monthly on each regular employee as provided herein; however, if the employee is covered under another fund by Union contract, the Employer shall not be required to pay twice on the same employee for the same month.

Pension

Effective August 1, 2018, the Employer agrees to contribute the sum of \$2049.69 per month to the Employer-Teamsters Local Union Nos. 175 and 505 Pension Fund for all regular employees covered by this Agreement who have been on the payroll thirty (30) days or more for a pension program to be administered jointly by the Employer and Unions in compliance with all applicable State and Federal Laws and regulations. Premiums shall be paid on every qualified employee who has worked thirty (30) days or more and is on the seniority list provided such employee shall work five (5) days per month or is on paid vacation.

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2019 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

Compliance with this provision shall supersede the Employer's obligation to the Union to continue any like program provided at this time by the Employer for employees covered by this Agreement, further provided that no employee shall forfeit his accrued interest in any pension or bonus plan in which he is participating now or at

the time this Article becomes effective. There shall be no other pension fund under this Agreement for operations under this Agreement.

If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of four (4) weeks.

If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions need not be paid for a period of more than twelve (12) months. If an employee is granted a leave of absence, the Employer shall collect from said employee, prior to the leave of absence being effective, sufficient monies to pay the required contributions into the pension fund during the period of absence.

Contributions to the Employer-Teamsters Local Union Nos. 175 and 505 Pension Fund must be made monthly on each regular employee as provided herein; however, if the employee is covered under another fund by Union contract, the Employer shall not be required to pay twice on the same employee for the same month.

By the execution of this Agreement, the Employer authorizes the Employers' Associations which are parties hereto to enter into appropriate trust agreements necessary for the administration of such fund, and to designate the Employer Trustees under such agreement, hereby waiving all notice thereof and ratifying all actions already taken, or to be taken, by all such Trustees within the scope of their authority.

Section 7 – Local Union No. 355 Health and Welfare and Pension

Effective August 1, 2018 the Employer shall continue to pay into the health and welfare fund the amount of \$2.22 per hour for each straight time hour or fraction thereof paid to each employee covered by this Agreement or by subsequent collective bargaining agreements between the parties hereto, up to but not in excess of fifty (50) straight time hours in any one workweek in the case of each employee.

Effective August 1, 2017, the Employer shall contribute \$232.80 per week for each employee covered by this Agreement or subsequent collective bargaining agreements who shall receive pay during that week. Effective August 1, 2018, August 1, 2019, August 1, 2020, August 1, 2021, August 1, 2022, increases to the health and welfare fund shall be allocated to the above weekly contributions rate. Should an increase allocated by the Joint National Negotiating Committee be based on an hourly basis, said figure shall be multiplied by forty (40) hours and added appropriately to the weekly contribution rate.

Effective August 1, 2017, the Employer agrees to pay into the pension fund the amount of \$14.40 per hour for each straight time hour or fraction thereof paid to each employee covered by this Agreement or by subsequent collective bargaining agreements between the parties hereto, up to but not in excess of forty (40) straight time hours in any one workweek in the case of each employee.

It is understood that the Union shall determine during the life of this Agreement whether to apply future increases to health and welfare fund or pension fund.

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2018 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to the approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

Eastern Shore Teamsters – Health & Welfare

Effective August 1, 2018, the Employer will contribute to the Eastern Shore Teamsters Health and Welfare Fund, Salisbury, Maryland, \$9.95 per hour for each employee covered by this Agreement, not to exceed forty (40) straight-time hours in any week for each employee.

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2018 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Eastern Shore Teamsters – Pension

Effective August 1, 2018, the Employer shall contribute to the Eastern Shore Teamsters Pension Fund, Salisbury, Maryland, the sum of \$533.00 per week on each regular full-time employee.

Employer contributions to the Health and Welfare and Pension shall be increased a total of one dollar (\$1.00) per hour on August 1, 2018 and on each subsequent August 1st during the life of the contract. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.

Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

There shall be no other Pension Funds under this contract for operations under this contract.

By the execution of this Agreement, the Employer party to this Agreement agrees to enter into appropriate trust agreements necessary for the administration of such funds and to designate the Employer Trustees under such agreement, hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such Trustees within the scope of their authority.

If a regular full-time employee is absent because of illness or off the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of four (4) weeks.

If a regular full-time employee is injured on the job, the Employer shall continue to pay the required contributions until such em-

ployee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months. If a regular full-time employee is granted a leave of absence, the Employer shall collect from said employee, prior to the leave of absence being effective, sufficient monies to pay the required contributions into the pension fund during the period of absence.

There shall be no deduction from equipment rental of owner operators by virtue of the contributions made to the pension fund, regardless of whether the equipment rental is at the minimum rate or more and regardless of the manner of computation of owner driver compensation.

Contributions to the pension fund must be made for each week on each regular or extra employee, even though such employee may work only part-time under the provisions of this contract, including weeks where work is performed for the Employer but not under the provisions of this contract, and although contributions may be made for those weeks into some other pension fund.

