

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

TEAMSTERS LOCAL 710

HIGHWAY DRIVERS, DOCKMEN, SPOTTERS, RAMPMEN, MEAT, PACKINGHOUSE AND ALLIED PRODUCTS DRIVERS AND HELPERS, OFFICE WORKERS AND MISCELLANEOUS EMPLOYEES

AND

UNITED PARCEL SERVICE, INC. UPS

FOR THE PERIOD

AUGUST 1, 2018 THROUGH JULY 31, 2023

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TABLE OF CONTENTS

| COLLE | ECTIVE BARGAINING AGREEMENT | 1 |
|--------|--|--------|
| | DICTION | |
| | LE 1 RECOGNITION AND BARGAINING | |
| 1. | Recognition | |
| 2. | Individual Bargaining | |
| 3. | Maintenance of Standards | 1 ? |
| ARTIC | LE 2 EMPLOYEES | |
| 1. | Present and Future Employees | |
| 2. | More Favorable Security | |
| 3. | Check-Off | 2 |
| 4. | D.R.I.V.E. | 2 |
| 5. | New Employees | |
| 6. | Agency Shop | 3 4 |
| | LE 3 WAGE SCALE | |
| | | |
| 1. | Rates for full time Employees on payroll August 1, 2018 | 4 |
| | A. CLASSIFICATIONS: Full Time | 4 |
| | B. Full Time Wage Progression | 5 |
| | C. General Wage Increases D. Full Time Inside Wages | 6 |
| | 8- | 6 |
| | = 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 | 7 - |
| 2. | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 7 |
| 3. | Duties Overtime | 8 |
| 4. | DOT Hours of Service | 9 |
| 5. | Weekly Pay Day | 11 |
| 6. | Lost Time | 11 |
| 7. | New Equipment | 12 |
| 8. | Trainers | 12 |
| ADTICI | | |
| | E 4 WORKWEEK AND DAYS Full-Time Employees | 13 |
| 1. | Workweek | 13 |
| 2. | Meal Time | 14 |
| ARTICL | E 5 GUARANTEES Full-Time Employees | 15 |
| 1. | Monday through Friday or Tuesday through Saturday or Sunday through Thursday | 15 |
| 2. | Sunday | 15 |
| 3. | Weekly | 16 |
| 4. | Injured On Job | 16 |
| | A. Compensation Claims | 16 |
| | B. Temporary Alternative Work (TAW): | 17 |
| 5. | "Step-up" Guarantee | 18 |
| ARTICL | E 6 HOLIDAYS | 1.0 |

| 1 | | . 18 |
|----------------|---|------|
| 2. F | Ioliday Rate | .19 |
| 3. Ç | Qualifications | .19 |
| | Veekly Guarantee | |
| 5. H | loliday Shift | .20 |
| 6. S | aturday-Sunday Shifts | .20 |
| 7. S | eniority Part-Time Employees | . 20 |
| | 7 VACATIONS | |
| 1. E | ligibility | 21 |
| | acation Pay | |
| | ligibility Part-Time | |
| | B FULL TIME SENIORITY | |
| | mployee Seniority | |
| | osting List | |
| | Vork Assignment | |
| | pening and Closing of Center | |
| 5. P | osting New Permanent Jobs or Permanent Vacancies | 26 |
| 6. P | osting Feeder and Spotter Jobs | 20 |
| 7. C | hange of Operations | 20 |
| | eeder Bumping Procedures | |
| 9. E | quipment Change Double 40's to Triple 28 Ft. Trailers | 20 |
| 10. Fe | eeder Driver Run Elimination | 29 |
| 11. Si | xth Day Work | 30 |
| 12. F e | eeder Tractor-Trailer School | 30 |
| 13. Pi | rocedures For On Call Seniority Feeder Drivers | 31 |
| 14. La | yoffs | 32 |
| | UNIFORMS | |
| | 0 WORKER'S COMPENSATION APPROPRIATE STATES | |
| | 1 STEWARDS | |
| | | |
| ARTICLE 1 | 2 MISCELLANEOUS | 35 |
| ARTICLE 1 | 3 TRANSFER OF COMPANY TITLE OR INTEREST | 36 |
| Subco | ntracting | 36 |
| Divers | ion of Work Parent or Subsidiary Companies | 37 |
| | etition | |
| Surepo | ost | 38 |
| Remov | val of Loads from Rails | 38 |
| ARTICLE 1 | 4 EQUIPMENT, ACCIDENT, REPORTS | 39 |
| | eneral | |
| B. Pa | ckage | 41 |
| C. Fe | eder | 42 |
| D. Sa | fety and Health Committees | 43 |
| | chnology | |
| | F DDOMECTION OF DIGUES | 44 |

| 1. Picket Lines | |
|---|----|
| 2. Struck Goods | |
| Grievances (Under Article 15) Sympathetic Action | |
| ., . | |
| ARTICLE 16 DISCHARGE AND SUSPENSION | |
| ARTICLE 17 LIE DETECTION | |
| ARTICLE 18 EMPLOYEES BAIL | |
| Section 1 Section 2–Suspension or Revocation of License | 46 |
| | |
| ARTICLE 19 LABOR DAY | |
| ARTICLE 20 HEALTH AND WELFARE INSURANCE | |
| Section 1 – Full and Part-time Medical CoverageSection 2 - Part-Time Medical Coverage | |
| Section 3 - Long-Term Disability: | |
| Section 4 - Part-Time Retiree Coverage | |
| ARTICLE 21 HEALTH & WELFARE AND PENSION FUND CONTRIBUTIONS | 49 |
| ARTICLE 22 UNION INSPECTION | 50 |
| ARTICLE 23 GRIEVANCE AND ARBITRATION | 50 |
| ARTICLE 24 UNION LIABILITY | 51 |
| ARTICLE 25 PART-TIME EMPLOYEES | 52 |
| ARTICLE 26 MILITARY CLAUSE | 58 |
| ARTICLE 27 EXTRA PAYMENTS, ETC | 59 |
| ARTICLE 28 EMERGENCY REOPENING | 59 |
| ARTICLE 29 GOVERNMENTAL APPROVAL | 59 |
| ARTICLE 30 SEPARABILITY AND SAVINGS CLAUSE | 60 |
| ARTICLE 31 EMPLOYEES NOT REQUIRED TO BUY OR LEASE EQUIPMENT | 60 |
| ARTICLE 32 LABOR MANAGEMENT COMMITTEE | 60 |
| ARTICLE 33 FUNERAL LEAVE | 60 |
| ARTICLE 34 COST-OF-LIVING | 61 |
| ARTICLE 35 BREAKDOWN AND IMPASSABLE HIGHWAYS | 62 |
| ARTICLE 36 JURY DUTY | 63 |
| ARTICLE 37 GOVERNMENTAL EXAMINATION AND IDENTIFICATION FEES | 63 |
| Section 1. Examinations | |
| Section 2. Identification | |
| Section 3. Controlled Substance Testing Section 3.1 Employees Who Must be Tested | |
| Section 3.2 Testing | |
| Section 3.3 Screening Test | |
| | |

| Section 3.4 Confirmatory Test | 65 |
|--|----|
| Section 3.5 Laboratory Testing | 66 |
| Section 3.6 Types of Testing Required | 66 |
| Section 3.7 Pre-Qualification Testing | 66 |
| Section 3.8 Reasonable Cause Testing | 66 |
| Section 3.9 Post-Accident Drug Testing | 67 |
| Section 3.10 Random Testing Random Employee Selection: | 68 |
| Section 3.11 Notification | 68 |
| Section 3.12 Rehabilitation and Testing After Return to Duty/SAP and Employer Duties | 68 |
| Section 3.13 Disciplinary Action | |
| Section 3.14 Preparation for Testing | 71 |
| Section 3.15 Specimen Collection Procedures | 71 |
| Section 3.16 Specimen Shipping Preparations | |
| Section 3.17 Medical Review Officer | |
| Section 3.18 MRO Determination | 74 |
| Section 3.19 Record Retention | |
| Section 3.20 Release of Drug Testing Information | |
| Section 3.21 Paid for Time | 75 |
| Section 4. Alcohol Testing | 75 |
| Section 4.1 Employee's Who Must Be Tested | 76 |
| Section 4.2 Testing | 76 |
| Section 4.3 Screening Test | |
| Section 4.4 Confirmatory Test | 76 |
| Section 4.5 Types of Testing Required | 76 |
| Section 4.6 Reasonable Cause Testing | |
| Section 4.7 Post Accident Alcohol Testing | |
| Section 4.8 Random Testing-Random Employee Selection | |
| Section 4.9 Notification | 79 |
| Section 4.10 Rehabilitation and Testing after Return to Duty | 79 |
| Section 4.11 Discipline | 79 |
| Section 4.12 Preparation for Testing | 81 |
| Section 4.13 Specimen Testing Procedures | 81 |
| Section 4.14 Substance Abuse Professional (SAP) | 82 |
| Section 4.15 Record Retention | 82 |
| Section 4.16 Release of Alcohol Testing Information | |
| Section 4.17 Paid for Time | 83 |
| ARTICLE 38 NON-DISCRIMINATION | 83 |
| ARTICLE 39 MECHANICS | 84 |
| ARTICLE 40 BONDS | 86 |
| ARTICLE 41 LOSS OR DAMAGE | 86 |
| Section 1 | |
| Section 2 | |
| Section 3 | |
| Section 4 | 87 |
| ARTICLE 42 PASSENGERS | 87 |
| | |

| ARTICLE 43 GARNISHMENTS | 87 |
|---|-----|
| ARTICLE 44 PAID FOR TIME | 88 |
| ARTICLE 45 LEAVE OF ABSENCE | 88 |
| Section 1 | |
| Section 2 | 88 |
| Section 3 | 89 |
| Section 4 | 89 |
| Section 5 | 89 |
| ARTICLE 46 AIR AGREEMENT PREAMBLE | 89 |
| Section 1. Air Drivers | 90 |
| Section 2. Air Walkers | 93 |
| Section 3. Air Hub and Gateway Operations | 94 |
| Section 4. Start times for Air Shuttle and Air Feed Drivers | 96 |
| Section 5. Grievance Procedure | 96 |
| Section 6. | 96 |
| ARTICLE 47 PREMIUM SERVICES | 98 |
| Section 1. Job Protection | 98 |
| Section 2. Sleeper Team Operations | 99 |
| Section 3. Mileage Rates | 101 |
| Section 4. Joint Premium Service Review Committee | |
| ARTICLE 48 CONTRACT TERMS | 103 |

COLLECTIVE BARGAINING AGREEMENT

This Agreement has been negotiated through the process of collective bargaining and is entered into by and between the parties in mutual effort to stabilize employment conditions and to promote sound labor and management relations.

Any reference to gender appearing in this Agreement shall mean both the masculine and the feminine gender.

JURISDICTION

With the approval of the General President and General Executive Board, Local Union 710 has been awarded jurisdiction over operations of all United Parcel Service Package Drivers, Feeder Drivers, Automotive Mechanics, Building Maintenance Mechanics, Preloaders, Sorters, Loaders/Unloaders, Washers, Porters, Clerks, Customer Counter Clerks, Express Air Drivers, Special Air Drivers, in the following States: Illinois (except metropolitan Chicago), Indiana, Davenport Iowa, including all intra/interstate Feeder Drivers. Effective no later than February 1, 2003 the Employer recognizes as bargaining unit members FDC/ODC Clerks, International Auditors, "Smart Label" Clerks and Revenue Auditors who work in the operations facilities.

It is further stipulated and agreed by and between the parties to this Agreement, that by the act of the International Union, Central Region, and Joint Council approving this contract as to form and substance, the said International Union, Central Region, and Joint Council, its officers or agents, shall not in any manner become a party to this Agreement, nor is there any duty or obligation imposed upon the International Union, Central Region, and Joint Council, its officers or agents respecting the terms and conditions of this Agreement in any manner whatsoever.

It is further stipulated and agreed that the approval as to form and substance is for the purpose of indicating only that the International Union, Central Region, and Joint Council certifies that the said contract is not in violation of their Constitution and Bylaws and no other purpose.

ARTICLE 1 RECOGNITION AND BARGAINING

1. Recognition

The Employer recognizes and acknowledges that the Union is the sole and exclusive representative for the purposes of collective bargaining of all of its Employees except supervisors as defined in the National Labor Relations Act as amended.

2. Individual Bargaining

Except as may be otherwise provided in this Agreement, the Employer agrees not to enter into or attempt to enter into, any agreement or contract with its employees, either individually or collectively, or to require or attempt to require employees to sign any document, either individually or collectively, which in any way conflicts with the provisions of this Agreement. Any such agreement or document shall be null and void. Any such agreement or document may not

be placed in an employee's file or used by the Employer as a basis for discipline or used in connection with any disciplinary proceeding, nor may any such agreement or document nor the contents thereof be divulged to any person or entity.

In addition, an employee's refusal to sign a company form relating to the principle of a fair day's work shall not be used for disciplinary purposes unless the signing is required by law or by this Agreement.

3. Maintenance of Standards

The Employer agrees that all conditions of employment in his individual operation relating to wages, hours of work, overtime differentials, and general working conditions shall be maintained at not less than the highest in effect at the time of the signing of this Agreement, and the conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in this Agreement. It is agreed that errors found at any time will be corrected immediately and over or under payments will only be adjusted for sixty (60) calendar days.

ARTICLE 2 EMPLOYEES

1. Present and Future Employees

All present Employees who are members of the Union on the date of the execution or the effective date of this Agreement, whichever occurs later, shall remain members of the Union in good standing as a condition of employment. Membership as used herein shall mean only the obligation to pay periodic dues and initiation fees uniformly required, or, in the event that the employee objects to the payment of full dues and initiation fees, only the obligation to pay periodic dues and initiation fees related to representational costs. In order to assist in maintaining current and accurate membership records, the Employer will furnish the Local Union a list of new Employees. The list will include the name, address, social security number, date of hire, and classification or position hired into. The list will be provided on a monthly basis. The Employer shall also notify the Local Union when the employee is promoted from part-time to full-time. All present Employees who are not members of the Union and all Employees who are hired hereafter shall become and remain members of the Union in good standing as a condition of employment on and after the thirty-first (31st) calendar day.

2. More Favorable Security

To the extent that the Union security provisions more favorable to the Union, may become permissible under Federal or State law during the life of this Agreement, whether resulting from legislative, administrative or judicial determination, then all of the provisions of this Article shall be automatically amended to permit such more favorable Union security agreement to apply or become effective in such situations which may not now be permitted by law. Whenever any state statute with right to work laws changes, as to permit a Union Shop clause, the Union Shop provisions in this contract will apply.

3. Check-Off

The Employer agrees to deduct weekly, from the pay of all employees, covered by this Agreement the dues, initiation fees, and/or uniform assessments of the Local Union having jurisdiction over such employees and agrees to remit to said Local Union all such deductions

prior to the end of the month for which the deduction is made. Where laws require written authorization by the employee, the same is to be furnished in the form required.

Check-off shall be on a monthly or quarterly basis at the option of the Union. When an employer actually makes a deduction for dues, initiation fee and assessments, in accordance with the statement received from an appropriate Local Union, he shall remit same no later than thirty (30) days from the date such deduction was made.

The Union shall certify to the Employer in writing each month/quarter a list of its members working for the Employer who have furnished to the Employer the required authorization, together with an itemized statement of dues, initiation fees, (full or installment), or uniform assessments owed and to be deducted for such quarter from the pay of such member and the Employer shall deduct such amount and remit to the Union in one lump sum. The Employer shall add to the list submitted by the Union the names of all regular new employees hired since the last list was submitted and delete the names of employees who are no longer employed. Where an employee who is on check-off is not on the payroll during the week which the deduction is to be made or who has no earnings or insufficient earnings during that week, or is on Leave of Absence, the employee must make arrangements with the Union and/or the Employer to pay such dues in advance. The Employer shall deduct the weekly dues from each vacation week. This will be implemented within six (6) months of ratification of this agreement.

The employer will recognize authorization for deductions from wages, if in compliance with state law, to be transmitted to the Union or to such other organizations as the Union may request if mutually agreed to. No such authorization shall be recognized if in violation of state or federal law. No deduction shall be made which is prohibited by applicable law.

4. **D.R.I.V.E.**

The Employer agrees to deduct, from the paycheck of all employees covered by this Agreement, voluntary contributions to D.R.I.V.E.

D.R.I.V.E. shall notify the employer of the amounts designated by each contributing employee, that are to be deducted from his /her paycheck, on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to D.R.I.V.E. National Headquarters on a monthly basis, in one check, the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from that employee's paycheck. The International Brotherhood Of Teamsters shall reimburse the Employer annually for the Employer's actual cost for the expenses incurred in administering the weekly payroll deduction plan.