Section 8

Disputes or questions of interpretation concerning the requirement to make contributions on behalf of particular employees or classifications of employees must be submitted directly to the Conference Joint Area Committee by either the Local Union or the Trustees. In the event of such disputes or questions, the Company shall not be deemed to be delinquent, while the matter is being considered, but if the Conference Joint Area Committee, by majority vote, determines that contributions are required, the Company shall pay to the Trust Fund the amounts due together with any other charges uniformly applicable to past due contributors. The Conference Joint Area Committee may also determine whether the Company's claim was bona fide. In the event that the Conference Joint Area Committee is deadlocked, the matter shall be resolved by the National Grievance Committee. Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

ARTICLE 62
TEAMSTER LOCAL UNIONS
61, 71, 175, 391, 453, 509 AND 697

This Article of the Atlantic Area Supplement to the National Master United Parcel Agreement for the period August 1, 2018 to July 31, 2023, shall apply exclusively to all maintenance employees in the classifications listed in Section 7 below, who are employed in the States of West Virginia and the Cumberland, Maryland Area, North Carolina and South Carolina. Except as otherwise provided herein, the provisions of the National Master United Parcel Service Agreement and the Atlantic Area Supplement thereto shall apply to said employees.

Section 1 – Apprenticeship Program

The Company will establish an apprenticeship program approved by National Automotive.

The apprenticeship program will be designed to allow the apprentice to work and train for the purpose of developing journeyman skills.

It is agreed that not more than one (1) apprentice be employed in a shop where there is one (1) journeyman and one (1) additional apprentice be employed for each five (5) journeymen thereafter.

No apprentice may work if a journeyman mechanic is laid off in the same building.

Should a maintenance employee be laid off from his classification of work he has the option to enter into the apprentice program at the apprentice program rate of pay, at the next apprentice opening.

Should work once again be available in his classification he must return to that work.

Prior to the Company implementing an apprenticeship job, the job will be offered by seniority to those employees in the trailer shop

classifications. The following wage progression schedule shall cover all employees on the apprenticeship program:

Percent of Current Rate

- First six months of employment – 60%
- Second six months of employment – 70%
- Third six months of employment – 80%
- Fourth six months of employment – 90%

Upon attaining Journeyman status or twenty-four (24) months of employment – 100%

The Company will review the apprenticeship training program with the Local Union before implementation.

The current rate is the wage rate in the job classification then being paid.

Section 2 – Tools

(a) The Employer shall furnish all cutting tools such as files, hacksaw blades, electric drills, drills, reamers, creepers, drop cords and all special tools.

(b) Employees shall be required to furnish their own hand tools (those tools up to and including one (1) inch in size) if they are employed to perform work that requires use of same.

Section 3 – Call-in Time

Maintenance employees in the classifications listed in Section 7 below shall be guaranteed four (4) hours pay at the applicable overtime rate when called back to work after completing their regular workday and having left the Company property.

Section 4 – Temporary Assignments

When the Employer requires the temporary assignment to another location of an employee in the classifications listed in Section 7 below, the assignment will be offered in seniority order to those

employees available and qualified to perform the work. The temporary transfers will be limited to the Local Union area within the district. If no one elects to fill the temporary assignment, the least senior qualified employee will be required to fill it.

The Employer agrees to pay reasonable costs for meals, lodging and travel for the duration of the temporary assignment.

Section 5 – Seniority

(a) Within thirty (30) days after signing of this Agreement, and at least quarterly thereafter, the Employer agrees to post an updated seniority list in each center for each maintenance classification within that center and a copy furnished to the Local Union. Claims for corrections to such seniority lists must be made to the Employer and the Local Union within thirty (30) days after such posting, and after such time the seniority list will be regarded as correct.

(b) All maintenance employees will be required to remain in the maintenance classifications and will not be permitted to bid on job openings outside these classifications.

(c) In case of promotion or layoff of employees covered by this Supplement, seniority and ability to perform the available work shall prevail only within the maintenance classifications, except as specified in Section 5(d).

(d) When on layoff, full-time seniority employees in the order of their seniority may elect to take the work of part-time employees, if any, for the duration of the layoff, provided the full-time employee has more Company seniority than the part-time employee being displaced, but will be required to be qualified and will receive the part-time rate as an employee with equivalent seniority.

(e) The Employer agrees to allow a laid off employee from any of the maintenance classifications listed in Section 7 below to fill a full-time vacancy or new job in classifications listed in the Atlantic Area Supplement before hiring a new employee for that job. In the event of the above, the following conditions will apply:

1. The employee must indicate his intentions to the Employer and the Union in writing, within seven (7) days after the layoff.
2. The Employer will offer such job only once; if the employee declines it, he will remain on layoff.
3. The job must be within the same location.
4. The layoff must exceed thirty (30) working days.
5. The employee will have thirty (30) working days to qualify in the new job, after which he will be placed on the seniority list with the date on which he started working in the new classification.
6. The employee will retain Company seniority only for those benefits based on length of service such as health and welfare, pension and length of vacation.
7. The employee shall have the option to return to his previous job if it becomes available within twelve (12) months of the date of layoff.

(f) Whenever a vacancy occurs within the maintenance classification within the Local Union's jurisdiction, maintenance employees within the Local Union area shall be permitted to move to that center to fill such vacancy before maintenance employees are hired from outside sources.

Job vacancies shall not be filled by apprentice employees until the job has been bid to other qualified maintenance employees in the Local Union jurisdiction. This bid shall include qualified trailer shop employees.

After the language above has been exhausted, and on a two (2) for one (1) basis or by mutual agreement, part-time employees who possess the necessary skills and qualifications required by the Company (including possessing a valid CDL license), will be given the opportunity to fill open vacancies prior to hiring from outside sources.

To be considered for a position, part-time employees with six (6) months or more seniority on a yearly basis, must submit in writing to the Company and the Local Union expressing his/her desire to qualify for a position in their building. The vacancy will be awarded to the senior part-time employee.

The part-time employee that is awarded the vacancy is subject to the language as outlined in Article 63 Section 5.