5. New Employees

Except as above provided, all Employees shall work under the provisions of this Agreement. No new employee shall acquire any seniority until he has worked thirty (30) days in any consecutive ninety (90) day period. The Employee's seniority date shall revert back to the first day worked in the ninety (90) consecutive day period. Attendance at orientation meetings, not to extend beyond 10 days, including one day in the center doing non-productive work, shall not count as working days. People attending orientations shall be paid the starting rate of pay for the classification they are training for. Such new employees shall be probationary Employees and may be dismissed without recourse to the grievance or arbitration procedure of this Agreement.

Employees shall have the option of participating in the Employer's electronic funds transfer (EFT), the Employer's check card payment system, or a paper payroll check system. New employees, defined as employees who are not on the payroll on the date of ratification, shall designate either EFT or a check card, unless prohibited by applicable State Law. New employees shall make this election during orientation. Recognizing the mutual benefits and advantages of these systems over a paper payroll check, the Union agrees to encourage all employees to select either EFT or a check card as method of payment.

6. Agency Shop

If the Union security provisions, hereof, become invalid for any reason whatsoever but any agency shop clause is permissible where the other provisions of this Article cannot apply then the following Agency Clause shall prevail:

- a. Membership in the Union is separate, apart and distinct from the assumption by one of his equal obligation to the extent that he receives equal benefits. The Union is required under this Agreement to represent all of the Employees in the bargaining unit fairly and equally without regard to whether or not an Employee is a member of the Union. The terms of this Agreement have been made for all Employees in the bargaining unit and not only for members in the Union, and this Agreement has been executed by the Employer after it has satisfied itself that the Union is the choice of a majority of the Employees in the bargaining unit. Accordingly, it is fair that each Employee in the bargaining unit pay his own way and assume his fair share of the obligation along with the grant of equal benefit contained in this Agreement.
- b. All Employees shall, as a condition of continued employment, pay to the Union, the Employees' exclusive collective bargaining representative, an amount of money equal to that paid by other Employees in the bargaining unit who are members of the Union, which shall be limited to an amount of money equal to the Union's regular and usual initiation fees and its regular and usual dues. For present Employees such payments shall commence thirty-one (31) calendar days following the effective date or on the date of execution of this Agreement, whichever is the later, and for new Employees the payment shall start thirty-one (31) calendar days following the date of employment.

No provision of this Article shall apply to the extent that it may be prohibited by state law.

ARTICLE 3 WAGE SCALE

1. Rates for full time Employees on payroll August 1, 2018.

A. CLASSIFICATIONS: Full Time

| 1. | Tractor Trailer Driver-Single | \$37.005 per hour |
|----|---|-------------------|
| | Tractor Trailer Driver-Doubles | • |
| 3. | Tractor Trailer Driver Double Forty/Triples | \$37.805 per hour |
| 4. | Parcel Delivery Pick up Drivers | \$36.800 per hour |
| 5. | Preloaders/Sorters | \$36.130 per hour |
| 6. | All other inside | \$35.080 per hour |
| 7. | 25.11 Combinations | Applicable Rate |

When an Employee drives a package car or van on a feeder run, he/she will be paid the package rate. When an Employee drives a package car towing another unit, the Employee will be paid the tractor trailer rate subject to step-up guarantee.

B. Full Time Wage Progression

The wage progression schedule in the prior agreement shall cover all full-time Employees, except apprentices, who are in the progression as of August 1, 2018.

Those qualified part-timers currently in the progression who have worked in the package car classification or feeder classification within the past twelve (12) months, who subsequently bid into a permanent opening after working as a vacation coverage or seasonal drivers shall have all days worked as such driver deducted from the applicable progression for package or feeder drivers in this agreement. Progression Credit will be based on one (1) day's credit for each day worked.

All peak season full time hires will start at sixty percent (60%) of the rate in effect for their classification on July 31, 2018.

No employee shall be required to complete a full-time progression more than one time even if he/she transfers between full-time jobs except as set forth in this paragraph. The sole exception is when the Employee is awarded a package car or feeder job and has not previously held a full-time job which includes driving duties. In such event, the Employee will have a break-in rate equal to the Employees' current wage rate until six (6) months from the date the Employee enters the job. The Employee will then go to the prevailing top rate. A part-time air driver who has completed the Article 46 progression, bids a full-time inside job and then a driver job within two (2) years, shall have the same break-in period.

The progression for employees entering a package car driving, feeder, or other full-time job (other than an air driver, Article 47 job, or a job covered by Section D or Section E below) position after August 1, 2018 shall be as follows:

| Start | \$21.00 |
|-------------------------|----------|
| Twelve (12) months | \$23.00 |
| Twenty-four (24) months | \$24.00 |
| Thirty-six (36) months | \$28.75 |
| Forty-Eight (48) months | Top Rate |

Part-time employees on the payroll as of July 31, 2018 who subsequently are promoted to full-time employment under this paragraph will be red circled 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. If a part-time employee bids to a full-time position and the top rate of the classification is less than his/her current rate, the employee shall be placed at the top rate of the new classification immediately. This subsection shall supersede any provision to the contrary in this Agreement.

Employees in the Article 3, Section 1 B progression in the prior Agreement as of the date of ratification shall be slotted into the new progression above.

C. General Wage Increases

All full-time employees who have attained seniority as of August 1, 2018 shall receive the following general wage increases for each contract year.

The total wage increase 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)
```

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

D. Full Time Inside Wages

The rates in this Section shall not apply to any full-time inside jobs guaranteed in Article 25, Section 5 created prior to August 1, 1997. Rather for employees entering those jobs, Article 3.B. above shall apply.

Part-time employees whose rates are higher than those set forth below who bid into a full-time inside job covered by this Section shall be paid their current inside wage rate plus the general wage increases.

Other part-time employees who bid into a full-time inside job, including combo (25.11) jobs, covered by this Section will be red circled at their current wage rate until such time as the calculated progression rate set forth below exceeds that rate. The transfer date will become his/her full-time start date for purposes of applying the progression set forth below. A part-time employee shall not lose the red circle protection provided by this paragraph as a result of transferring from one full-time inside job to another full-time inside job.

| Start | \$16.00 |
|-------------------------|----------|
| Twelve (12) months | \$17.00 |
| Twenty-four (24) months | \$18.00 |
| Thirty-six (36) months | \$21.00 |
| Forty-eight (48) months | Top Rate |

The Top Rate shall be \$30.64 plus the general wage increases provided in Section 1 above.

Employees who are in progression as of August 1, 2018, will be slotted into the above progression. When the progression is completed for those employees, the employee shall be placed at the then current top rate and shall thereafter be eligible to receive the general wage increases beginning on the next date specified in Article 3, Section (1) (C).

Full-time employees who bid into a full-time inside job covered by this Section will be paid in accordance with their full-time seniority date. Full-time employees with four (4) or more years of full-time seniority who bid into a full-time inside job will be paid the top current rate of the classification.

E. Full Time Wages for Article 25.13 Jobs

Part-time employees whose rates are higher than those set forth below who bid into a full-time 25.13 job covered by this Section shall be paid their current inside wage rate plus the general wage increases.

Other part-time employees who bid into a full-time 25.13 job covered by this Section will be red circled at their current wage rate until such time as the calculated progression rate set forth below exceeds that rate. The transfer date will become his/her full-time start date for purposes of applying the progression set forth below. A part-time employee shall not lose the red circle protection provided by this paragraph as a result of transferring from a 25.13 job to a full-time inside job covered by either Article 25.5 or 25.11.

| Start | \$20.50 |
|-------------------------|----------|
| Twelve (12) months | \$21.25 |
| Twenty-four (24) months | \$22.75 |
| Thirty-six (36) months | \$25.00 |
| Forty-eight (48) months | Top Rate |

The Top Rate shall be \$30.64 plus the general wage increases provided in Section 1 C above.

Any part-time employee performing seasonal package car work who bids into a 25.13 driver job will be treated the same as if he entered into a regular package car driver job under Article 3, Section 1 B for progression credit and red circle purposes.

Full-time employees who bid into a full-time 25.13 job covered by this Section will be paid in accordance with their full-time seniority date. Full-time employees with four (4) or more years of full-time seniority who bid into a full-time inside job will be paid the top current rate of the classification.

F. Part Time Wages and Wage Progression

1. All part-time employees who have attained seniority as of August 1, 2018 shall receive the following general wage increases for each contract year.

The total wage increase for each year shall be as follows:

| <u>Effective</u> | <u>Amount</u> |
|------------------|-----------------------------|
| 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) |
| | |

Newly hired part-time employees

2. 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 one (1) 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
```

The wage rates and increases provided in E. (1) and E. (2) above shall be a minimum.

All part-time employees governed by this Article shall be provided a minimum daily three and one-half (3 ½) hour guarantee.

Seniority part-time employees who are receiving an hourly rate higher than set forth above in Section (b), as a result of a Market Rate Adjustment, shall not have their hourly rate reduced due to the implementation of this Article.

From time to time volume may dictate the need for package drivers to use helpers. Laid off drivers used as helpers shall be guaranteed eight (8) hours at their current rate. Parttimers shall then be offered any helper work, provided this does not conflict with the employees' regular scheduled work. Existing part timers used as driver helpers shall be paid no less than eighty percent (80%) of the driver start rate or their current rate of pay, whichever is greater, but not to exceed seventeen dollars and twenty-five cents (\$17.25), for all hours worked as a helper. Helpers used without established seniority shall be paid thirteen dollars (\$13.00) per hour, for all hours worked as a helper. Helper usage will be reviewed with a union steward prior to implementation.

2. Duties

Package Drivers' regular duties require that they must work as directed in the sort and on any vehicle available in any operating center. Loading and unloading is not limited to the Employee's own vehicle. Regular duties may include sorting and loading the packages assigned to their areas. Records of such deliveries will be made by the Package Drivers on their areas, if not previously sheeted.

Drivers shall not be disciplined for refusing to go back out on the street once they have returned to the building after having completed their full days work.

The Employer shall not alter the information from the DIAD board, or information recorded through the use of any other technology, so as to diminish an employee's compensable time, without the employee's knowledge. Further, the Employer shall post for an employee's review, a copy of the PTE edits for each day. No supervisor shall use a DIAD, or any other information recorded through the use of any other technology, under the name of an hourly employee unless the employee is present. This includes for the purpose of training and demonstration.

Upon request, an employee or the union may inspect the record of an employee's time recorded on the DIAD or other device for previous days' work. An employee will be permitted to examine the operation record for the current pay period for the purpose of ascertaining his/her hours worked.

An employee's hours worked and rate of pay shall be available for review electronically by the affected employee on a Company maintained website.

When requested by the Union, time clocks will be left in place for employees to record their work hours for their own personal use.

Shuttle runs, when consisting of eight (8) hours total time or more from the time the shuttle driver leaves from their home center until the driver returns to their home center, the shuttle run will be considered a feeder run.

Feeder Drivers shall sort, load, unload, and spot as directed regardless of domicile.

It is anticipated that the changing nature of the Employer's business will result in some job combinations which have not been necessary up to this time.

Rates of pay for such job combinations will be governed by the "step-up" guarantee formula.

Upon request by an employee, steward or Local Union representative to a Company supervisor or their designee, the Employer shall provide copies of ODS messages. When such request is made on the same day the transmission(s) were sent, the operating center shall provide the printed copy of the transmission(s) that day. When such request is made after the day the transmission(s) were sent, but within twenty-five (25) days thereafter, the printed copy of the transmission(s) shall be provided within five (5) working days.

3. Overtime

- A. Time and one-half rate shall be paid for all work performed by a full-time Employee before and after his regular scheduled workday. Time and one-half rate shall be paid after eight (8) hours in one (1) day and after forty (40) hours in any one (1) week, except as otherwise provided in this Agreement, but overtime shall not be paid twice for the same hours worked. Feeder drivers on 4/10 schedules as outlined in Article 4.1 shall be paid time and one-half (1 ½) rate for hours worked in excess of ten (10) hours in a day or forty (40) hours in one week. Overtime for all Employees shall be prorated on a minute basis for all overtime worked.
- B. When extra work is to be done in a center at the overtime rate and two (2) or more Employees are presently available and qualified to perform the work, the work will be offered by seniority. Overtime once assigned will not be reassigned. The least senior person cannot refuse the work.
- C. An Employee may request by forty-eight (48) hour advance written notice, to be relieved from duty after eight (8) hours of work on a particular day. The Employer shall allow 10% of the Employees working off on a daily basis. No Employee will be granted more than two (2) requests per month. Employees will give their eight (8) hour requests in writing to management and to the Union Steward, punched on the center time clock. (Request forms shall be obtained from the Steward.) It is understood that the Company may have to redistribute the work to ensure the employee's eight (8) hour request is granted. The District Labor Manager and the Business Agent will monitor these requests from time to time. It is further agreed by the Company and the Union that if the nature of an Employee's

regular work assignment does not lend itself to a reduction of scheduled hours, for example: some feeder driver runs scheduled for more than eight (8) hours, such employee may be permitted to take the full day off to attend to personal business. No request between Monday after Thanksgiving to December 24.

(Sample Form) Forms Must Be In Duplicate

ADVANCE NOTICE FOR EIGHT (8) HOUR REQUEST

| Date/ |
|---|
| I am requesting an eight (8) hour dispatch on |
| // |
| Name |
| Seniority Date/ |
| Approved |
| Refused |
| Reason for refusal |
| |
| |
| Center Manager |
| Date/ |

The Company shall continue its effort to reduce overtime where requested.

The Employer will use the necessary tools (including OJS rides and dispatch adjustments) to ensure that these drivers and the Employer do not violate the provisions of this Article.

If the review does not indicate that progress is being made in the reduction of assigned hours of work, the following language shall apply. "An Employee shall have the right to file a grievance if the Company has continually (means any three [3] days in five [5] consecutively scheduled workdays) caused him/her to work over nine and one-half (9 1/2) hours per day." The understanding of the parties is that the Employee must have worked over the nine and one-half (9 ½) hours for there to be a violation of this Article. Once an employee has filed a first notification grievance and the Employer has been instructed to comply, the panel hearing the grievance alleging a second violation of the over 9.5 provision for package drivers contained in this section shall have the authority to rule that triple time pay shall be awarded for the time worked over 9.5 on the day or days for which the grievance was filed, if in fact, a second violation occurred. Such second violation must occur within nine (9) months of the first decision. A local level decision of the parties or the panel hearing the grievance shall also have the right to instruct the Company to relieve the Employee of work so as not to further violate this Article. This procedure will not apply in the peak season of the Monday after Thanksgiving through January 15th. No Package Driver will intentionally be dispatched over nine and one-half (9 1/2) hours on any given day if Package Drivers are on layoff or sent home for the day. In the event total over dispatched hours exceed eight (8) hours while drivers are on layoff or sent home for the day in that center, it will be a violation. It is understood the company has little control over fluctuations in pick up volume on assigned areas and this will not be included in calculating planned day.

4. DOT Hours of Service

The Company shall not change the DOT sixty (60) hours in seven (7) days to the seventy (70) hours in eight (8) days rule for package drivers except at peak. With prior approval of the Labor Relations Manager and the Teamsters Local 710 Business Agent, the DOT standard may also be changed if required due to Acts of God or emergencies creating service disruptions. When the Company changes the sixty (60) hour rule, it shall first solicit volunteers to work in excess of sixty (60) hours from all package car drivers in the center. If sufficient volunteers cannot be obtained to cover the over sixty (60) work hours, Article 3, Section 3 B of this Agreement shall apply. No regular package car driver red circled under Article 25.13 will be required to work on a day off and exceed sixty (60) hours unless he has a full eight (8) hours of duty available. Any drivers who work over sixty (60) hours in a week pursuant to this paragraph will be compensated at double time for those hours. This paragraph supersedes any provision in this Agreement which addresses this subject.

5. Weekly Pay Day

All Employees shall be paid in full each week, not more than five (5) days' pay may be held back but then only if the Employer presently adheres to such a program.

Upon discharge, the Employer shall pay earned wages due to the Employee on the first regular payday following the date of discharge. Vacation pay for which the discharged Employee is qualified shall be paid no later than five (5) working days following final determination of the discharge.

The Employer will issue separate checks for grievance and back pay settlements. Paychecks shall be itemized in the following manner: Federal tax, social security tax, state tax, city tax, 401-K Plan, advances, Union dues, initiation fees, and total hours worked. (Total hours will be split into straight time hours and overtime hours.)

Payroll checks shall include cumulative totals of all income and deductions. Payroll checks will be in envelopes.