(g) In the event of changes of starting times exceeding one (1) hour, employees in the classification in the order of their overall seniority within the operating center, shall be permitted to select such jobs. In the event that no employee within the classification elects to fill the new starting time the least senior employee in that classification will be required to fill the new starting time. In the event an employee elects to select such starting time and this results in a starting time where there is again a spread of over one (1) hour the same procedure shall be followed.

Starting time changes exceeding one (1) hour in November and December shall not be subject to the job bidding procedure. If the new starting times become permanent they shall be posted for bid during January.

(h) Maintenance start time bids shall include required job qualifications, i.e., CDL, etc. All bids will be written and will be posted at one designated location in each building.

(i) Maintenance employees shall be covered by Article 67 upon loss of driving license.

(j) If a mechanic loses his or her DOT card, the following language shall apply:

If the mechanic is actively pursuing a waiver/exemption with the DOT, and there is a reasonable expectation that it will be granted, the employee may work inside pursuant to this section. The mechanic will be afforded the opportunity to displace the least senior full-time or part-time inside employee outside the maintenance

classification, in his location, at such work until he/she can return to his/her mechanic position. This opportunity will only be afforded to a mechanic that is considered physically fit and qualified to perform the inside jobs. While performing the inside work, the mechanic will be paid the part-time rate as an employee with equivalent seniority. If no full-time position is available, the Employer will meet with the Local Union to develop a full-time position, if possible out of available work.

Section 6

The Company shall be responsible for replacing employee's personal tools, which he is required by the Company to furnish himself, if such personal tools are lost due to proven theft or by fire or destruction. The Company's liability shall not exceed the actual replacement of the tool lost or the replacement cost of that tool lost or destroyed. Employees shall cooperate in safeguarding their personal tools. Each employee must furnish the Company with a complete inventory of his personal tools, subject to verification by the Company and must keep each inventory current. The employee must keep a copy of such inventory for his own protection.

All Company shop facilities shall be equipped with safety equipment as prescribed by current law relating to safety and health regulations of employees.

Section 7

| Classifications | 8/1/18 | 8/1/19 | 8/1/20 | 8/1/21 | 8/1/22 |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| Automotive Mechanic | | | | | |
| Plant Maintenance | \$37.49 | \$38.24 | \$39.04 | \$39.94 | \$40.94 |
| Mechanic | | | | | |
| (Any Combination of Above) | \$37.49 | \$38.24 | \$39.04 | \$39.94 | \$40.94 |
| Partsman | \$36.79 | \$37.54 | \$38.34 | \$39.24 | \$40.24 |

The progression for employees entering a mechanic position after ratification of this agreement will follow Article 41 of the National Master Agreement.

Full-time employees still in progression on the effective date of the Master Agreement shall receive the above contractual increases and will be paid no less than what they are entitled to in accordance with Article 41.

The top rate is the wage rate in the job classification then being paid.

Journeyman maintenance and automotive mechanics shall receive the “Doubles Rate” of Pay.

Section 8

The workweek shall be five (5) consecutive days of eight (8) hours each or, by mutual agreement between the Company and the Union, mechanics may work four (4) days of ten (10) hours each, and the hours of labor each day shall be worked in uninterrupted succession.

LETTER OF UNDERSTANDING

For the purpose of creating and preserving work opportunities within the bargaining unit relative to trailer maintenance and repair, the following understanding has been agreed to between the Teamsters Local 391 and United Parcel Service, hereinafter referred to as “the parties”.

1. The Greensboro, N.C. Trailer Repair Shop and the employees employed in the classification of Trailer Repair employee and Utility employee, full-time and part-time will be covered under Article 39 of the National Master Agreement.
2. Employees hired into the Trailer Repair Shop shall work as assigned on any and all duties related to trailer maintenance and repair. They shall be restricted, however, from performing work on power units. These employees shall be listed on separate seniority lists, identified as Trailer Repair employee, and Utility employee, full-time and part-time.
3. The rates of pay and all other provisions in Article 39 of the National Master Agreement will apply to the Greensboro, N.C. Trailer Repair Shop except as noted below.

(a) Employees hired into the Trailer Repair and Utility classification shall receive the appropriate percentage of any negotiated increase to the top automotive mechanic rate on the date the increase is effective in accordance with the Atlantic Area Supplement.

(b) Employees gaining seniority within the Trailer Repair and Utility classification will be required to remain in the Trailer Repair and Utility classification and will not be permitted to bid on job openings outside the Trailer Repair and Utility classification, and in case of layoff will not be able to exercise their seniority outside this classification except as provided in 3(c) and 3(d) below.

(c) When apprentice openings occur in the Automotive Mechanic classification, the Company shall before going to the outside, offer these openings in seniority order to the employees in the Trailer Repair classification. When openings occur in the Trailer Repair classification the Company shall, before going to the outside offer these openings in seniority order to the employees in the Utility classification.

When “journeyman mechanic” openings occur in the Greensboro automotive mechanic classification, the company shall offer these openings in seniority order to the employees in the trailer repair classification provided they meet the journeyman requirements of a new hire which include but are not limited to:

1. Having a valid CDL license
2. Being capable of repairing, maintaining and rebuilding all parts of automotive equipment while using the proper methods and procedures
3. Satisfactorily complete all required certifications.

(d) The automotive mechanic who elected to move into the Trailer Repair classification when the Greensboro trailer shop was created shall:

- (1) Be compensated at the rate of pay as specified for automotive mechanics in the Atlantic Area Supplement.

(2) Be allowed to bid within the Automotive Mechanics classification. However, once such an employee bids out of the Trailer Repair classification, he shall not be allowed to bid back in at any future date.