Shortages involving more than fifty dollars (\$50.00) for full-time employees and twenty-five dollars (\$25.00) for part-time employees, will be corrected and the payment will be made available to the employee at his/her reporting location on his/her second scheduled workday after reporting the shortage. If the Employer fails to make the payment available on the employee's second scheduled workday and the shortage was the result of the Employer's error, the employee will be paid an additional amount equal to one-half of his/her daily guarantee at his/her regular hourly rate for every full pay period in which the shortage is not paid after the second (2nd) scheduled work day, until corrected. Errors of less than fifty dollars (\$50.00) for full time employees or twenty-five dollars (\$25.00) for part-time employees and overages will be corrected in the following weekly paycheck. All green checks will be taxed at the employee's regular withholding tax rate.

Any grievance settlement not paid within ten (10) working days of the settlement shall entitle the grievant(s) to a penalty payment equal to one-half their daily guarantee at their regular rate of pay. The ten (10) working day period shall begin to run when the Labor Department representative agrees to the settlement, or is notified by the Union or the management team of the settlement. The Employer shall pay a maximum of one penalty payment for a multi-grievant grievance.

6. Lost Time

Employees shall be paid for all time lost because of violations of any law, ordinances, or regulations which occur through no fault of the Employee. Also, for court appearances at the Employer's request, Employees shall be paid for all the time spent in court at their regular straight time hourly rate. Employees shall not be paid for time lost due to parking and moving violations.

7. New Equipment

Where new types of equipment and/or operations, for which rates of pay are not established by this Agreement, are put into use after the ratification date of this Agreement, within operations covered by this Agreement, rates governing such operations shall be subject to negotiations between the parties. This paragraph shall apply to all new types of equipment including office and clerical equipment.

In the event agreement cannot be reached within sixty (60) days after date such equipment is put into use, the matter may be submitted to the Grievance Committee for final disposition. Rates agreed upon or awarded shall be effective as of the date equipment is put to use.

8. Trainers

- It is agreed that Teamster represented employees, on a voluntary basis, may train other
 employees within their classification. If, under special circumstances, there is a need to go
 outside the hourly trainer classification, the District Labor Manager and Business Agent will
 meet and discuss the situation and develop a plan, as needed. UPS reserves the right to
 choose to use or not to use the Teamster represented trainers to fulfill training needs.
- Trainers shall be paid a fifty-cent (\$0.50) per hour training premium for each hour spent training. Drivers training helpers, in accordance with the Local 710 Agreement, and two (2) drivers on the car for the purpose of route knowledge, shall not be entitled to the training premium.
- 3. All grievances, controversies, and/or disputes concerning Hourly Trainers shall be subject to the regular grievance procedure.
- 4. Trainer selection and assignments to on-the job training will be done in accordance with Local 710 seniority provisions, providing the trainers have the necessary qualifications and skills for the job.
- 5. To be eligible to bid, the employee must be currently performing in that classification and have at least six (6) months experience, a one (1) year safe driving record (only drivers), and driver trainers must meet the same criteria as a new hire. All trainers must successfully complete the Company's training program and be certified in the skills and methods necessary to train their respective classifications.
- 6. The training forms that an hourly Trainer can be required to complete are those agreed to by the parties. If the Employer wishes to amend these forms, the Region Labor Relations Manager and the Secretary-Treasurer of Local 710 will meet and agree on the changes. Such agreement will not be unreasonably withheld. No training form or verbal report by the Hourly Trainer will be relied upon to discipline any employee or to evaluate any seniority employees.

- 7. If a trainer is removed from the qualified list by the Employer, that employee and the Local Union shall have access to the grievance procedure. If the Union establishes that the removal was not for just cause, the grievant shall be reinstated.
- 8. No trainer shall be required to train in any method which violates the Collective Bargaining Agreement.
- 9. Teamster represented trainers will not be permitted to perform or recommend disciplinary action.
- 10. Teamster represented trainers will not be required to make decisions or recommendations regarding the attainment of seniority by their trainees. The decision as to whether a trainee attains seniority will be made solely by UPS management.
- 11. Employees to be retrained after qualifying in their classification and seniority scheduled for safety rides, may request that a non-bargaining unit employee perform that training in lieu of a Teamster represented trainer. Such request will be honored.
- 12. Trainers will not be liable for any accidents or actions incurred by the trainee.
- 13. If an Hourly trainer wishes to remove him/herself from the qualified list, he or she will give the company a thirty (30) day written notice. During the thirty (30) days, the company will only use the Hourly Trainer after all other trainers have been utilized. However, after 1 year from being removed from the qualified trainer list, the employee may requalify based on the trainer needs of the Company. An employee may exercise this provision once in the lifetime of the contract.
- 14. Training Areas will be used to train. Local 710 contract language will apply for Training Area guidelines.
- 15. When an Hourly Trainer is not training, they will return to their bid or remain on coverage until the end of that week, at the trainers option.
- 16. On days a trainer is involved in training assignments that provide less hours than their average dispatch for the previous one (1) week, such employees will be offered work up to that daily dispatch average. The trainer will make such requests at the time the training work is scheduled. The scheduled day applies to feeders.
- 17. If an Hourly Trainer works more than one hour as a trainer, they will be paid fifty cents (\$0.50) per hour for their entire day. If they work less than one (1) hour, they will receive fifty cents (\$0.50) for just one hour. Part-time trainers will be paid fifty cents (\$0.50) per hour for actual hours worked as trainers.

ARTICLE 4 WORKWEEK AND DAYS Full-Time Employees

1. Workweek

In order to meet the needs of expanded business, the Employer shall be permitted to create schedules that differ from those that exist today. Future schedules may be expanded to provide that all employees, excluding package drivers, may be scheduled five (5) consecutive days on an

alternate schedule of either Sunday through Thursday or Tuesday through Saturday. Feeder drivers may bid on runs consisting of any four (4) consecutive days of ten (10) hours each day. Any new 4/10 runs will be reviewed with Local 710 prior to its implementation. Existing bids shall not be converted into 4/10's without review with and approval by Local 710. Approval will not be unreasonably denied. Seniority employees on the payroll in each classification as of the ratification date of this Agreement, shall not be assigned to such alternate schedules, except at the request of the employee or, if as a result of the employee following their work to a new Center, there are no available Monday through Friday schedules, employees will be afforded the opportunity, in seniority order, to select their preferred work schedule.

Effective August 1, 2003 package car drivers may also be scheduled on the alternate schedule of either Sunday through Thursday or Tuesday through Saturday. For those employees scheduled on the above alternate workweeks, All work performed on the employee's sixth (6th) day shall be paid at time and one-half ($1\frac{1}{2}$). All work performed on the employee's seventh (7th) day shall be paid at double time. Feeder drivers on a four (4) ten (10) hour day workweek, will be paid time and one-half ($1\frac{1}{2}$) for their fifth (5th) and sixth (6th) day, and seventh (7th) day shall be paid at double time.

This language applies to both part-time and full-time employees.

The straight time workweek for all package car drivers shall consist of five (5) consecutive days, Monday through Friday, of eight (8) continuous hours each. Preference on the selection of the workweek shall be governed by Center classification seniority.

If an Employee reports and starts to work later than their scheduled starting time, they shall not be paid overtime until after they have completed eight (8) hours of work. If an Employee reports to work late, they have broken their eight (8) hour guarantee for that day.

Starting time for Employees will be scheduled each Friday for the following week. If an Employee is called to start work before his scheduled starting time, he shall be paid one and one- half times the regular straight time rate for the hours worked before the scheduled starting time.

The above may not apply when an "Act of God" occurs where conditions beyond the Employer's control compel interruptions or delays of all or part of the Employer's operation.

An "Act of God" could be a snowstorm, flood, building struck by lightning, tornado, etc.

It is understood that the "Act of God" referred to is one which occurs within the jurisdiction of this Labor Agreement (as outlined in the Preamble) plus one feeder leg outside of this jurisdiction and possible affected areas within this jurisdiction.

Any Employee allowed to work on his scheduled day off shall be compensated at the rate of time and one-half his regular straight time rate.

2. Meal Time

The meal time period shall be up to one hour, which shall be taken between the third and sixth hour by all employees. In areas where the company has a 10:30 a.m. air commitment, break will be taken so as to not jeopardize the delivery guarantee. Full-time Employees not presently having a paid break, will receive a paid ten (10) minute break. All paid for time shall be counted in computing overtime.

Feeder driver's meal time is to be taken as not to jeopardize service, time, and schedule commitments.

Feeder driver's lunch hours, as a guideline, can be split 15-30-15 at the option of the driver.

Package Driver's lunch hour may be split between a morning coffee stop, not to exceed twenty minutes, and the balance to be taken as a lunch period between the third and sixth hours.

All UPS facilities shall have smoking areas accessible to all Employees.

ARTICLE 5 GUARANTEES Full-Time Employees

1. Monday through Friday or Tuesday through Saturday or Sunday through Thursday

Any Employee who is assigned to work shall be guaranteed not less than eight (8) continuous hours of work or the full equivalent in pay in any one (1) day.

If an Employee is over fifteen (15) minutes late without notifying management that they are going to be late, the Employer may send that person home.

If an Employee calls and notifies their supervisor that they are going to be late, the company may hold the work if the Employee is able to complete an eight (8) hour schedule provided that the work has not already been assigned.

There may be other occasions, mutually agreed to by the company and the union, when less than eight (8) hours are available, under these circumstances the parties agree that pay for actual hours worked shall prevail. It shall be a violation of this Agreement for the company to request or solicit for actual hours.

Any Employee who is called to work but not assigned shall be guaranteed not less than eight (8) continuous hours of work or the full equivalent in pay in any one (1) day. When a 10% Driver is called into work and reports to the center the Driver shall be guaranteed not less than eight (8) continuous hours of work or the full equivalent in pay in any one (1) day.

On a daily basis, in a delivery center, when it becomes necessary to reduce the number of delivery drivers for that day, the company will go to the seniority list and ask for volunteers of those present and available to take the day off without pay before not working the junior person. The company will maintain a schedule showing the execution of this procedure.

A Driver will not be allowed to take a second day off until all seniority bid Drivers have had an opportunity to get a day off.

It is understood that the company may ask other experienced drivers to move off a bid area to accommodate the inexperienced junior driver until he/she has gained additional area knowledge.

2. Sunday

Except for those employees on the alternate work week, double time shall be paid for all work performed on Sundays.

Any Employee called or put to work on Sunday shall be guaranteed not less than eight (8) continuous hours work or the full equivalent in pay.

For those employees scheduled on the alternate workweeks, all work performed on the employee's sixth (6th) day shall be paid at time and one-half (1 ½). All work performed on the employee's seventh (7th) day shall be paid at double time.

3. Weekly

The first ninety percent (90%) by classification seniority of full time seniority people in any Center, called or put to work on the first full workday of the regular workweek, shall be guaranteed forty (40) hours of straight time work or pay each week they are required to report but the Employer shall be exempt from such weekly guarantee if:

- A. An Employee at his own initiative, takes off a regular scheduled workday during such workweek or is suspended, laid off, or discharged for just cause.
- B. The Employer has not directly or indirectly caused a work stoppage, such as fire, floods, destruction, or national or local emergency or impassable highways, which as approximate result thereof caused a completed stoppage of all or part of the Employer's operation.
- C. The week of Christmas and the week of New Years.
- D. An "Act of God" where a feeder cannot get through to the center and management notifies the Employees before leaving home not to report to work, they shall receive no pay for that day. (If management does not notify them not to report and they do report for work at the center, they will be given an eight (8) hour guarantee at the straight time rate.)
- E. If an Employee does not have eight (8) hours of log time available, they will not work and will not receive a day's pay.

In bad weather conditions, if a feeder Driver does not have two (2) hours log time in addition to their scheduled workday, they may be given a feeder job calling for less hours.

Every center has one (1) or more ten percenters in each classification; to explain how to apply the formula: 1 - 14 Employees = 1 person, 15 - 24 Employees = 2 people and so on.

All layoffs during the week of Christmas and the week of New Year's, shall be by company seniority in that classification.

Hours worked prior to the Employee's scheduled starting time shall not be credited toward the forty (40) hour guarantee.

4. Injured On Job

Employees injured on the job and unable to complete eight (8) hours of work shall not forfeit their daily guarantee. The Employee will receive eight (8) hours of pay for the day that the injury occurred. If an Employee does not complete their day's work because of illness on the job they are to be paid for hours worked only.

A. Compensation Claims

When an injury is reported the reference number will be given to the employee and when requested, a copy of the injury report will be furnished to the employee within two (2) working days of such request. A copy of the injury report will also be furnished to the Local Union if requested by a Local Union official.

The Employer agrees to cooperate toward the prompt disposition of employee on-the-job injury claims. No employee will be disciplined or threatened with discipline or harassed as a

result of filing an on-the-job injury report. The Employer or its designee shall not visit an injured worker at his/her home, without his/her consent.

The Employer shall provide Local 710 Teamsters with current summaries of the essential functions of all positions covered by this Agreement. The Union shall have the right to challenge any such summary through the applicable grievance procedure. Any employee who is adversely affected by any such summary shall have the right to challenge such summary through the applicable grievance procedure.

Any such decisions or settlements rendered through the grievance procedure, including but not limited to, at arbitration, shall be based solely upon, and applicable to, the facts present in that individual case and shall have no precedential effect beyond that case. This stipulation is limited to cases involving or referencing essential job functions.

The Employer shall provide Worker's Compensation protection for all employees, even though not required by state law or the equivalent thereof if the injury arose out of or in the course of employment. An employee who is injured on the job, and is sent home, or to a hospital, or who must obtain medical attention, shall receive pay at the applicable hourly rate for the balance of his/her regular shift on that day. Upon receiving an employee's timely report of injury, the employer shall not pressure an employee to continue to work. When, because of such pressure, an employee spends time in a clinic after his or her normal finish time, the time spent shall be the subject of pay claim through the grievance procedure.

An employee who has returned to regular duties after sustaining a compensable injury, and who is required by the Worker's Compensation doctor to receive additional medical treatment during the employee's regularly scheduled working hours, shall receive the employee's regular hourly rate of pay for such time.

The employer agrees to provide any employee injured locally immediate transportation, at the time of injury, from the job to the nearest appropriate medical facility and return to the job, or the employee's home, if required. In such cases, no representative of the employer shall be permitted to accompany the injured worker while he/she is receiving medical treatment and/or being examined by the medical provider, without the employee's consent. In the event that any employee sustains an occupational illness or injury while on a run away from the home terminal, the employer shall obtain medical treatment for the employee, if necessary, and, thereafter will provide transportation by bus, train, plane or automobile to the employee's home terminal, if and when directed by a doctor.

In the event of a fatality, arising in the course of employment while away from the home terminal, the employer shall return the deceased to the home of the deceased at the point of domicile.

B. Temporary Alternative Work (TAW):

The Company will continue a modified work program on a nondiscriminatory basis. This program is designed to provide temporary work opportunity to those employees who are unable to perform their normal work assignments due to an on-the-job injury. Employees shall be provided their guaranteed hours and rate of pay with a start time no more than two (2) hours earlier or two (2) hours later than their normal start time for the duration of TAW, provided the work is available. The Company will make reasonable efforts to ensure that the assignment is within this window. Any assignment outside this window will be reviewed

with the local Union prior to the work being assigned. These guaranteed hours will be reduced as medical restrictions dictate.

The Employer will develop a list of possible TAW assignments by location. It is understood that this list may not be all-inclusive and management maintains the right to determine the availability and designation of all TAW assignments. The Employer shall provide the names and assignments of employees on TAW upon the Local Union's request.

If either party wants to include non-work related injuries or illnesses under the TAW program the parties will meet and agree upon such amendment. The employer shall also meet with the Local Union upon request to discuss any changes the Local Union may propose in the TAW program. It is understood that TAW will not extend beyond 29 working days without consent of the Company and Union. Any unresolved issues will be referred to the Local 710 Grievance Panel.

5. "Step-up" Guarantee

When an Employee is required to spend more than one-half hour of his workday, upon a job providing a higher rate of pay, he shall receive the following rate of pay:

For work up to 4.0 hours at a higher classification, he shall receive four (4) hours guarantee at the higher rate.

For work in excess of 4.0 hours at a higher classification, he shall receive eight (8) hours guarantee at the higher rate.

If an Employee is being paid at the step-up guarantee rate and they work over eight (8) hours, they are to be paid the overtime rate at the wage scale for the equipment driven, or the job performed when the overtime occurs. However, if an Employee has worked over four (4) hours in a higher rated classification and receives the higher rate for their guaranteed eight (8) hours, they shall be paid the overtime hours at that rate.

Example: An Employee drives a package car for five (5) hours and washes cars for four (4) hours, the Employee would be paid nine (9) hours at the package car rate with the ninth hour being paid at the time and one-half rate. But, if an Employee drives a package car for three (3) hours and washes cars for six (6) hours, the Employee would be paid four (4) hours at the package car rate and five (5) hours at the washer rate, with the ninth hour being paid at time and one-half for the washer's rate.

It is agreed that the moving of cars in the centers for the purpose of washing or unloading said cars is part of the washing and unloading function and the Employee is paid the washing or unloading wage rate.

ARTICLE 6 HOLIDAYS

1. Full-time Employees may be asked to work on holidays by seniority. If not enough elect to work, the junior qualified Employees necessary to complete the work will be required to work. Those that do not work, shall be paid eight (8) hours pay at the straight time hourly rate for the following holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, New Year's Eve Day, and regardless of the day of the

week on which it falls, provided they comply with the qualifications set forth hereinafter. Holidays which fall on Sunday shall be observed on Monday.

Effective August 1, seniority qualified Employees (including part-time) shall receive four (4) optional holidays. The below posted request form must be signed seven (7) days in advance of the day requested. The requests will be honored by seniority. The Employer shall allow a minimum of three percent (3%) of the Employees, by classification, put to work that day with an optional holiday. Additional optional holiday requests may be granted prior to allowing a driver to take a voluntary day off pursuant to Article 5, Section 1. Example, form must be signed by Monday prior to the Monday requested, etc.

| Optional Hol | liday Request Fo | r Week Ending | // | |
|--------------|------------------|---------------|----------|--------|
| Minimum Al | lowed Daily | - | ,, | |
| Monday | Tuesday | Wednesday | Thursday | Friday |
| 3% | 3% | 3% | 3% | 3% |
| | | | | |

There shall be no optional holiday between the Monday after Thanksgiving Day and December 24th.

When the Company allows an employee to take an entire workweek off without pay, and said employee has an optional holiday or single vacation day available, the employee shall be allowed to use the optional holiday or single vacation day.

2. Holiday Rate

- A. Full-time seniority Employees called to work on any of the above listed holidays shall be guaranteed a minimum of eight (8) continuous hours of work or its equivalent in pay at two times the regular rate in addition to the eight (8) hours pay above referred to.
- B. Full-time seniority Employees called to work on their day off in a holiday workweek or otherwise, shall be guaranteed a minimum of eight (8) continuous hours of work or its equivalent in pay at time and one-half the regular rate. Hours worked on the day off shall not be credited toward the 40 hour guarantee.
- C. A full-time Employee who is regularly paid under the step-up guarantee rate shall receive the holiday pay at his regular daily rate under the step-up guarantee.
- D. A full-time Employee who regularly drives double bottoms, shall receive the holiday pay at his regular daily rate for driving doubles.
- E. A part-time Employee upgraded to full time for any reason, and a holiday falls during such upgrading, Employee shall be paid that holiday at the full-time rate.

3. Qualifications

- A. In order to qualify for eight (8) hours of straight time pay for holidays not worked, a full-time seniority Employee must be employed for ninety (90) calendar days or more and must work his regular workday which immediately precedes or follows the holiday, unless the Employer agrees to give the Employee the extra time off.
- B. A qualified seniority Employee, employed for ninety (90) calendar days or more shall be entitled to pay for the holiday if he works his regular workday before or his regular day after the holiday, provided however, that if the holiday falls on Monday or Saturday the Employee

need only work within that workweek, his regular workday before or after the holiday. To clarify, if the holiday falls on a Saturday, in order to qualify for holiday pay, the Employee must work the Friday before the holiday. If the holiday falls on a Monday, in order to qualify for holiday pay, the Employee must work Tuesday of that week.

C. If a holiday falls within the first 30 days of absence due to illness or non-occupational injury or within six (6) months of an occupational injury, the holiday will be paid to the seniority Employees in the week in which the holiday falls. The rate for said holidays will be the regular holiday rate for that Employee minus what is received from compensation.

4. Weekly Guarantee

If the holiday falls on a weekday, Monday through Saturday, any full-time Employee who has worked four (4) days in that week shall be guaranteed forty (40) hours at straight time pay for that week without having to work the holiday.

5. Holiday Shift

- A. If a full-time Employee is regularly scheduled or starts to work on the day before the holiday and continues to work into the holiday, he shall be guaranteed eight (8) hours of continuous work at the regular straight time hourly rate.
- B. If a full-time Employee is regularly scheduled or starts to work on a holiday and continues to work into the following day, he shall be guaranteed eight (8) hours of work at two times his regular straight time rate.

Hours worked prior to his regular scheduled starting time shall not be credited to his eight (8) hour guarantee.

6. Saturday-Sunday Shifts

Any Employee who is regularly scheduled to work on a Saturday shift and works into Sunday shall be compensated at the straight time hourly rate, but an Employee starting to work on a Sunday shift and working into Monday shall be compensated at the Sunday rate for all hours worked.

Hours worked prior to the regular scheduled starting time shall not be credited toward the eight (8) hour guarantee.

7. Seniority Part-Time Employees

Seniority part-time Employees shall be entitled only to the following named holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, and New Year's Eve Day. As to these holidays, all of the provisions set forth above, shall apply except that holiday pay for eligible part-time seniority Employees shall be four (4) hours' pay at the straight time hourly rate.

ARTICLE 7 VACATIONS

1. Eligibility

a. Full-time Employees who have worked 1,250 straight time hours during any twelve month period shall receive vacations and vacation pay as follows:

Vacation pay shall be computed by multiplying fifty (50) times the Employee's straight time hourly rate, except as modified below.

In addition to the above schedule, any Employee hired after date of ratification, will receive one (1) additional optional week of vacation at the Employee's first anniversary date of employment and any anniversary date thereafter. Full-time Employees shall receive fifty (50) straight time hours pay, part-time Employees shall receive twenty-five (25) straight time hours pay.

Effective during the vacation selection period, full-time employees that have earned at least three (3) weeks of vacation as of January 1st, each year, will have the option of declaring that he/she will be able to split the option week of vacation into five (5) single days. Single vacation days may also be taken in blocks of (two (2) days, or three (3) days).

The employee must declare this option at the time of vacation selection.

No single vacation day(s) will be taken during the period from the first Monday after Thanksgiving through December 24th.

Seniority shall prevail for selection of single vacation day(s). Approval of vacation days will be at the discretion of the employer. The Company shall not unreasonably deny the request. Single vacation day(s) selected during the calendar year must be selected, in writing, a minimum of eight (8) working days prior to the requested date(s). The Company must approve or deny the requests within one (1) working day of the request. Single vacation days may be granted by mutual agreement outside of the eight (8) working day request provision outlined above. The Company will allow a minimum of one (1) single vacation day in each work classification for areas with twenty-five (25) employees or less; minimum of two (2) for areas with 26-70 employees and a minimum of three (3) employees for areas with 71-100 employees and minimum of four (4) employees for areas with 101 or more employees, provided there is coverage for the single vacation days. These days shall be paid for the first five days that the employee does not work, provided they were scheduled to work on these days and provided there is coverage for the single vacation days.

Single vacation days will be paid at ten (10) hours per day. Any days not used will be paid off at the end of the year.

Employees may not request vacation day(s) in any week they are not previously scheduled to work, except as provided for in Article 6 Section 1.

In order to properly staff the operations, it is understood that the Company will utilize coverage drivers pursuant to Article 8.5.

Employees (full-time – part-time) may take pay in lieu of time off for optional week – must indicate preference at time of vacation selection. The Employee will remind the company two (2) weeks in advance for pay on the option week.

b. During the first year of employment, a full time Employee must work 1,250 straight time hours and must have been employed for one full year. During the second and subsequent years, the Employee must have worked 1,250 straight time hours, but need not be employed the full year to be eligible for the vacation. Accumulation of 1,250 straight time hours qualification shall begin only on employment date and anniversaries thereof.

While an Employee must fulfill the 1,250 straight time hours to qualify for a paid vacation, the Employee is not entitled to actually receive or take the vacation at that time.

No Employee may earn more than one vacation in any one year nor is he entitled to take more than one earned vacation in any one year.

- c. A full-time Employee who has been employed not less than 1,250 straight time hours as provided above shall be entitled to vacation with pay to be taken during the period from January 1st to December 31st except the period from the first Monday after Thanksgiving Day to December 24.
- d. Any such regular full-time Employee with more than one (1) year of service who resigns or whose services are terminated due to circumstances over which he has no control, shall receive prorate pay for the number of weeks vacation as set forth in this Article for his then completed years of service. Proration of special vacation week begins on the Employee's anniversary date of each year.

Prorate pay shall be computed on a percentage basis by dividing the number of straight time hours worked into 1,250 as illustrated below:

- 125 hours equals 10% of full vacation
- 250 hours equals 20% of full vacation
- 312 hours equals 25% of full vacation
- 625 hours equals 50% of full vacation
- 937 hours equals 75% of full vacation
- 1250 hours equals 100% of full vacation
- e. If a holiday falls during an Employee's vacation, the holiday will be paid as it occurs, and he shall indicate at the time of selecting said week which of the following options he wishes:
 - 1. Observe the holiday with the vacation.
 - 2. Take the Friday prior to starting his vacation off as observance of the holiday.
 - 3. Take the Monday following his vacation off as observance of the holiday.
 - 4. Hold the holiday and use as an additional optional holiday and can be used in conjunction with another week of vacation. This observance may be used at any time other than the optional holiday blackout period described in Article 6, Section 1.

NOTE: The Friday before and the Monday after a week with a holiday in it, will be restricted to only one (1) person each day and assigned to those looking to exercise that option by seniority.

The locking in of these two days supersedes any option request days.

f. The Employer shall schedule a minimum of seventeen percent (17%) of the Employees by classification off on vacation from the Monday after Easter, up to and including the week in which Labor Day falls and a minimum of twelve percent (12%) off the remaining months. Optional weeks are not to be differentiated from regular vacation weeks in selection.

A vacation schedule shall be posted in each center by November 1st and completed by November 30th of each year for the purpose of picking vacations by classification seniority. The Employer will designate the maximum number that is scheduled for vacation in any one week. Except for the Employees that are assigned to run feeder vacations, they will pick their vacations on the feeder vacation list. All Employees shall be ready to pick when asked, at the rate of 25% per week in seniority order. If not ready, the Employee shall be passed over and pick what is available when ready. One or more Employees from each classification may be on vacation during the same period.

2. Vacation Pay

On the payday immediately preceding an Employee's vacation he shall be paid his vacation pay computed on the basis of fifty (50) hours per week at his then current straight time hourly rate.

An Employee who regularly works under the step-up guarantee provisions, shall receive his vacation pay based on his regular step-up guarantee rate provided, the majority of the hours worked in the thirty (30) calendar days prior to their vacation was under the step-up guarantee. This includes part-time Employees stepped-up to full-time employment. However, their number of hours of vacation will be based on their part-time seniority.

Wages for properly selected vacations, in all instances, will be paid to the employees no later than the workday prior to their vacation. If the employee does not receive his/her vacation check, the Employer will make all reasonable efforts to provide the check the following day including delivery by Saturday or Next Day air.

An Employee who regularly drives double bottom, double forties, or triples, shall receive his vacation pay based on the double bottom, double forties and triples rate.

All vacation earned must be taken by Employees and no Employee shall be entitled to or paid in lieu of vacation.

3. Eligibility Part-Time

- a. During the first year of employment the part-time Employee must work 625 straight time hours and must have been employed for one full year. During the second and subsequent years the Employee must have worked 625 straight time hours, but need not be employed the full year to be eligible for the vacation. Accumulation of 625 straight time hours qualification shall begin only on employment date and anniversaries thereof.
 - No Employee may earn more than one vacation in any one year nor is he entitled to take more than one earned vacation in any one year.
- b. A part-time Employee who has been employed not less than 625 straight time hours as provided above, shall be entitled to vacation with pay to be taken during the period from

January 1st to December 31st except the period from the Monday after Thanksgiving to December 24.

c. Any such part-time Employee with more than one (1) year of service who resigns or whose services are terminated due to circumstances over which he has no control, shall receive prorate pay for the number of weeks' vacation as set forth in this Article for his then completed years of service. Proration of special vacation week begins on the Employee's anniversary date of each year.

62 hours equals ten percent (10%) of full vacation

125 hours equals twenty percent (20%) of full vacation

156 hours equals twenty-five percent (25%) of full vacation

312 hours equals fifty percent (50%) of full vacation

469 hours equals seventy-five percent (75%) of full vacation

625 hours equals one hundred percent (100%) of full vacation

- d. If a holiday falls during an Employee's vacation, the holiday will be paid as it occurs, and he shall indicate at the time of selection said week which of the following options he wishes:
 - 1. Observe the holiday with the vacation.
 - 2. Take the Friday prior to starting his vacation off as observance of the holiday.
 - 3. Take the Monday following his vacation off as observance of the holiday.
 - 4. Hold the holiday and use as an additional optional holiday and can be used in conjunction with another week of vacation. This observance may be used at any time other than the optional holiday blackout period described in Article 6, Section 1.

NOTE: The Friday before and the Monday after a week with a holiday in it, will be restricted to only one (1) person each day and assigned to those looking to exercise that option by seniority.

The locking in of these two days supersedes any option request days.

- e. On the payday immediately preceding an Employee's vacation, he shall be paid his vacation pay computed on the basis of twenty-five (25) hours per week at his then current straight time hourly rate.
- f. Effective during the vacation selection period, part-time employees that have earned at least three (3) weeks of vacation (eight [8] years seniority) as of January 1st each year will have the option of declaring that he/she will be able to split the option week of vacation into five (5) single days. Single vacation days may also be taken in blocks of two (2) days or three (3) days.

The employee must declare this option at the time of vacation selection.

No single vacation day(s) will be taken during the period from the first Monday after Thanksgiving through December 24th.

Seniority shall prevail for selection of single vacation day(s). Approval of vacation days will be at the discretion of the employer. The Company shall not unreasonably deny the request. Single vacation day(s) selected during the calendar year must be selected, in writing, a minimum of eight (8) working days prior to the requested date(s). The Company must approve or deny the requests within one (1) working day of the request. Single vacation

days may be granted by mutual agreement outside of the eight (8) working day request provision outlined above. The Company will allow a minimum of one (1) single vacation day in each work classification for areas with twenty-five (25) employees or less; a minimum of two (2) for areas with 26-70 employees; a minimum of three (3) employees for areas with 71-100 employees; and a minimum of four (4) employees for areas with 101 or more employees, provided there is coverage for single vacation days. These days shall be paid for the first five (5) days that the employee does not work, provided they were scheduled to work on these days and provided there is coverage for single vacation days.

Single vacation days will be paid at five (5) hours per day. Any days not used will be paid off at the end of the year.

Employees may not request vacation day(s) in any week they are not previously scheduled to work, except as provided for in Article 6, Section 1.

ARTICLE 8 FULL TIME SENIORITY

1. Employee Seniority

Employees shall gain seniority when they have worked thirty (30) days in any consecutive ninety (90) day period.

Seniority shall be broken only by discharge for just cause, voluntary resignation, or more than three (3) years layoff. A laid off Employee shall be given two (2) weeks' notice of recall by registered mail at his last known address, and in the event such Employee does not report for work at the end of said two (2) weeks, then he shall lose all seniority rights.

Employees hired to fill vacancies during the vacation period (the first Monday after Easter through the week in which Labor Day falls), shall be so notified that they are being hired as vacation replacements and shall not be entitled to seniority. The employment applications are to be so stamped before the Employee fills out such application.

If an Employee is called back to work the week after Labor Day, they will be considered a newly hired Employee.

Employees being hired during the Christmas period (The third full week of October through January 15th inclusive), shall be so notified that they are being hired as Christmas season Employees and shall not be entitled to seniority. The employment applications are to be so stamped before the Employee fills out such application.

However, Employees hired prior to the third full week of October begin to accrue seniority from their first day worked and can become seniority Employees during the Christmas period after having worked thirty (30) days.

Employees hired during this period who are not wanted as permanent Employees should be terminated. Any Employee recalled after January 15th shall be considered a newly-hired Employee.

Employees assigned to fill temporary vacancies during the vacation or Christmas periods, shall not be entitled to classification seniority in the temporary vacancy.

No new Employee shall be hired if Employees on the seniority list are laid off at adjoining Centers and willing to perform the work.

Any new feeder runs or delivery area, created during the period from the third full week of October through January 15th shall be considered temporary and will not be posted for bid. However, if these routes or areas are still in existence after January 15th, they shall be posted for bid in the usual manner.

2. Posting List

The Employer agrees to supply and provide suitable space for the Union bulletin board in each Center, hub, or place of work. Postings by the Union on such boards are to be confined to official business of the Union and on the Union's official letterhead. In each building there shall be a covered bulletin board. Union Stewards shall have a key for the Union bulletin boards.