(3) The Company shall make Health & Welfare and Pension contributions on behalf of all full-time employees who gain seniority within the Trailer Repair and Utility classification in accordance with the Atlantic Area Supplement.

(4) The employees in the Trailer Repair and Utility classification shall enjoy all negotiated benefits relative to vacations, holidays and sick days as listed in the Atlantic Area Supplement.

(5) It is understood that grievances involving issues covered by this Letter of Understanding shall be resolved by the parties at the district local level. Any unresolved disputes not covered by this Letter of Understanding shall be referred to the appropriate grievance procedure as specified by the Atlantic Area Supplement.

(6) This understanding shall remain in effect from contract to contract until renegotiated by the parties signatory to this Letter of Understanding, or their successors.

L. W. Reeder
Union

Hershel Fitzgerald
Company

ARTICLE 63 – PART-TIME EMPLOYEES

Section 1

Part-time employees are defined as employees who, when reporting to work as scheduled, shall be guaranteed a minimum of three and one-half (3-1/2) hours. Part-time employees may be worked any period Sunday through Saturday. Part-time employees who work a sixth day shall be paid at the straight time rate. Part-time employees working in any part-time classification over five (5) hours in any shift or combination of shifts will receive overtime after five (5) hours, and/or for all hours of work in excess of thirty (30) hours in

a week. This will not include part-time employees working as temporary cover drivers, helpers, or part-timers covered under Article 40 of the National Master Agreement. Double time (2) shall be paid when the employee works a seventh (7th) day.

Part-time employees will not be permitted to do delivery driving, feeder driving or tractor-trailer driving work except as otherwise provided in this Agreement. Part-time employees will be permitted to move vehicles within the confines of the Employer's property only for the purpose of avoiding delay in their work except when unassigned drivers are available in the building.

Where part-time employees are used in the car wash classification, they will be permitted to drive equipment to and from the car wash.

Employees shall be given the opportunity in the order of their seniority to perform extra work available after the completion of their day's work provided that such employees are present, available, and qualified at such time as the work is to be performed. In no event, may employees displace other employees who have not completed their assignment.

The Company will recognize seniority within the work group when it becomes necessary to temporarily move part-time employees to another area. Employees must be qualified to perform the work.

Section 2 – Part-Time Employees (Regular Temporary Package Drivers)

Seniority part-time employees may work as full-time regular temporary package drivers.

1. The Company agrees that regular temporary package drivers will be used to cover absentees, vacations, time off due to injuries, and long term illness in the package classification provided they meet all Company required qualifications and training.
2. The rate of pay for this job will be determined by the progression rate of pay as listed in the wage schedule. The starting percentage will be seventy-five percent (75%). Part-time employees hired

prior to July 1, 1982 shall be slotted into the progression at their present red-circled rate of pay.

3. When reporting for work as a regular temporary package driver, the employee shall be guaranteed eight (8) hours pay, as outlined in Article 52, Section 2. While working as a regular temporary package driver, employees will go through the wage progression outlined in this Agreement. Regular temporary package drivers who may work one (1) day in a week will be given a full week's credit towards progression. If the employee subsequently gets a regular full-time opportunity and is still in progression, the employee will slot in at his part-time rate or will continue in progression, whichever is greater.

Regular temporary package drivers will continue to receive all benefits provided for them under the Labor Agreement including part-time Health, Welfare and Pension payments.

4. The number of regular temporary package drivers will be determined in each center based upon previously listed considerations – the list will be offered to part-time employees in seniority order provided they meet entrance requirements (i.e., licenses, medical, etc.).

5. Any employee who completes the thirty (30) day qualifying period as a regular temporary package driver will not have to complete another probationary period when he/she accepts a full-time driving job. If that employee accepts a regular job prior to completing the probationary period, he/she will only have to complete the remaining portion of the thirty (30) day period.

6. Once the employees qualify, they will be assigned to a specific center for work opportunities.

a. When it becomes necessary to reduce the work force the least senior employee on the regular temporary package driver list shall be laid off first. In a building where there are two or more package centers, the affected regular temporary package driver may displace the least senior regular temporary package driver in the building.

b. A regular temporary package driver after following 6(a) provisions, not assigned to work as a regular temporary package driver

on a given day, will be offered work on that day as a part-time employee. When work no longer exists (ten (10) working days) in the center for regular temporary package drivers, they will immediately revert back to their part-time center with all part-time seniority, including any part-time bid jobs they held under Article 40.

7. It is agreed that regular temporary package drivers will not be used if full-time seniority employees in the package classification are on layoff status. Regular temporary package drivers will be used before hiring from the outside.

8. Regular temporary package drivers will be used June 1st through the second full week of January with the following guidelines:

a. Time worked is to replace or augment regular employees for the reasons stated above.

b. Time worked June 1st through the second full week of January will not be used in accruing full-time seniority status.

c. All regular temporary package drivers who are qualified or in the process of being qualified will be offered work opportunities before any employee is hired off the street for this work. The Company will post the necessary regular temporary driver list by October 30th of each year for the anticipated package driver hires for peak season.

d. A regular temporary package driver will be used to replace a full-time seniority employee or as a non-replacement. If a regular temporary package driver is used for any reason, other than replacing a seniority employee (excluding November and December) and a total of thirty (30) days are worked out of a ninety (90) day period, the Company shall add a full-time job, as outlined in this Agreement. The normal six (6) for one (1) process will not be disturbed by this full-time job.

(1) The definition of non-replacement status is defined as: When the number of employees worked exceeds the number of employees who have bid areas.

(2) The Company will be obligated on a six (6) month basis to send to each Local a record of the use of regular temporary package drivers.

e. After ratification, regular temporary package drivers working in excess of one (1) year, either singularly or in combination, covering for a specific person out for either compensation or disability, will in itself create another full-time opening in that classification and will be bid under the appropriate Article.

Section 3 – Full-Time Inside Vacation Coverage

Vacations for full-time inside employees shall be covered by qualified part-time employees. Selection for this work shall be made by seniority within each building. When reporting for work each employee shall be guaranteed eight (8) hours at the appropriate full-time progression rate of pay for the classification of work being performed. Employees whose current part-time wage rate is greater than the appropriate progression rate of pay shall receive such rate until the progression rate of pay exceeds the current part-time rate of pay. These employees will continue to receive all current part-time benefits including health and welfare and pension benefits.

Section 4 – Part-Time Package Driver Helpers

Part-time driver helpers may be used between November 1st through the second full week of January of any calendar year, during periods of weather emergencies or volume peaks, and at customers' locations where the customer and/or another carrier is loading or unloading the packages, providing the Local Union is contacted to explain the reason for and the expected duration. No tractor-trailer driver will be laid off or displaced from the tractor trailer classification as a result of this. The Company will use part-time employees to fill part-time helper jobs and will not hire part-time helpers off the street until all seniority part-time requests for this work are honored. The part-time helper work will be awarded in seniority order providing that this work would not interfere with their regular scheduled duties for the work day.

Package driver helpers shall be guaranteed three (3) hours per day, provided they report at their helper scheduled start time.

Not more than one (1) helper will work from a vehicle with a driver at any one time. The helper must deliver or pickup packages only in conjunction with the drivers they are assigned to while on duty.

A helper will normally not be required to work a split shift of helper work. There may, however, be occasions when an employee may work more than one shift as a helper in a twenty-four (24) hour period.

This work will be offered in conjunction with the seniority part-timers present job responsibilities. The Company will keep the total hours worked to around eight (8) hours daily. Should there be occasions where the combined hours exceed eight (8) hours (excluding November and December), overtime will be paid on all hours worked in excess of eight (8) hours in that day. The employee will be required and allowed to perform his/her regular job assignment. In November and December overtime will be paid when the total hours exceed forty (40) hours. Overtime will be computed at the helper rate.

If a helper is scheduled to meet a driver and the driver is late at the scheduled meet point, the helper hours will commence from the scheduled time of the meet.

Air employees will be permitted to work as helpers provided the helper work schedule does not interfere with their present job responsibilities. The employee will be required and allowed to perform their regular job assignment. The Company will keep the total hours worked to around eight (8) hours daily. In normal situations, an employee will not be allowed to work more than two (2) shifts during a work day.

Section 5 – Part-Time Employees Transferring to Full-Time Jobs

After the completion of the Atlantic Area job selection procedures, the resulting opening will be filled as follows:

The permanent new job or permanent vacancy resulting from the procedure outlined above will be posted for a period of five (5) days. Part-time employees with six (6) months or more seniority may bid on a full-time opening in their building in all months, except November and December, providing they meet the same requirements as applicants for that full-time job. The job will be awarded to the senior bidding part-time employee.

A. The employee awarded the job must satisfactorily complete a thirty (30) working day training period. A part-timer who disqualifies himself cannot come out again for two (2) years. If the Company disqualifies him, he can come out one (1) year later in an attempt to qualify, if job is available. The above procedure will be applied on an alternating, six (6) for one (1) basis (e.g., for every seven (7) jobs, six (6) will be filled as outlined above and the other from applicants from other sources).

B. In locations where no Local Agreement exists, the following language shall apply: By mutual agreement between the Company and the Union, any part-time employee who meets the Company's criteria, may request the opportunity to qualify for a full-time position in another building within the Local Union's jurisdiction, only after the part-time seniority employees in that building have been offered the opportunity.

To be considered, the part-time employee, on a yearly basis, must submit in writing a letter to the Union and Company expressing their desire to qualify for a full-time position in another building.

After agreement by the Company and the Union, the most senior part-time employee will be provided the opportunity to qualify for the full-time position. If the part-time employee elects to disqualify himself/herself, or is disqualified by the Company, he/she will not be provided another opportunity outside their home building for minimum of two (2) years or until all other part-time employees who have expressed a desire to move to another building within the Local Union's jurisdiction have been provided the opportunity. In order to come out for new job opportunities in the classification for which they were disqualified with his/her original center, the employee must wait one (1) year if disqualified by the Company and two (2) years if the employee disqualified themselves.

This language is not intended to diminish either parties rights as outlined in Article 22.4 of the National Master Agreement or Article of the Atlantic Area Supplemental Agreement.

C. Part-time employees successfully transferring to full-time jobs will be considered as newly hired full-time employees and will be

added to the appropriate seniority list. Their seniority date will be the day of the transfer. Such employee shall be entitled to take all earned sick days and personal holidays and will be paid at the rate of pay in the classification when earned. At the employee's option and/or request he/she may be paid for all days due. If in progression such employees will be entitled to follow the progression as it pertains to sick days, personal holidays and holidays as outlined in the Agreement. An employee who has completed the progression rate and transfers to a full-time position will not be required to go through progression again.

For vacation and retirement purposes, the employee shall receive additional seniority credit equal to all time worked as a part-time employee.

Section 6 – Part-Time Job Selection Procedure

Part-time employees will work off the part-time employee seniority list at each center.