A list of Employees in order of their classification, seniority, and hiring date, shall be posted in a conspicuous place at each Center. The list shall be updated every ninety (90) days. An Employee, whose name appears on the posted list for the first time, shall have thirty (30) days to protest the accuracy of the seniority date. Failure to do so shall be an admission that the posted date is correct.

When two or more Employees are hired on the same day, these employees shall be added to the seniority list in alphabetical order.

3. Work Assignment

Center seniority by classification will prevail at all times except in case of layoff. If an Employee's job is abolished, he or she can elect to take the work of the person within that classification with the least amount of company seniority.

If an Employee's package route is temporarily eliminated he/she will have the ability to follow any portion of their route as seniority allows. The displaced driver will displace any junior coverage driver. The displaced coverage driver will work as directed.

If an Employee's job assignment is moved from one center to another, they have the option to move with their assignment to the new center and they will dovetail on that center seniority list. If they elect not to move to the new center, then the remaining package car drivers at the center from which the area is being transferred shall be offered the opening at the new center and the Employee that elected to stay shall be given the job assignment that is left open.

4. Opening and Closing of Center

Whenever an operating Center is opened or closed, the Employees affected shall be entitled to follow the work and their company seniority shall be dovetailed in the new operating Center.

5. Posting New Permanent Jobs or Permanent Vacancies

- a. In filling permanent vacancies in an existing Center, the Employees in that Center shall be given first choice if those vacancies in order of classification seniority.
- b. Filling all permanent vacancies shall be done within ten (10) working days of the completion of the bidding procedure, unless otherwise mutually agreed.
- c. When a permanent new job vacancy becomes open in a Center, it shall be posted in that Center by the Employer. A permanent new job for the purposes of this Article shall be one that has been in existence for a period of thirty (30) working days.

When any vacancy or opening occurs, it shall be posted for bid within ten (10) working days and remain posted for three (3) working days. Bids will be posted indicating general duties and starting time. After completion of the job bidding process, a copy of the bid sheet will be given to the Local Union Steward, upon request.

All bid employees in the classification, posted in the order of classification seniority, shall be eligible to bid on such openings. Separate seniority lists shall be posted in each Center by job classifications.

Employees in the classification where the vacancy or opening occurs, who desire to bid, must sign the bid list and have it initialed by the supervisor.

After receiving the job for which the Employee bid, the Employee shall not be eligible to bid any other opening for a period of four (4) months. The Employee awarded the bid, shall be placed on the job within ten (10) working days of the completion of the bidding procedure, unless otherwise mutually agreed.

The filling of openings by bidding shall be unlimited. If the number of moves exceeds three (3) bids, the employees will be placed on their new bid area within thirty (30) days from completion of the bidding procedure. The steward will assist in expediting the process.

Coverage drivers shall be used to fill absenteeism, vacation, employees time off, on disability or worker's compensation, overflow work, and volume fluctuation. The Employer shall determine how many coverage jobs are needed in each package center in the building. These coverage jobs and any non-bid areas that run on a regular basis will be offered to the non-bid guaranteed employees in seniority order within that center. This area will then become their permanent area or job. Any area or coverage job, as described above that has not been selected shall be assigned. Coverage work that will be in existence for a full week shall be selected each Friday by the coverage drivers in seniority order in that center. In the event an employee elects work that will be in existence for more than one (1) week, they shall be required to perform that work for the duration of its existence. When coverage work is not available on a weekly basis, coverage drivers will work as directed. All non-bid package car drivers shall be considered coverage drivers.

When moving into a new building or location and delivery areas are changed, the delivery areas affected shall be posted for bid and selected by starting time or delivery area in seniority order. The affected driver shall not be charged with a bid.

When a package delivery driver's area is changed more than 50% by stops in any given loop, the affected driver may request to re-bid the areas of the drivers with less seniority in that loop.

The company can establish training areas at each location for the purpose of training delivery drivers. If the company sees a need to change the designated training areas, a meeting will be held with the Union to discuss the change. A list of training areas in each center will be given to the steward. All training areas shall be bid. Bid drivers displaced from their training routes on a daily or weekly basis will displace any junior coverage driver on a daily or weekly basis. Training routes shall be used on a rotating basis in each center, unless otherwise mutually agreed.

None of the foregoing provisions shall be understood or interpreted as placing any restrictions whatsoever on the Employer's unrestricted right to eliminate jobs, or to make any changes it wishes in the size, content or scope, direction, coverage, starting time or schedule of any jobs or the equipment used thereon.

Any Employee who desires to work in another classification can do so with approval of the Company, as of past practice and will go to the bottom of the seniority list in the classification, but will retain his company seniority for the amount of vacation earned and benefits. Lay off will be by the employees Local 710 seniority date.

Any Employee who voluntarily transfers from one Center to another, with the approval of the Company, shall go to the bottom of the seniority list in that classification but shall retain his company seniority for fringe benefits and layoff purposes.

An Employee moved to another job shall be given a fair trial for a period up to but not exceeding thirty (30) working days at the rate of the job. (Vacation, holidays, jury duty, and funeral leave will not be counted as part of the thirty (30) working days.) If at the end of the trial period it is determined that the Employee is not qualified for the new position, he shall return to the old position, at the same rate of pay which was formerly paid for the old position with the old classification seniority retained.

6. Posting Feeder and Spotter Jobs

On April 1st and October 1st of each year, all feeder and spotter jobs in each Center shall be posted for bid by classification seniority. In addition, the company will bid coverage jobs. The number of coverage jobs bid will be five percent (5%) of the scheduled feeder jobs or runs on April 1st and October 1st of each year. Each bid coverage job will be assigned a job number and will be considered a feeder run.

In Centers where the five percent (5%) coverage rule does not apply, the job of vacation period coverage will be offered at the time when vacation selection is made (November) for the upcoming year by seniority within the feeder classification. The agreed upon coverage driver would then cover all feeder vacations in the center for the upcoming year.

Feeder bid coverage drivers will be allowed to pick available feeder runs by seniority for the following week prior to on call drivers. If no extra work is available, bid coverage drivers will have the option to bump the most junior person that is on a bid or assigned job. If this option is not exercised, they will fall in line with the on-call drivers in seniority order.

In addition to the April 1st and October 1st bids of each year, the feeder driver shall have unlimited bidding. If a new permanent feeder or spotter job develops or a permanent vacancy becomes available in a Center, the feeder drivers in that Center may bid on such openings in seniority order.

The filling of openings by bidding shall be unlimited. The steward will assist in expediting the process.

When a feeder driver's run is transferred, the driver will have the right to follow the run and dovetail by classification seniority into that center's list, or the driver will have the right to bump. Any driver bumped will have the right to bump or follow the run transferred and dovetail by classification seniority into that center's seniority list.

7. Change of Operations

The Employer agrees that prior to any transfer of work as outlined in Article 8 Subsections 3 and 6 that will result in a change of domicile and/or possible layoff of seniority employees, it shall notify the Local Union in writing and then meet jointly with them to inform them of the changes and to resolve questions raised in connection with the change. This meeting shall be completed where practical at least forty-five (45) days prior to the change. The change may not be

implemented until the forty-five (45) day's notice is provided and the meeting is completed unless the operational change is dictated by emergency conditions. The Union shall not unreasonably delay the scheduling or completion of the requested meeting.

As a result of the Employer moving an operation more than seventy-five (75) miles, all full-time employees in accordance with classification seniority who choose to move, will have their moving expenses paid. The expense shall include the reasonable cost of packing and the moving of household goods or house-trailer including dismounting and mounting. The employee(s) who transfer will have one (1) year from the date of the change to move.

Employee(s) who are transferred out of their original area where they are covered by a Teamster Pension Trust Fund into the jurisdiction of another pension trust fund, such employee(s) shall remain in their original pension trust fund.

The Employer agrees to pay the required pension contributions to the employee(s) original pension trust fund as set forth in the trust agreement, provided there is no conflict with any collective bargaining agreement and/or trust agreement.

8. Feeder Bumping Procedures

- a. Feeder drivers shall be entitled to displace any junior Employee within the feeder classification, in their center.
- b. Feeder drivers will have unlimited bumping.
- When a bump occurs, the Company shall have two (2) weeks where practical to complete the bump. Management will notify employees that they have been bumped. Employees notified shall bump at that time. Any employee not ready to bump will be assigned the bottom bid run.

In the event a bid starting time is permanently changed two (2) hours or more, or the bid run is changed one (1) hour or more, the destination is changed, or the equipment is changed eliminating the equipment premium, the Employee may stay with the job or displace any junior Employee within the feeder classification within ten (10) days. The hour time change for daylight savings time in the fall and spring is not counted in the 2 hours.

9. Mutual Agreement Equipment Change Double 40's to Triple 28 Ft. Trailers. (Metro, CACH and North Illinois Districts Only)

When a bid double 40 run is changed to a triple 28 ft. trailer run, the bid driver on the double 40 run may elect to stay on the new triple run or the driver may elect to bump the bottom bid double 40 driver. The bumped driver may request to be qualified on the triples and take the open triple run. If the driver cannot qualify for the triples or elects not to try to qualify for a triples permit, that driver may bump any driver with less classification seniority. The open triple run will then be posted as an open run.

10. Feeder Driver Run Elimination

- a. If the job of a feeder driver is temporarily eliminated lasting less than fifteen (15) calendar days, said driver will be placed on the on call list in seniority order until his job returns or it is determined to be a permanent elimination.
- b. A feeder driver whose job has been permanently eliminated, will immediately bump any junior Employee in his/her classification and so on until the least senior feeder driver has been displaced.

11. Sixth Day Work

If a driver with hours available puts their name in the book for a sixth (6th) day, the following rules shall apply:

- A. On call seniority drivers shall be called first, provided it is not the sixth (6th) day for the on call driver.
- B. No on call driver shall be put to work on a sixth (6th) day if there is a senior person's name in the book with hours to work a sixth day.
- C. If there are no seniority or probationary on call drivers available to work, the company shall then go to the book for drivers as needed.

12. Feeder Tractor-Trailer School

Employees in the package driver classification who are interested in qualifying as a feeder tractor trailer driver, under DOT Rules and Regulations, shall so notify the Company. Such Employees in seniority order will be permitted to attend, on their own time, the Company training program which may be established from time to time as the need occurs. The Company agrees to furnish the necessary equipment and instructors.

To qualify for attendance at the feeder tractor trailer school, an Employee must have one (1) year UPS safe driving for the year preceding his application to attend the school.

Upon completion of feeder tractor-trailer school, the Employer will determine whether the Employee is qualified to drive tractor-trailer and whether the Employee will be placed on the qualified list. Once qualified, the Employee must stay on the feeder qualified list for four (4) consecutive years. Those employees currently on the feeder qualified list will maintain their current two (2) year protection.

Before hiring from the outside, any full-time permanent feeder opening within Local 710's jurisdiction shall be first filled from within that building; second, be filled by the senior interested feeder driver in the Local's jurisdiction who has submitted in writing to the Local their interest in a particular building(s); and third, will be offered to any interested package car drivers by seniority within Local 710's jurisdiction, who have submitted in writing to the Local their interest in a feeder position. These positions will be offered on a 6 for 1 ratio.

These employees must meet the criteria as outlined in this section.

An employee electing to fill a job under this section shall be responsible for their own moving expenses. An employee filling a job under this section shall go to the bottom of the seniority list but shall retain his/her company seniority for fringe benefits and his/her full-time Local 710 seniority for lay-off purposes.

After working in the feeder classification for four (4) consecutive years, an Employee may return to the package driver classification when a permanent vacancy or permanent new job occurs and will go to the bottom of the seniority list in the classification.

To be eligible to move from the qualified list to a feeder tractor-trailer job, an Employee must not have had an avoidable accident during the year preceding his assignment to a tractor-trailer job.

In any case in which the Local Union believes an Employee has been denied the opportunity of attending feeder tractor-trailer school, the Local Union shall have the right to discuss the matter with the District Manager or his designee and present the facts which the Local Union believes

show that the denial was improper. If an agreement cannot be reached, the Employee may pursue the issue through the grievance procedure.

New feeder tractor-trailer openings or vacancies will be filled from the list of qualified Employees in the order of their date of qualification at that location. In the event no Employee on the list of qualified Employees elect to fill the opening, the last person qualified must fill the opening.

Selection will be by classification seniority at that location. Any Employee that has been trained and qualified by the Employer must perform tractor-trailer or feeder work when required to do so. In the event no qualified Employee elects to do the work, the least senior qualified person must perform the job.

Before hiring from the outside, the Company shall consider other Employees if they can fulfill the same criteria as outside applicants excluding auto mechanics and maintenance mechanics.

13. Procedures For On Call Seniority Feeder Drivers

- 1. On call drivers are responsible to be available to work on as needed basis twenty-four (24) hours a day.
- 2. When called, the driver must be able to report in a timely fashion so as not to jeopardize service or operational commitments.
- 3. When called, a no answer will be verified by another Union member. The second (2nd) call will be dialed by a Union member and witnessed by a Management person.
- 4. All workdays are from 12:00 a.m. until 11:59 p.m. If drivers are called, the driver must be available to answer the phone and be prepared to report to work. An unanswered phone or unwillingness to report when called to do so, regardless of reason, will cause the driver to forfeit his availability to work that day. The next time the driver will be called for work will be 12:00 a.m. the following day. However, the driver may be recalled on the same day, if the entire call list has been exhausted.
- 5. The driver may be requested to report to work twice in the same calendar day; this will be counted as an additional day worked that week. Not being available to report to work twice in one day does not forfeit the drivers' position on the call board at 12:00 a.m. the following day.
- 6. On call seniority or probationary drivers have the right to work five (5) times in any workweek before it becomes necessary for any other driver to work a sixth day.
- 7. There may be occasions where the on call seniority drivers will be offered work on a hours only basis. Denial of this work by the driver, will not forfeit the driver's right to work later on the same day, provided work generated at a later time but prior to the 11:59 p.m. cut off time. As work generates, the highest seniority driver that is available will be called.
- 8. When on call work generates, the next available on call driver will be called by seniority on a one-for-one basis; i.e.: one destination, one driver, two destinations, two drivers, etc. When more than one on call driver arrives at the same time for dispatch, the drivers in seniority order shall have the choice of available destinations.
- 9. All on call drivers shall be dispatched in seniority order regardless of the geographic location in which the drivers live.

- 10. All on call drivers are responsible for checking the on call work sheet for verification of their phone numbers as shown on the on call board. This must be done on the Friday preceding the next week.
- 11. All rules are subject to any and all requirements and statutes of the department of Transportation.
- 12. These rules may be reviewed at any time at the agreement of Local No. 710 and U.P.S. Management.

14. Layoffs

When it becomes necessary to reduce the working force in a Center, the Employee in that classification with the least amount of company seniority shall be laid off first. If a full-time Employee is laid off, he may exercise his company seniority in the next lower classification in his Center on the following Monday for the duration of the layoff, provided he is qualified to perform the work. A mechanic and/or building maintenance Employee exercising this option must be qualified to displace two part-time Employees.

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 they have more company seniority. In such cases, the full-time Employee shall be guaranteed a minimum of three and a half (3 ½) hours work at the rate of pay for the job which he performs in addition to all fringe benefits.

If there are part-time Employees in a center in both the A.M. and P.M., a full-time Employee may replace the most junior part-time Employee on each shift and shall be guaranteed a minimum of three and a half (3 ½) hours for each shift, provided they are qualified. The time and one-half for work over five (5) hours does not apply unless they work over five (5) hours in any one shift.

If an employee (any employee) works over eight (8) hours per day, forty (40) hours per week, the Employer must pay the time and one-half rate for all hours over eight (8) and forty (40) in a twenty-four hour period. (Midnight to Midnight.)

The displaced part-time Employee will have the right to bump the least senior part timer in his/her classification or, if he/she is the junior person, he/she may bump into the next lower part-time classification.

ARTICLE 9 UNIFORMS

The Employer agrees that if any Employee is required to wear any kind of uniform as a condition of his continued employment, such uniform shall be furnished and maintained by the Employer free of charge.

Each seniority Employee shall be entitled to a maximum of ten (10) shirts, five (5) of which shall be "winter" shirts and five (5) of which shall be "summer" shirts; when a shirt becomes worn it will be turned in and replaced by a new shirt. These shirts will be maintained by the Employee.

Employees shall have the right to wear a Union Pin as agreed to by the parties.

Effective May 1, 1994, short uniform trousers will be provided as an option for package and feeder drivers at no cost to the employee. Such shorts may only be worn in compliance with uniform and appearance standards established by the Employer.

Rain gear will be available for those Employees assigned to moving vehicles on the Employee's premises.

The Employer has the right to establish and maintain reasonable standards concerning personal grooming and appearance and the wearing of uniforms and accessories.