The Employer will fill all vacancies and permanent new jobs for part-time employees from the part-time selection list in all months except November and December.

Qualified part-time employees with six (6) months or more of seniority may select permanent vacancies and new permanent jobs on any shift in the same building in all months except November and December including preferred jobs on their own or another shift. Such preferred jobs shall include, but not be limited to, part-time jobs such as: Preload, Sorter, Clerical, Irregular Train, Hazmat First Responder, Carwasher, Loader and Unloader. A permanent new job for the purpose of this Article shall be one that has been in existence for a period of thirty (30) days.

Pending the job becoming permanent and the operation of the job selection procedure, management shall have the right to assign any employee to perform the work on a temporary basis. This job selection procedure shall be limited to three (3) moves – the original opening and two (2) others. The Company will fill the fourth (4th) opening.

Part-time employees with six (6) months or more seniority shall have the right to place their name on the list of employees waiting to be moved to a preferred job within their building. Such preferred jobs shall include, but not be limited to: Preload, Sorter, Clerical, Irregular Train, Designated Responder, Carwasher, Loader and Unloader. Employees do not have the right to select any specific unit, load or work station unless a prior past practice has been established.

Employees do not have the right to select any specific unit, load or work station unless specifically provided in the applicable Supplement, Rider or Addendum or an established practice thereunder.

All eligible qualified part-time employees shall be afforded the opportunity to put their name on the list of qualified employees waiting to be moved to a different shift or an upgrade classification.

The car wash classification shall be considered a separate classification for bidding purposes. Each shift will have a separate list by classifications. An eligible qualified part-time employee may sign their name and seniority date to any and all lists, but will be limited to three (3) moves per year. The jobs will be awarded in seniority order, on the Monday following the permanent vacancy or the job being declared permanent in accordance with the limitation described in the preceding paragraph. Employees who fail to qualify or refuse an opening may remain on the list for future openings. Employees desiring to move to sorter and preload jobs must be pre-qualified for that job.

Up to fifty percent (50%) of the preloaders in any preload operation shall be allowed to change their classification in any twelve (12) month period for any reason.

When the job selection procedure is applied and the result of this procedure is causing a disruption of the operation, the Local Union and the District Manager will immediately meet to work out a proper method to resolve the problem. If they fail to do so, the matter will be immediately referred to the Director of the Parcel and Small Package Trade Division or his designee and the appropriate UPS Vice President party to this Agreement, or his designee, to resolve the matter.

Section 7 – Reduction in Work Force

After a one (1) day layoff, part-time employees who are removed from their jobs as a result of a reduction in the work force may elect to displace the most junior part-time employees in the building if qualified.

Section 8

After following the Atlantic Area reduction of force procedure, the following shall apply:

After a one (1) day layoff, full-time seniority employees who may be subject to layoff may in the order of their seniority elect to take the work of part-time employees, if any, for the duration of the layoff provided the full-time employee has more Company seniority than the part-time employee being displaced.

In such case, the employee will be provided with eight (8) continuous hours of work (unless otherwise mutually agreed to by the Company and the Union) at the appropriate rate for the classification of work performed, except that:

- A. If the laid off employee displaces a part-time employee and continues to perform the same work as his full-time assignment, he will continue to receive his regular wage rate.
- B. If in the building there is a part-time employee receiving a higher wage rate than the rate of the displaced part-time employee(s), the full-time employee will receive such higher rate. However, if as a result of C below, another laid off employee receives more than the employee covered herein, this employee will receive the same rate as the employee covered in C.
- C. Employee(s) in progression will continue to receive their regular rate of pay.
- D. The two (2) most junior employees in each center hired after ratification will be guaranteed eight (8) hours per day which may or may not be continuous.

The provisions of this Section shall not apply:

1. During the first three (3) days of emergencies beyond the Employer's control such as fire, flood, snow storm, power failure, T.O.F.C. delays.
2. During strikes against UPS or other companies which require a reduction of the work force.

Section 9 – Wages

A. Part-Time Employees

All part-time employees who have attained seniority as of August 1, 2018 will receive the following general wage increases for each contract year but will in no case receive less than the hourly start rate specified on August 1st 2018-2022 as set forth in (b) below. The total wage increase for each year will be as follows:

| | |
|------|-----------------------------|
| 2018 | seventy cents (\$0.70) |
| 2019 | seventy-five cents (\$0.75) |
| 2020 | eighty cents (\$0.80) |
| 2021 | ninety cents (\$0.90) |
| 2022 | one dollar (\$1.00) |

B. Newly hired Part-Time Employees

In recognition of the fact that all of the Company's part-time jobs require skills and to eliminate the two (2) tier progression existing in prior contracts, the parties have agreed to establish on uniform hourly rate for part-time employees who would have been subject to a progression. As such, all part-time employees, who are hired or reach seniority after August 1, 2018, will be paid according to the following wage schedules:

| | |
|----------------|---------|
| August 1, 2018 | \$13.00 |
| August 1, 2019 | \$14.00 |
| August 1, 2020 | \$14.50 |
| August 1, 2021 | \$15.00 |
| August 1, 2022 | \$15.50 |

C. The wage rates and increases provided in (A) and (B) shall be a minimum.

Package Driver Helper Rate of Pay shall be \$13.00 per hour for new hires. For all seniority employees, the Package Driver Helper rate shall be the prevailing part-time rate as outlined in Article 22.5 of the National Master Agreement.

Section 10 – Health and Welfare

(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, 2019 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, 2018.

(b) Part-time and full-time employees covered by a Teamster Health and Welfare Fund will continue to be covered by those funds.

(c) Any eligible employee covered by this Section who retires effective January 1, 2019 or thereafter shall be provided retiree medical benefits through the CSH&W Fund.

(d) Current retirees who are receiving benefits through a UPS sponsored plan shall receive coverage on and after January 1, 2019 under the terms of the Memorandum Concerning UPS Sponsored Plans, attached to the National Master Agreement.

Section 11 – Pension

The Employer shall provide pension benefit coverage to part-time employees under the terms and conditions as may be contained in the United Parcel Service Pension Plan as required by law.

The Company and the Union agree that they will undertake to attempt to establish appropriate reciprocity agreements and to maintain all existing reciprocity agreements to protect the pension rights of employees.

UPS Part-time Pension Plan

(1) The UPS Pension Plan, covering only part-time employees working in areas where part-time employees are not covered by Teamster Pension Plan, will be improved to provide monthly benefits for a part-time employee with 750 paid hours of Credited Service per year.

The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants will be increased effective August 1, 2004 to fifty-five dollars (\$55.00) for each year of past and future Credited Service to a maximum of 35 years of Credited Service. The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants will be increased solely for purposes of the monthly accrued benefit, effective August 1, 2008 to sixty dollars (\$60) for each year of future Credited Service to a maximum of 35 years of Credited Service. If a participant is in Covered Employment on August 1, 2008, he shall receive the sixty dollars (\$60) benefit formula for the entire 2008 plan year.

The total monthly service pension benefit will be equal to the following, provided the employee meets the credited service requirement.

\$2,275 for retirement at any age after 35 years of part-time Credited Service

\$1,950 for retirement at any age after 30 years of part-time Credited Service

\$1,625 for retirement at age 60 with 25 years of part-time Credited Service

\$1,325 for retirement at any age with 25 years of part-time Credited Service

(Based on \$53.00 per year of Credited Service.)

(2) Part-time employees will receive one (1) year of Credited Service for 750 or more paid hours. (Six (6) months of part-time Cred-

ited Service will be granted for 375 to 500 hours worked in a calendar year, and nine (9) months of part-time Credited Service will be granted for 501 to 749 hours worked in a calendar year.) This paragraph will also be applied to determine Credited Service for all full-time employees on the payroll on August 1, 2002 who were formerly participants in the UPS Pension Plan.

(3) The Employer will be responsible for funding the UPS Pension Plan as required to provide for benefits. The Plan will be governed by the terms of the Plan document.

(4) Effective August 1, 2002, the Employer will grant additional years of Credited Service in accordance with the terms of the Plan to all full-time and part-time employees on the payroll on August 1, 2002, who worked for UPS after they were 21 but were denied Credited Service solely because the UPS Pension Plan required that an employee be age 25 or older to participate in the UPS Pension Plan.

When a part-time employee successfully transfers to full-time, he/she will be provided, upon request, a personal profile of his/her United Parcel Service Company Pension Plan.

(5) The Company will amend the UPS Pension Plan to allow an employee with an hour of service in covered employment on or after August 1, 2018 to become a participant on the January 1 or July 1 (whichever is earlier), after reaching age 21 and completing a 12 month period of employment beginning on their hire date, or any subsequent calendar year, in which they earned at least 375 hours of service. In addition, in order to receive any retroactive benefit service as a result of the change, the employee's primary job as of August 1, 2018 must be a part-time position. The Pension Plan will also be amended to reduce the number of hours of service required to earn a vesting year from 750 to 375. This paragraph does not change how benefit service is accrued.

Section 12

Any claimed abuses of this Article with respect to the use of part-time employees shall be subject to the grievance procedure.

ARTICLE 64 – PAY PERIOD

All regular employees covered by this Agreement shall be paid in full each week. Not more than one (1) week's pay shall be held on an employee. Each employee shall be provided with a statement of total hours and gross earnings and an itemized statement of all deductions made for any purpose. Payroll checks shall be in sealed envelopes. Any employee leaving the Company will be paid on his or her next scheduled payday.

ARTICLE 65 – MAINTENANCE OF STANDARDS

Section 1 – Protection of Conditions

The Employer agrees that all conditions of employment relating to wages, hours of work, overtime differential, and general working conditions, as negotiated or agreed upon, shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement and the conditions of employment shall be improved wherever specific provisions for improvements are made elsewhere in this Agreement.

It is agreed that the provisions of this Section shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying terms and conditions of this Agreement.

ARTICLE 66 – SUBCONTRACTING

For the purpose of preserving work and job opportunities for the employees covered by this Agreement; the Employer agrees that no work or services presently performed by or hereafter assigned to the collective bargaining unit will be subcontracted, transferred, leased, assigned or conveyed in whole or in part to any other plant, person or non-unit employees, unless otherwise provided in this Agreement.

No owner-operators shall be employed and the Employer may not sell or transfer, directly or indirectly, to any employee any equipment or enter into leasing arrangement with any employees for the operation of equipment owned by it.

ARTICLE 67 – LEAVE OF ABSENCE

Section 1 – Time Off for Union Activities

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

Section 2 – Leave of Absence

Any employee desiring leave of absence from his employment shall secure written permission from both the Union and Employer. The maximum leave of absence shall be for ninety (90) days and may be extended for like periods. Permission for same must be secured from both the Union and Employer. During the period of absence, the employee shall not engage in gainful employment, except as provided in Section 3 below. Failure to comply with this provision shall result in the complete loss of seniority rights for the employees involved. Inability to work because of proven sickness or injury shall not result in the loss of seniority rights.