It is agreed that each Employee shall put on his uniform before reporting for duty and shall remove uniform after being relieved from duty each day. It is agreed that the time spent in putting on and taking off his uniform shall not be paid for by the Employer.

The Employer agrees to provide lockers for those Employees who are required to change into a uniform or take a lunch period. All other Employees will be provided a suitable area for keeping personal items and clothes.

The Employer agrees to maintain a clean, sanitary washroom having hot and cold running water, with toilet facilities in all present and future buildings. The Employer further agrees to provide separate toilet facilities and locker rooms for male and female Employees in all future, newly constructed buildings. Such toilet facilities will be equipped with proper ventilation devices and shall be heated as climatic conditions shall warrant.

ARTICLE 10 WORKER'S COMPENSATION APPROPRIATE STATES

The statutory provisions of the Worker's Compensation Act and/or the Federal Employer's Liability Act shall be part of this Agreement and when the Employer comes under the jurisdiction of either or both of these acts, the Employer will promptly comply with all provisions of said acts. The statutory provisions of the Federal Social Security Act and the Old Age Pension Act shall be promptly complied with. The Employer agrees to carry liability insurance with a recognized risk firm to protect Employees should they be injured, disabled, or killed in the scope of their employment with the Employer. Liability insurance is part of this Agreement and the Union Representative shall, at his discretion, be privileged to examine the policies of the Employer. This Agreement protects the representatives of the Union in making this request.

ARTICLE 11 STEWARDS

The Employer recognizes the right of the Local Union to designate job stewards from the Employer's seniority list. The authority of job steward, so designated by the Local Union, shall be limited to and shall not exceed, the following duties and activities:

- a. The investigation and presentation of grievances with his Employer or the designated company representative in accordance with the provisions of the collective bargaining agreement.
- The collection of dues when authorized by appropriate Local Union action.
- c. The transmission of such messages and information, which shall originate with, and are authorized by the Local Union or its officers, provided such message and information:
 - 1. have been reduced to writing; or,
 - if not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods, or any other interference with the Employer's business.

Job stewards have no authority to take strike action, or any other action interrupting the Employer's business, except as authorized by official action of the Local Union. The Employer recognizes these limitations upon authorized job stewards, and shall not hold the Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the job steward has taken unauthorized action, slowdown or work stoppages in violation of this Agreement. Job stewards shall not be subject to discipline for performing any of the duties within the scope of their authority as defined in this section, in the manner permitted by this section.

The job steward shall be permitted reasonable time to investigate, present, and process grievances on the company property without interruption of the Employer's operation, and where mutually agreed to by the Local Union and Employer, off the property or other than during his regular schedule without loss of time or pay. The Job Steward upon request shall be granted access to the daily operation report. Such time spent in handling grievances during the Job Steward's regular working hours shall be considered working hours in computing daily and/or weekly overtime if within the regular schedule of the "job steward."

Business Agent(s) and/or a steward shall be permitted to attend new employee orientations to talk about the benefits of Union membership. The Employer agrees to provide the Local Union at least one (1) week's notice of the date, time, and location of such orientation. Upon request, the Union representative will be given a list of the names of the employees attending orientation no later than at the meeting. The sole purpose of the Business Agent's or steward's attendance shall be to encourage new employees to join the Union. The steward shall remain on the clock for up to fifteen (15) minutes for that purpose if the orientation is held during his or her normal working hours at his or her normal place of work.

The Employer recognizes the Employee's right to be given requested representation by a Job Steward at such time as the Employee reasonably contemplates disciplinary action. It will be the Employers responsibility to have a steward present at all discharges. If the steward is not available at the time of discharge, the company may take the Employee out of service until a meeting can be arranged with his or her steward present. If all stewards are on vacation, another Union member present, of the discharged Employee's choice, may be brought in to witness the discharge.

If requested by the Local Union, the designated job stewards will be provided with copies of all warning, suspension and discharge letters. The Employer shall upon written request, provide the Local Union or the steward designated by the Local Union, with documents/information that reasonably relate to the pending grievance.

ARTICLE 12 MISCELLANEOUS

The Employer agrees that the function of supervisors is the supervision of Employees and not the performance of the work of the Employees they supervise. The Union agrees that the Employer must train Employees and must prevent service failures. The employer shall make reasonable efforts to maintain a sufficient workforce to staff its operations with bargaining unit employees.

Accordingly, the parties agree that supervisors will not perform the work of Employees they supervise except during training, demonstration, and safety education; and supervisors will not perform Union member's work until all efforts have been exhausted to have the work covered by Union Employees of United Parcel Service. In the event a supervisor does perform bargaining unit work, the Employer shall notify the appropriate shop steward as soon as possible.

The Employer also agrees that supervisors shall not perform bargaining unit work in preparing the work areas before the start of the Employer's hub, preload or reload operation, nor shall the Employer send any bargaining unit employee home and then have such employee's work perform by a supervisor.

If an aggrieved employee proves at any step of the grievance procedure that a supervisor performed bargaining unit work in violation of the supervisor's working provisions in this Agreement under which the employee is entitled to be paid, he will be provided the following remedy: If such work amounts to less than two (2) hours, the aggrieved employee will be paid the actual hours worked by the supervisor at the rate of double time. If the supervisor's work exceeds two (2) hours, the aggrieved employee will be paid four (4) hours or actual hours worked at the rate of double time whichever is greater. Any payments shall be at the grievant's rate of pay. Such remedy shall be in addition to any other remedies sought by the Union in the applicable grievance procedure.

In the event that any supervisor is found to be in violation of the fourth (4th) paragraph of this Article three (3) times in any nine (9) month rolling period, the grievance shall be paid at triple time the employee's rate of pay for the hours specified in the fourth (4th) paragraph of this article.

The parties agree that the principle of a fair day's work for a fair day's pay shall be observed at all times and employees shall perform their duties in a manner that best represents the Employer's interest. The Employer shall not in any way intimidate, harass, coerce, or overly supervise any employee in the performance of his duties. The Employer shall not retaliate against employees for exercising rights under this Agreement. In considering any grievance alleging retaliation for exercising his rights under the Agreement, the severity and timing of the Employer's actions that modify an employee's work assignment or reprimand employees shall be relevant factors to a determination of motivation. The Employer will treat employees with dignity and respect at all times, which all include but not be limited to, giving due consideration to the age and physical condition of the employee. Employees will also treat each other as well as the Employer with dignity and respect.

Not more than one (1) member of management will ride with a driver at any time except for the purpose of training management personnel. No driver will be scheduled for more than one (1) day's ride per year with more than one (1) member of management on the car. Such day will not be used for disciplinary purposes. The sole reason for two management employees on the car is for supervisory training. If a supervisor assists a driver during an O.J.S., that day will not be used in determining a fair day's work.

During scheduled safety training for feeder drivers the supervisor will only drive for demonstration purposes and this will not exceed one (1) hour per workday.

Any alleged violation of this Article shall be subject to the grievance procedure. Where an employee has submitted a grievance regarding an excessive number of rides, no member of management shall ride with that employee unless and until the local level hearing is concluded, provided such hearing is held within five (5) working days. If the Union has a legitimate reason for not being available within the five (5) working days, the period will be extended up to a total of ten (10) working days.

When performing supervisory rides with feeder drivers in extremely inclement weather, management will suspend demonstrations, if the Employee feels his/her personal safety is in jeopardy, until conditions improve.

For the purpose of training an Employee, the supervisor must perform the training in the immediate area with the Employee being trained. The training shall be one-on-one and will consist of the employee's designated work assignment only.

ARTICLE 13 TRANSFER OF COMPANY TITLE OR INTEREST

The Agreement shall be binding upon the parties hereto, their successors, administrators, executors, and assigns. In the event an entire operation, or rights only, are sold, leased, transferred, or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such operation or use of such rights shall continue to be subject to the terms and conditions of this Agreement for the life thereof.

On the sale, transfer or lease of an individual run or runs, or rights only, the specific provisions of this Agreement, excluding supplements, or other conditions, shall prevail. It is understood by this Section that the parties hereto shall not use any leasing device to a third party to evade this Agreement.

In the event the Employer fails to require the purchaser, the transferee, or lessee to agree to assume the obligations of this Agreement, the Employer (including partners thereof) shall be liable to the Union and to the Employees covered for all damages sustained as a result of such failure to require assumption of the terms of this Agreement, but shall not be liable after the purchaser, the transferee, or lessee has agreed to assume the obligations of this Agreement. The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, assignee, etc., of the operation covered by this Agreement or any part thereof, including rights only. Such notice shall be in writing with a copy to the Local Union at the time the seller, transferor, or lessor executes a contract or transaction as herein described. The Local Union shall also be advised of the exact nature of the transaction, not including financial details.

Subcontracting

- a. The Employer agrees to refrain from using the services of any person who does not observe the wages, hours, and conditions of employment established by this Agreement.
- b. Pending a determination by the courts, that the above Article 13, Section 1 is valid the Union and the Employer shall comply with and enforce only the following modification thereof: 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 or hereafter assigned to the collective bargaining unit will be subcontracted, transferred, leased, assigned

or conveyed in whole or part to any other plan, person, or non-unit Employees, unless otherwise provided in this Agreement.

The Employer may not subcontract work in any classification for the purpose of avoiding overtime.

The Employer may not subcontract work in any classification if any employee who normally performs such work is on layoff. Prior to subcontracting work, the Employer will make all reasonable efforts to use the employees covered by this Agreement.

c. No seniority feeder driver will be removed from his/her bid run at peak and have that same route covered by an outside trucking carrier. Rescheduled routes which may be covered by an outside carrier will only occur if necessary to protect service.

The Company and the Union will meet monthly, or on an as-needed basis, to review the use of outside carriers at the Union's request.

The Company will provide reports with the appropriate information.

As a part of the monthly subcontracting reviews, feeder driver grievances related to this section will be reviewed and discussed. If the facts prove that the driver was denied a daily work opportunity, the driver may be paid the appropriate remedy under this agreement.

For the purpose of subcontracting claims, time for claim will start at the meeting.

Diversion of Work Parent or Subsidiary Companies.

The parties agree that for purposes of this Article it shall be presumed that a diversion of work in violation of this Agreement occurs when work presently and regularly performed by, or hereafter assigned to, employees of the signatory Employer has been lost and the lost work is being performed in the same manner by an entity owned and/or controlled by the signatory Employer, its parent, or a subsidiary, the burden of overcoming such presumption in the grievance procedure shall be upon the Employer.

The Employer agrees that it will be a violation of this section if it, any affiliate, or any other entity under its control enters into a business so as to duplicate the Employer's common carrier operations as defined in any area. Affiliate for purposes of this section means any entity which is owned, managed or controlled by the Employer or its parent. This section will also cover an entity if the Employer or its parent maintains the ultimate right to control or approve a decision by such entity.

The Employer will be financially responsible for all losses resulting from a violation of this section.

Competition

The Union recognizes that the Employer is in direct competition with the Unites States Parcel Post and other firms engaging in the distribution of express letter, parcel express, parcel delivery, and freight, both air and surface. In order to meet that competition and thereby protect and, if possible, increase the number of bargaining unit jobs, it is agreed that any provisions in this contract to the contrary notwithstanding, the Employer:

1. May use substitute means of transportation (such as airplane, helicopter, ship, or T.O.F.C.) in its operations. Provided, however that no driver in the employ of the Employer as of August 1, 2002, will be laid off as a result of T.O.F.C.

2. May drop loaded or empty trailers at locations designated by it, its customers, or consignees for customer or consignee loading or unloading. It is understood that customers and consignees will not move trailers for loading and/or unloading other than on their premises. It is further understood that dropping and picking up these trailers shall be done by members of the bargaining unit.

Surepost

- 1. In order to retain existing commercial customers that are solicited by a competitor offering services similar to those described herein, or to attract new commercial customers, the Company may offer service contracts that include the delivery of packages by the USPS. Packages eligible for such delivery will normally be less than ten (10) pounds in weight and less than three (3) cubic feet in size, in accordance with paragraph (2) below. Further, UPS agrees that the Surepost will not be presented as a general service offering except at UPS stores. This service will only be offered for shipping from a business to a residential customer. The Company agrees that it will not use Surepost as a basis to diminish the size of the bargaining unit.
- 2. The Company will continue to use technology that identifies two or more Surepost packages to be delivered to the same address and/or any combination of Surepost package(s) and ground package(s) to be delivered to the same address. In such circumstances, all of the Surepost package(s) and ground package(s) will be delivered by package drivers. The Company will maintain and update the technology that identifies multiple addresses in close proximity to which any combination of Surepost and ground packages are to be delivered. The Company shall meet with the Competition Committee to review any potential expansion of the volume to be redirected and determine if it is economically feasible to handle in UPS' operations.

The Company shall not deactivate or interfere with the operation of the technology that redirects Surepost volume to the Company unless volume is being rolled in a building due to delivery constraints. In such event, redirect will only be deactivated for the affected building(s). The UPS President of Labor Relations, or his designee, will notify the Union's Director of the Package Division of any deactivation.

3. The Joint UPS/IBT Competition Committee will meet on a quarterly basis to review the progress of this service and discuss potential technological enhancements that will allow Surepost volume to be placed back in the UPS system for final mile delivery. Any issues or disputes related to the Surepost service that cannot be resolved by the Competition Committee shall be referred directly to the Chairs of the Union and the UPS National Negotiating Committees for discussion and resolution. In addition, the Union may notify the Employer of any opportunities to include additional addresses.

Removal of Loads from Rails

In order to enhance part-time employees' opportunities to obtain a full-time job and improve the Company's ability to reduce time-in-transit and improve service, the following provisions will apply to the extent the number of loads removed from the railroad exceed the parameters set forth below:

1. The Company commits that the number of new drivers needed to remove loads from the rail shall be at least one hundred (100) over the life of the 2018 to 2023 Agreement. The Company shall be required to train or hire at least twenty (20) drivers by December 31,

2019, and twenty-five percent (25%) of the remaining needed drivers each calendar year thereafter. As long as the Company satisfies these hiring/training obligations, it shall provide the Union a report identifying the loads covered by this Section. The Company shall meet with the Union to resolve any issues which may arise if circumstances beyond the Company's control preclude the Company from training or hiring needed drivers in any area. The Company shall train or hire a sufficient number of drivers to cover these runs by the end of the current labor agreement.

- 2. The Company shall provide Local 710 its initial plans to remove and cover these loads. In addition, upon request, the Company will review with the Local Union the Company's progress in implementing this Section. The review shall include the Company's hiring and training of drivers to ensure that reasonable efforts are being made to staff the runs with bargaining unit employees and eliminate the vendors in any area.
- 3. Article 47 shall apply to these runs except for the approval process.
- 4. No seniority employee in the feeder driver classification shall be displaced from the classification or laid off as result of the use of substitute transportation pursuant to this Section.

Temporary Removal of Loads from Rails

In order to expand the work opportunities for members of the bargaining unit, the Employer will consider removing additional loads from the railroad. When the Employer removes loads on other than a temporary basis, it shall notify the Union of the number of new runs to be created as a result of moving such loads on the ground. Temporary shall be limited to one (1) year unless there are circumstances beyond the Company's control. The one (1) year will not be exceeded unless the District Labor Relations Manager and Business Agent mutually agree. Agreement will not be unreasonably withheld.

ARTICLE 14 EQUIPMENT, ACCIDENT, REPORTS

The Employer shall not require Employees to operate any vehicle or use any type of equipment that is not in safe operating condition or equipped with the safety appliances prescribed by law. It shall not be a violation of this Agreement where Employees refuse to operate such equipment unless such refusal is unjustified. All equipment which is refused because not mechanically sound or properly equipped, shall be appropriately red tagged so that it cannot be used by other drivers until automotive maintenance department has adjusted the complaint.

Under no circumstances will an Employee be required or assigned to engage in any activity involving dangerous conditions of work or danger to a person or property or in violation of a government regulation relating to safety of person or equipment. The term "dangerous conditions of work" does not relate to the type of cargo which is hauled or handled. Any Employee involved in any accident shall immediately report said accident and any physical injury sustained. The Employee will be given a copy of their equipment accident write-up report, when requested.

When required by his Employer, the Employee, before the end of his shift, shall make out an accident report in writing on forms furnished by the Employer and shall turn in all available names and

addresses of witnesses to the accident. Copies of the same shall be made available to the Employee upon his request.

In the event of an accident, the Employer shall have twenty (20) days to complete his investigation and ten (10) days to take disciplinary action, if any, unless otherwise mutually agreed. Except for serious accidents, a driver will not be removed from the driving duties during an investigation of an accident. If removed, the driver will be assigned to non-driving work during this period.