It is understood that maternity leave for female employees shall be granted with no loss of seniority for such period of time as her doctor shall determine that she is physically unable to return to her normal duties. The employee must make suitable arrangements in writing for continuation of health and welfare and pension payments before the leave may be approved by either the Local Union or the Employer.

Section 3

A driver whose driving permit has been revoked is obligated to notify the Company before his next scheduled report, after being notified of said revocation.

When a driver's permit has been revoked for reasons other than those for which he can be discharged by the Employer, leave shall be granted for such time as his permit has been revoked, but not to exceed thirty (30) months. An employee whose driver's permit has been revoked, but for not more than thirty (30) months, shall be offered non-driving jobs, where such jobs are available at the prevailing rate of pay for the classification of work he performs. Said employee will not be permitted to replace another full-time employee, regardless of seniority, but he may displace the most junior part-time employee in his location or be offered available work before it is assigned to new employees. An employee who loses his driving privilege due to alcohol or drugs will not be allowed to bump present employees, however, he shall be offered all available work including different shifts, before hiring new employees. In the event an employee shall suffer a suspension or revocation of his chauffeur's license because of a succession of local, state or federal violations, caused by the employee complying with his Employer's instructions to him, the Employer shall provide employment for such employee at not less than his regular earnings at the time of such suspension for the entire period thereof subject, however, to the seniority and layoff provisions applicable to him at the time of such suspension. Successions referred to above shall not include any points or citations accrued toward suspension or revocation which are accumulated when the employee is not following Employer's instructions.

An employee shall be permitted to take a leave of absence for the purpose of undergoing treatment of an approved program for alcoholism. The leave of absence must be requested prior to the commission of any act subject to disciplinary action. Such leave of absence shall be granted on a one-time basis and shall be for a maximum of sixty (60) days unless extended by mutual agreement. While on such leave, the employee shall not receive any of the benefits provided by this Agreement, Supplements, or Riders except the continued accrual of seniority nor does this provision amend or alter the disciplinary provisions.

ARTICLE 68 – SICK LEAVE

Seniority employees shall receive five (5) days sick leave with pay as follows:

Seniority date plus twelve (12) months – one (1) sick day

Seniority date plus eighteen (18) months – one (1) sick day

Seniority date plus twenty-four (24) months – All sick days as provided herein for that entitlement year.

Employees in progression will continue in progression.

Option 1: An employee who has not used the five (5) days sick leave with pay shall be paid the appropriate number of days pay the first pay period following Christmas or such other time as the employee may request. This shall be construed to mean forty (40) hour's pay for full-time employees or twenty (20) hour's pay for part-time employees.

Option 2: An employee who does not use Option 1 may combine the five (5) days and schedule an additional one (1) week of vacation in its place. This shall be construed to mean forty (40) hour's pay for full-time employees and twenty (20) hour's pay for part-time employees. This week shall be bid on a separate schedule.

Option 3: Employees will be paid sick leave in one (1) day increments upon request.

Option 4: Sick Leave Accumulation

Employees may accumulate their unused sick days for illness or injury while under doctor's care. In the event the sick days are used, payment shall be at the current rate. All unused sick days will be paid at the current rate of pay. It is agreed that the conditions listed above will not result in abuse or interference with the Employer's operation.

All tractor-trailer drivers who are bid to runs assigned a single trailer will receive the single rate of pay for all sick days.

All tractor-trailer drivers who are bid to runs assigned to double trailers will receive the double rate of pay for all sick days. Tractor-trailer drivers who bid on cover jobs will be paid sick leave

based on the single or double rate, depending on which pay scale he has earned the majority of the time during the preceding twelve (12) month period.

Seniority employees who leave the employment of UPS shall be paid sick days on a pro-rata basis.

ARTICLE 69 – TERM OF SUPPLEMENT

The terms of this Supplemental Agreement are subject to and controlled by all provisions of Article 45 of the National Master United Parcel Service Agreement between the parties hereto.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this ____ day of _____ 2019, to be effective as of August 1, 2018, except as to those areas where it has been otherwise agreed between the parties:

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

LETTER OF UNDERSTANDING

The Company shall make a good faith effort to reduce the occurrences of forcing an employee to work on an approved personal holiday. If an employee feels their approved personal day was unreasonably denied, they may file a grievance protesting the Company's decision. If necessary, the Business Agent and Labor Manager will meet with the Employer and Union panel co-chairmen at the next regularly scheduled Atlantic Area Parcel Grievance Committee Panel for review and resolution.

ATLANTIC AREA NEGOTIATING COMMITTEE

For the Employees:

Johnny Sawyer, Union Chairman

Eric Wood

Rick Armstrong

Steve Day

Chuck Bollino

James Todd

James Wright

Larry Wolfe

Brian Ball

Joe Eason

Kenny Chism

For the Employer:

Matt Hoffman, Company Chairman

Eric Bringe

John Punte

Lester Grant

Dejay Favreau

Walt Baker

Leslie Gleue

Maureen Pfender

Walt Dickson

Bob Cowie

Frank Williams

Rod Shreve

Greg Hill

Rod Weagley

John Slattery

Blake Lowery

Kenny Dance

IN WITNESS HEREOF, the undersigned do duly execute the United Parcel Service I.B.T. Atlantic Area Supplemental Agreement which is to become a part of the National Master United Parcel Service Agreement.

FOR THE UNION

LOCAL UNION NO. _____ affiliate of International Brotherhood of Teamsters.

By _____
(Signed)

Its _____
(Title)

FOR THE COMPANY

By _____
(Signed)

Its _____
(Title)

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