An accident review panel at the Center will hear evidence on a serious accident and make a recommendation on avoidability to the Safety Department. The panel will be made up of two (2) management and two (2) drivers.

Any pictures and/or video used from an accident or injury for the purpose of educating the workforce shall exclude the identity of employee(s) involved in the accident or injury. Such pictures and/or video shall only be used for accident or injury prevention, and not to embarrass or denigrate any employee.

No employee shall be required to give a testimonial or demonstration of an accident at the PCM.

Employees shall immediately, or at the end of their shifts, report all defects of equipment on a suitable form furnished by the Employer. The Employer shall not ask or require any Employee to take out equipment that has been reported by another Employee as being in an unsafe operating condition.

Such equipment will be red tagged. The tag must not be removed until the journeyman mechanic has determined that the vehicle is in safe operating condition, or where no journeyman mechanic exists, a qualified automotive department Employee will make the deciding determination.

When the occasion arises where an Employee gives written report on forms in use by the Employer of a vehicle being in an unsafe working or operating condition and receives no consideration from the Employer, he shall take the matter up with the officers of the Union who will take the matter up with the Employer.

Applicable laws regarding the use of cell phones while driving will be followed by all employees while driving Company vehicles.

The following equipment guidelines and requirements will be adhered to by the Employer:

A. General

- 1. Sun visors and dashboard defrost fans will be provided upon request on all equipment.
- 2. Copies of the vehicle inspection reports will be available in Centers for review by drivers.
- Where the manufacturer recommends and provides shock absorbers as standard equipment, properly maintained on such equipment, shall be considered as necessary and integral part of the assembly.
- 4. The Employer shall install and maintain adequate heaters and defrosters on all vehicles and all safety equipment required by law.
- 5. Centers will be heated where practical.

On a facility-by-facility basis, to include temporary facilities, the Employer will evaluate whether additional ventilation or heat is needed for purposes of safety and health. This will include clerical work areas outside of office structures in the UPS facilities. Should any employee(s) have concerns with respect to ventilation or heat issues, they shall be

- addressed by the appropriate local CHSP Committee. Should the local CHSP Committee not satisfactorily address the issue, a grievance may be filed.
- 6. Install, maintain, and use exhaust fans in buildings as required by law.
- 7. All new package car and feeders, will be ordered to comply with Federal Motor Carrier Safety Regulations (FMCSR), regarding in cab noise levels.
- 8. Upon request, any employee inside a UPS Inc. Facility, shall have assistance from another bargaining unit employee when handling an over 70lb. Package.
 - When delivering or picking up any packages over 70lbs., when no help is available at his/her delivery/pickup point, a driver may request the assistance of another bargaining unit employee and shall receive such assistance.
- 9. First line trailers will be swept on a daily basis. All package cars and tractors will be maintained in a clean and sanitary condition.
- 10. Motor vehicles shall be physically connected to a local exhaust ventilation system when the operations in the shop require that the vehicle engine be idled or otherwise operated. Shop areas shall be designated as separate walled areas.
- 11. The use of hand held devices by non-driving employees will be with the approval of the employer.
- 12. The Employer and Union recognize that there are various federal, state, and local statutes, regulations, and ordinances on the use of handheld devices while a commercial motor vehicle is in motion. In the interest of the safety of our drivers and the general public, drivers must comply with the applicable restrictions. The Employer will use its best efforts to educate drivers on the restrictions applicable in each geographic area.
- 13. The employer shall ensure conveyors passing overhead shall be guarded so as to prevent the material transported from falling and causing injury to employees below.

B. Package

- When replacing the seat cushion in package cars where the seat is attached to a post, the Employer will use the new soft ride cushion material agreed to. When replacing the seat back, the Employer agrees to provide the new seat back with the adjustable lumbar support feature. Seat backs will be replaced as needed subject to availability from the manufacturer.
- 2. Radios will be allowed in package cars. Such radios shall not inhibit the drivers view, nor shall they be unsecured.
- 3. Aluminum hand trucks for package drivers, future needs and replacements, as determined by the company.
- 4. All new package cars, P32 and larger, added to the fleet after January 1, 1994, shall be equipped with package compartment venting. The method of venting will be dictated by technology and will vary according to climatic conditions.
- 5. The Employer agrees to maintain all door and engine compartment seals in order to eliminate, as much as possible, fumes, dust, and moisture in the package car.
- All new package cars placed into service after August 1, 1997 shall be equipped with power steering.

7. When requested, package cars larger than a P-32 will have grab handles located on the curb side of the package car and mounted on the inside, and will be equipped with mounting brackets to secure hand carts. The Employer will make every effort to require all new package car designs to have lower cab entry steps.

C. Feeder

- 1. The Employer will provide high back air-ride seats in all new tractors and when replacing seats in present tractor equipment. Effective September 1, 1990, all new feeder tractor-trailer road equipment shall have harness straps included as part of the seat belt installed on the driver's side.
- 2. Any equipment put into service after August 1, 1990 or that already has an air- conditioning unit, such units will not be removed. All air-conditioned equipment will be maintained in working order. It is understood that the Joint Committee may waive installation of air-conditioning where climatic conditions or other standards exist.
- Feeder road equipment shall be equipped with heated mirrors. Any feeder road equipment not presently equipped shall be equipped with heated mirrors when the mirrors require replacement.
- 4. Only first line tires will be used on the steering axle of all feeder road equipment. In case of breakdown, a temporary replacement other than a first line tire may be used to return to the terminal. The company agrees not to mix radials and bias ply tires on the same unit.
- 5. All new dollies placed into service shall be counter balanced (maximum 70 lb. lift weight) with handles on the tongue.
- 6. The Employer will make every effort to have the heaviest loaded trailers as the lead trailer.
- 7. When pulling doubles, the loaded trailer shall always be in front of the empty trailer.
- 8. Triples will be hooked up in the line by weight.
- 9. Door locks on feeder road equipment shall be maintained.
- 10. The use of Citizen Band Radios shall be permitted in all feeder road equipment as follows:
 - a. Operator of C.B. Radios must conform to FCC Rules and Regulations.
 - b. Head sets and earphones shall not be allowed.
 - c. The Employer will not be responsible in any way for any damage or loss of C.B. Radio equipment.
 - d. All power hook-ups and antenna brackets shall be provided and installed by the Employer.
 - e. Antennas shall be so installed that they do not interfere with the operation of the wash rack or restrict the vision of the driver.
- 11. All new diesel tractors added to the fleet after January 1, 1994, shall be equipped with vertical exhaust stacks.

Package car exhaust systems, when replaced, shall exit to the side of the vehicle.

D. Safety and Health Committees

There shall be Safety and Health Committees to cover all full-time and part-time Employees. There shall be one (1) committee per Center unless the number of Employees and/or job classifications within a center dictate the establishment of more than one (1) committee. The respective committees will be comprised of a mutually agreed to number of bargaining unit representatives and up to an equal number of management representatives.

Recognizing the importance of the role of the Safety and Health Committees in resolving the issues of safety, the Employer and the Union reaffirm their commitment to the active involvement of the Committees in such process in accordance with the terms of this Article.

The Local Union shall approve the bargaining unit members who serve on these Committees. The union co-chair of the committee (s) shall be selected by the bargaining unit members of the committee. In the event that Local 710 desires to cease participation in the safety committees, prior approval must be authorized by the Union Co-Chair of the Local 710/UPS Negotiating Committee who shall also inform the Company Co-Chair of the Local 710/UPS Negotiating Committee of the request.

Bargaining unit members may not perform Safety Committee observations of fellow bargaining unit members that can be interpreted as being a management role. Safety Committee observations shall only be performed to further the purpose of that Committee as defined in this section and to promote a safer work environment. Activities will be reviewed with the Local Union. Under no circumstances can the results of a Safety Committee observation be used in any level of discipline, nor reference any individual bargaining unit member.

Each committee shall meet at least once each month at a mutually agreeable time and place. The Employer shall provide committee members with adequate time to perform committee functions, as described in paragraphs 1 through 7 below.

Each Committee shall perform functions including, but not limited to:

- 1. Creating sub-committees, on an as needed basis, to investigate specific issues of safety and health concern. These committees shall report to the full committee.
- 2. Developing and maintaining minutes for all meetings, with copies to all committee members and posted on designated safety bulletin boards.
- 3. Conducting periodic inspections of the facility to ensure that there is a safe, healthful and sanitary working environment in each center.
- 4. Accompanying governmental, union, and/or Company health and safety professionals on facility inspection tours. The Employer may limit the number of bargaining unit members of the committee accompanying such an inspection tour.
- 5. Receiving information pertaining to lost workday injury/accident causes and review results of investigation of such injuries/accidents.
- 6. Receiving copies of the center's OSHA Illness and Injury logs and the facility's man hours.
- 7. Receiving the Company sponsored training to enable committee members to effectively perform their respective functions as safety and health committee members.

Any information provided to a CHSP committee will not be shared outside the committee without the Employer's consent.

If the committee is unable to resolve a safety and health concern and all steps of the Comprehensive Health and Safety Process (CHSP) have been exhausted, the issues will be subject to the grievance procedure.

E. Technology

Technological change shall be defined as any significant change in equipment or materials which results in a significant change in the work of any classification of employees in the bargaining unit or diminishes the number of workers in any classification of employees in the bargaining unit. Such changes could include, but are not limited to, the use of drones or driverless vehicles to transport, deliver or pick-up packages, or platooning. In all cases, the Company will provide notice of any technological change covered by this Section before the technology is implemented.

ARTICLE 15 PROTECTION OF RIGHTS

1. Picket Lines

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

2. Struck Goods

It shall not be a violation of this Agreement and it shall not be a cause for discharge or disciplinary action if any Employee refuses to perform any service which an Employer undertakes to perform of an Employer or person whose Employees are on strike and which service, but for such strike, would be performed by the Employees of the Employer or person on strike.

The Employer agrees that it will not cease or refrain from handling, using, transporting, or otherwise dealing in any of the products of any other Employer or cease doing business with any other person or in any obligation imposed by the Motor Carriers Act, other applicable law as a result of individual Employees exercising their rights under this Agreement or under law, but the Employer shall notwithstanding any other provision in this Agreement, when necessary continue doing such business by other Employees.

3. Grievances (Under Article 15)

Within five (5) working days of filing of grievance claiming violation of this Article, the parties to this Agreement, shall proceed to the final step (Article 23) of the grievance procedure without taking intermediate steps, any other provision of this Agreement to the contrary notwithstanding.

4. Sympathetic Action

In the event of a labor dispute between the Employer or Union, party to this Agreement, during the course of which such Union engages in lawful economic activities which are not in violation of this Agreement, then any other affiliate of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America having an Agreement with such Employer shall have the right to engage in lawful economic activity against such Employer in support of the Union which is party to this Agreement notwithstanding anything to the contrary in the Agreement between such Employer and such other affiliates.

ARTICLE 16 DISCHARGE AND 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 suspended or discharged if the cause of such suspension or discharge is dishonesty, drinking of, or under the influence of alcoholic beverages or narcotics during the workday, personal possession or use of drugs, while on duty or the carrying of unauthorized passengers while on the job. It is understood that there are other offenses of extreme seriousness that an Employee will be discharged for without a warning notice. The warning notice, as herein provided, shall not remain in effect for a period of more than nine (9) months from the date of said warning notice. No employee shall be disciplined for exceeding personal time based on data received from the DIAD or IVIS or other information technology.

No employee shall be discharged if such discharge is based solely upon information received from GPS or any successor system unless he/she engages in dishonesty (defined for the purpose of this paragraph as any intentional act or omission by an employee where he/she intends to defraud the Company). The Company must confirm by direct observation or other corroborating evidence any other violations warranting discharge. The degree of discipline dealing with off-area offenses shall not be changed because of the use of GPS.

Except in cases involving cardinal infractions, an employee to be discharged or suspended shall be allowed to remain on the job, without loss of pay unless and until the discharge or suspension is sustained under the grievance procedure. The Union agrees it will not unreasonably delay the processing of such cases.

The seniority of an Employee shall be considered broken for the following reasons and the Employee shall be considered terminated when:

- a. The Employee resigns voluntarily.
- b. The Employee is discharged and such discharge is not yet set aside through the grievance procedure.
- c. The Employee is laid off for a period of three (3) years.
- d. If the Employee fails to report to work for three (3) consecutive working days and does not properly notify the company at the beginning of his starting time on the third (3rd) day.

Discharge must be by proper written notice to the Employee and the Union. 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 United Parcel Service Local 710 Grievance Committee or the impartial arbitrator shall have the authority to order full, partial, or no compensation for time lost.

Appeal from discharge, suspension, or warning notice or protest 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 or at the next appropriate grievance panel. In the case of discharge, a hearing at the local level will be held within ten (10) calendar days of the receipt of the grievance by the Union and if mutually agreed to by the parties, with the grievant, business agent, steward, division manager, and center manager.

A unanimous decision reached at this hearing, by all parties, will be final and binding.

If an Employee is involved in a chargeable accident, the Employee shall receive a notice of avoidability. For the second such offense the Employee shall receive another notice with a copy to the Local Union. It is understood that the Employee has the right to appeal avoidability of an accident to the Safety Department. For the third (3rd) such offense the Employee is subject to discharge.

It is understood that it is the practice of the Employer to discharge any Employee who has a runaway accident, three avoidable accidents within a twelve-month period, or who fails to report an accident.

Sample of Agreed Upon Resignation or Quit Statement

RESIGNATION OR QUIT STATEMENT

| I understand it is my right to have | e Union representation and I hereby voluntarily waive this right |
|-------------------------------------|--|
| Effective Date/// | |
| Employee Signature | |
| I | do hereby voluntarily resign my employment with UPS |
| (Name) | |
| without prejudice of recourse, for | |
| | (Personal Reasons) |
| Effective // | |
| Employee Signature | |
| | |

ARTICLE 17 LIE DETECTION

No applicant for employment and no Employee shall be required to take any form of lie detector tests as a condition of employment.

ARTICLE 18 EMPLOYEES BAIL

Section 1

When an Employee is required to appear in any court for the purpose of testifying because of any accident he/she may have been involved in during working hours, such Employee shall be reimbursed in full by the Employer for all earnings opportunity lost because of such appearance. The Employer shall furnish Employees who are involved in accidents during working hours with

bail bond and legal counsel and shall pay in full for same. Employee shall be compensated for time spent in jail at his regular rate of pay. Said bail bond and legal counsel shall remain assigned to the Employee until all legal action in connection with said accident is concluded, provided the Employee is not charged and convicted of criminal negligence. This section shall not apply to Employees who are found guilty of drunken driving or under the influence of any controlled substance when involved in an accident during working hours. The Employer shall assume all responsibility for all court costs, legal fees, and bail bond fees for any Employee who is involved in any accident or accidents during working hours and shall assume all responsibility for all judgments and awards against any Employee who is involved in accidents during working hours, which result through court action against said Employee, except as provided above. In case an Employee shall be subpoenaed as a witness in a company related case, or as a result of his or her on duty observations of an accident not involving a UPS vehicle, he or she shall be reimbursed for all time lost and expenses incurred.

Section 2-Suspension or Revocation of License

In the event an Employee shall suffer a suspension or revocation of his/her right to drive the Employer's equipment for any reason, he must notify his Employer before his/her next report to work. Failure to comply will subject the Employee to disciplinary action up to and including discharge in accordance with the procedures set forth. If such suspension or revocation comes as a result of his complying with his/her Employer's instruction, which results in a succession of size and weight penalties or because he/she complies with his/her Employer's instruction to drive Company equipment which is in violation of D.O.T. regulations relating to equipment or because the Employer equipment did not have either a speedometer or a tachometer in proper working order and if the Employee has notified the Employer of the citation for such violation as above mentioned, the Employer shall provide employment to such Employee at not less than his/her regular earnings at the time of such suspension for the entire period thereof.

ARTICLE 19 LABOR DAY

Positively no work is to be done on Labor Day except in cases of emergency and then only upon mutual agreement between the Employer and the Union.

ARTICLE 20 HEALTH AND WELFARE INSURANCE

Section 1 - Full and Part-time Medical Coverage

a. All full-time and part-time employees on the payroll as of January 1, 2015 will be provided medical coverage, no later than March 1, 2015, through the Central States Health & Welfare Fund (CSH&W Plan, TeamCare). Weekly payments for covered employees shall be in accordance with the rules set forth in the Central States Supplement. UPS will be responsible for making the weekly payments to the Central States Health & Welfare Plan to provide the medical coverage in accordance with its agreement with the CSH&W Plan (TeamCare).

- b. Individual and dependent/spousal health coverage will be made available to part-time employees on the payroll as of or hired after August 1, 2018 after nine (9) months of active employment.
- c. Any eligible employee covered by this Section who retires effective January 1, 2014 or thereafter shall be provided retiree medical benefits through the CSH&W Fund (TeamCare Plan).

Section 2 - Part-Time Medical Coverage

[See Section 1 above.]

Section 3 - Long-Term Disability:

- 1. Full-time seniority Employees will become eligible for long-term disability (LTD) after six (6) months of employment for non-occupational illnesses or injuries that last longer than twenty-six (26) weeks.
- 2. Long-term disability benefits will equal sixty percent (60%) of the employee's base weekly pay to a maximum of eight hundred dollars (\$800) per week for up to five (5) years. Long-term disability benefits begin when short-term disability coverage ends or after twenty-six (26) weeks from date of disability, whichever is later.
- 3. Average weekly base pay is computed by averaging paid hours (maximum of 40 hours per week) each week during the last full calendar quarter the Employee worked and multiplying that by the hourly rate of their base job. Weeks of unemployment in the prior quarter will not be counted in the calculation. If there were substantial weeks of unemployment, the prior full calendar quarter may be used for the calculation.
- 4. The definition of disability, termination of eligibility, offsets, exclusions, limitations, claim procedures and any other related issues will be controlled by the Summary Plan Description.
- The long-term disability coverage will become effective on August 1, 2004 for eligible Employees who become disabled after that date. However, pre-existing conditions will not affect the Employee's eligibility for LTD.

Section 4 - Part -Time Retiree Coverage:

- 1. Effective August 1, 2002 the Employer began providing health insurance coverage to all part- time employees, not covered by a Union plan, who retire on or after that date. This section will not apply to any employee who retires on or after January 1, 2014. To the extent coverage would have been available under this Section 4, the employee instead shall be eligible for retiree coverage through the Central States Health & Welfare Plan.
- 2. To be eligible for the coverage, the part-time employee must (I) not be eligible for Medicare; (II) meet the same age and service requirements as that of a full-time employee in this agreement and at a minimum, be at least fifty-five (55) years of age with a minimum of twenty-five (25) years of part-time service as defined in the UPS Pension Plan; (III) be covered as an active employee by a UPS administered health care plan for part-time employees at the time of retirement and; (IV) not a part-time employee because of a voluntary bid to part-time status in the five (5) years prior to retirement.
- 3. A retiree's legal spouse is also eligible for coverage if he or she is not eligible for Medicare and is under age 65.

- 4. Coverage and benefit levels shall be as specified in the Summary Plan Description.
- 5. Eligibility for coverage for retiree and spouse begins on the first day after the employee's active coverage ends.

For active retirees as of December 31, 2013 the contribution rates shall be as specified in the Summary Plan Description.

ARTICLE 21 HEALTH & WELFARE AND PENSION FUND CONTRIBUTIONS

Effective August 1, 2017, the Employer began paying the sum of \$509.50 per week for each full-time Employee to the International Brotherhood to Teamsters Local 710 Pension Fund (Local 710 Fund).

The total Health & Welfare and Pension contribution will be increased by forty dollars (\$40.00) per week on August 1 of 2018 and on each subsequent August 1st during the life of the contract. TeamCare allocation shall be as follows:

August 1, 2018 - fifty cents (\$0.50)

August 1, 2019 - fifty cents (\$0.50)

August 1, 2020 - fifty cents (\$0.50)

August 1, 2021 - (TBD-based on TeamCare, costs not to exceed \$0.70)

August 1, 2022 - (TBD-based on TeamCare, costs not to exceed \$0.70)

2. For years 2018 through 2021, the remaining fifty cents (\$0.50) will be allocated to the Local 710 Fund for full-time employees. The health and welfare contribution increases in 2021 and 2022 will be based on TeamCare actual costs. In those two (2) years, the pension allocation for the Local 710 Fund shall be the differential between the increase to TeamCare and one dollar (\$1.00).

The payments shall be made for the purpose of providing pension benefits to Employees covered by this Agreement as determined by the Trustees of such fund. Any disagreement with respect to the eligibility, time, method of payments and related matters, shall be determined by such Trustees. The Employer and the Union agree to be bound by and hereby accent to, all of the terms of the restated Agreement and Declaration of Trust creating the fund, as amended from time to time, all rules and regulations adopted by the Trustees pursuant to the Trust Agreement and all of the actions the Trustees in administering the fund in accordance with the Trust Agreement. The fund shall in all respects be administered in accordance with the aforesaid Agreement and Declaration of Trust and the applicable requirements of law.

- a. If any Employee is absent because of non-occupational illness or injury, the Employer shall continue to make the required contribution for a period of four (4) weeks.
- b. If an Employee is absent because of occupational illness or injury, the contribution shall be made until the Employee returns to work or for a period of twelve (12) months, whichever period is shorter.
- c. The obligation to make the above contribution shall continue during periods when a Collective Bargaining Agreement is being negotiated.
- d. Pension payments will start for the week in which the new employee reaches his/her thirtieth (30th) working day.

The Health and Welfare Plan For Retirees will only apply to those eligible employees who retire prior to January 1, 2014. For eligible retirees on January 1, 2014 and thereafter, retiree medical benefits shall be provided through CS H&W. For those employees who retire before January 1, 2014 the following shall apply:

- 1. Medical coverage shall be provided for full-time employees at any age who have met the requirements of 30 years of pension contributions.
- 2. Medical coverage shall continue to be provided for full-time employees who have attained age 50 and who have met the requirements of 25 years of pension contributions.
- 3. For active retirees as of December 31, 2013 the contribution rates shall be as specified in the Summary Plan Description.

ARTICLE 22 UNION INSPECTION

Authorized representatives of the Union shall have access to the Employer's establishments at all reasonable times for the purpose of adjusting disputes, investigating working conditions, collecting dues, and ascertaining compliance with this Agreement (which shall include the right to inspect and audit payroll records, time cards, and sheets), after written notice by a duly authorized officer of the Union. Such records shall be produced at a place mutually agreed upon.

ARTICLE 23 GRIEVANCE AND ARBITRATION

1. The Union and the Employer agree that there shall be no strike, lockout, slowdown, picketing, or other form of work stoppage during the term of the Agreement without first using all possible means of settlement, as provided for in this Agreement, of any controversy which may arise.

A grievance is hereby jointly defined to be only a 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 on the part of any Employee, it shall be handled in the following manner, and a decision reached at any stage will be final and binding on both parties.

- A. The Employee shall discuss the grievance with his/her immediate supervisor.
- B. If the grievance is not resolved, the Employee will discuss the grievance with the shop steward and the immediate supervisor.
- C. Failing to agree on the dispute, the shop steward shall promptly submit the employee's written grievance, on the proper Local 710 Grievance Report, to his/her immediate manager and the Union. Only those individuals who have filed are eligible for the claim. Wage claims must be filed within twenty (20) calendar days. If the wage claim is allowed, pay will only go back for a sixty (60) day period. For the purpose of this Article, the written grievance must be punched on the Center time clock for verification of proper date.

- D. Time is of the essence in the above steps and if time limits are not met, the grievance will be deemed as untimely filed and shall not again be subject to the provisions of this Article. Time limits, on a specific grievance, may be extended by mutual agreement.
- E. Failure to follow the above procedure shall result in the dismissal of the grievance unless otherwise mutually agreed to by the parties.
- F. The UPS/710 Grievance Committee may not settle any differences unless a quorum of Employer and Union representatives is present. A quorum shall consist of at least two (2) persons from the Union and two (2) persons from the Employer.

If such differences are not settled by the Employer and the Union through the UNITED PARCEL SERVICE 710 Grievance Committee, then an arbitrator who is a member of the National Academy of Arbitrators shall be selected from a list of five (5) names to be furnished by the Federal Mediation and Conciliation Service from which the Employer and the Union shall each strike two (2) different names and the person whose name remains shall become the arbitrator.

The arbitrator shall have the right to order reinstatement, sustain the discharge, full or partial, or no compensation for wages lost. All findings of the arbitrator shall be final and no strike or lockout shall occur pending a final determination of the arbitrator except as in hereinafter provided. Nothing herein shall authorize the arbitrator to alter the terms and conditions of this or make a new Agreement. The fees and the expense of the arbitrator shall be paid by the losing

party. Failure to comply with any final decision of the arbitrator, the Union, or Employer at its discretion shall be permitted all legal and economic recourse.

- 2. Should a Certified Public Accountant, designated by the Union, certify in writing specifically that the Employer is violating the wage scale, hours of work, vacations, applicable health and welfare provisions, or pension provisions, working conditions, or other terms or conditions of employment based upon the payroll records, timecards and/or sheets, audited by him, or if the Employer refuses to produce such records for audit as provided in this Agreement, then the grievance procedure shall have no application to such facts and circumstances and the Union shall be permitted all legal and economic recourses including the right to strike notwithstanding anything to the contrary contained in this Agreement.
- 3. The legal recourse reserved to the Union in this Agreement shall be cumulative with and not exclusive of any other remedy- economic or legal available to it. The Union may (in addition to pursuing other remedies) sue the Employer in the Union's own behalf or in behalf of any aggrieved Employee for specific performance of this Agreement, injunctive relief, recovery of dues, wages, vacations, or other benefits or any other legal redress and the Employer hereby expressly waives the right to object to the Union being party plaintiff to such action.

ARTICLE 24 UNION LIABILITY

It is agreed that in all cases of an unauthorized strike, slow-down, walk-out, or any unauthorized cessation of work, the Union shall not be liable for damages resulting from such unauthorized acts of its members. While the Union shall undertake every reasonable means to induce such Employees to return to their jobs during any such period of unauthorized stoppage of work mentioned above, it is specifically understood and agreed that the Employer during the first twenty-four (24) hour period

of such unauthorized work stoppage shall have the sole and complete right of discipline short of discharge; however, such disciplined Employee and/or Employees shall not be entitled to or have recourse to grievance procedure methods herein stipulated. In addition, it is agreed between the parties that if any Employee repeats any such unauthorized strike, etc., in violation of this Agreement, during the term of this Agreement, the Employer shall have the right to further discipline or discharge such Employee without recourse to the grievance procedure for such repetition.

After the first twenty-four (24) hour period of such stoppage and if such stoppage continues, however, the Employer shall have the sole and complete right to immediately discharge any Union member participating in any unauthorized strike, slow-down, walk-out, or any other cessation of work, and such Union members shall not be entitled to or have any recourse to any other provision of this Agreement.

It is further agreed and understood that the Union shall not be liable for any strike, breach, or default in violation of this Agreement unless the act is expressly authorized by its Executive Board. A properly designated officer of the Union shall, within twenty-four (24) hours after request is made to the Secretary-Treasurer of the Union, declare and advise the party making such request, by telegram, whether the Union has authorized any strike or stoppage of work. The Union shall make immediate effort to terminate any strike or stoppage of work which is not authorized by it without assuming liability therefore.

ARTICLE 25 PART-TIME EMPLOYEES

 In order to meet the needs of expanded business, the Employer shall be permitted to create schedules that differ from those that exist today. Future schedules may be expanded to provide that all employees may be scheduled five (5) consecutive days on an alternate schedule of either Sunday through Thursday or Tuesday through Saturday. Effective August 1, 2003, package drivers may also be schedule on the alternate schedule of either Sunday through Thursday or Tuesday through Saturday.

Seniority employees on the payroll in each classification as of the ratification date of this Agreement, shall not be assigned to such alternate schedules, except at the request of the employee or, if as a result of the employee following their work to a new Center, where there are no available Monday through Friday schedules, employees will be afforded the opportunity, in seniority order, to select their preferred work schedule.

When additional part-time employees are necessary to complete the Employer's operations on any shift, the supervisor will first call any part-time employees not scheduled to work on that shift. Part-time employees may sign the appropriate part-time shift interest lists and be offered coverage work.

For those employees scheduled on the above alternate workweeks, all work performed on the employee's sixth (6th) day shall be paid at time and one-half (1 ½). All work performed on the employee's seventh (7th) day shall be paid at double time.

This language applies to both part-time and fulltime employees.

2. Part-time Employees when reporting to work as scheduled shall be guaranteed a minimum of three and one-half (3 ½) hours; should any part-time Employee work beyond the fifth (5th)

hour, he shall be paid one and one-half (1 ½) times his regular hourly rate for those hours worked in excess of five (5) on that day.

 If any part-time Employee subsequently becomes a regular full-time Employee, he shall be considered a newly hired full-time Employee. Company seniority will be used for vacations and holidays.

Part-time and combo (25.11) full-time employees by Company seniority shall be given the opportunity to fill full-time jobs in a higher classification before hiring from the outside on a 6 for 1 basis (6 inside to, every 1 outside hire) except during the third full week of October through January 15th.

The above 6 for 1 rule does not apply to the full-time jobs created under the provisions of the Local 710 U.P.S. Air Agreement.

Qualified part-time and combo (25.11) full-time employees who seek full time work will be offered permanent vacancies and new permanent jobs by building based on seniority, except during the third full week of October through January 15th.

Part-time and combo (25.11) full-time Employees must meet the same requirements as a person hired off the street.

Part-time and combo (25.11) full-time Employees that go to full-time jobs will be probationary Employees. These Employees will retain all current benefits, holidays, and vacation pay until they gain full-time seniority in the new job, (the same will apply in reverse when going from full-time to part-time).

If the Company disqualifies the part-timer in the first thirty (30) working days, the Employee shall not be eligible to try again for one year from the date of disqualification. If a part-time employee is to be disqualified for their involvement in an accident, the disqualification shall occur at the time the accident investigation has been completed.

If the part-time or combo (25.11) full-time Employee disqualifies himself in the first thirty (30) working days, the Employee shall not be eligible again for three (3) years.

Should a part-time Employee become a full-time Employee, they shall attain seniority status the same as another full-time Employee and their seniority date shall be determined the same as any new Employee. Credit for time spent as a part-time Employee will be given for vacations after one (1) year seniority as a full-time Employee.

4. Part-time Employee will work off the part-time Employee seniority list at each Center.

Part-time Employees shall be notified of their starting time. If a part-time Employee's starting time is changed, they shall be notified the day before such change is to be made by the end of the prior shift. If a part-time Employee is called in before their regular start time, they shall not be paid the overtime rate. Part-time Employees are to receive overtime only after completing five (5) hours work on the same shift. In hubs, a day is defined as a shift.

Part-time Employees will be given the opportunity to move to a preferred job position on their current shift based on seniority, when such jobs become available in their center before the company hires from the outside. These positions shall include, but not be limited to: Preloader, Sorter, Clerical, Data Acquisition, SPA, Small Sort, Surepost, High Picks, Irregular Train, Designated Responder, Car Washer, Spotter, Loader and Unloader. Employees do not have the right to select any specific unit, load or workstation.

Upon completion of training and certification, part-time hazardous material responders and 25.11 combination responders shall receive an additional one dollar (\$1.00) per hour above their normal rate of pay for the entire shift. Hazardous material responders who are disqualified shall no longer receive the additional one dollar (\$1.00) per hour.

Part-time Bidding Procedure

- a. Part-time Employees, with six (6) months or more seniority, may select permanent vacancies and new permanent jobs on any shift in the same building in all months except during the third full week of October through January 15th.
- b. All job postings shall contain a description of the part-time job.
- c. The awarding of such job selection must constitute a change in job assignment.
- d. The job selection procedure shall be limited to three (3) moves, the original opening and two (2) others
- e. A maximum of twenty-five percent (25%) of the employees on a shift shall be allowed to change shifts in any one calendar year. The employee obtaining the new position shall remain on that job for at least six (6) months.
- 5. The number of full-time inside jobs in the Local Union area as of August 1, 1987, and thereafter, shall be guaranteed from replacement by part-time Employees.
 - The Company shall wherever possible reschedule Employees in the classifications of operating clerks, car-washers, porters, and shifters to make additional full-time jobs or combination full-time jobs.
 - The change from part-time to full-time work in these classifications shall be made, if possible, when one part-time Employee leaves his job for any reason. No part-time Employee shall be laid off or suffer loss of job as a result of creating a fulltime job under this Article.
- 6. When a part-time Employee is required to work in a higher rated job classification, he/she shall be paid the higher rate for the actual time worked.
 - If the need arises to use a part-time Employee to transfer a car from center to center, or center to shop, he/she shall be paid the appropriate driver's wage rate for actual hours driving.
- 7. All part-time Employees shall be given a ten (10) minute paid break. Break shall not be scheduled prior to one (1) hour of work, or during the final hour of work being performed, unless emergency situations exist.
- 8. The Employer shall provide Pension Benefit Coverage to part-time Employees under such terms and conditions as may be contained in the United Parcel Service Pension Plans as required by law.
 - a. The UPS Pension Plan will be improved to provide monthly benefits for part-time employees not covered by Teamster Pension Plans as follows: 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 (\$60.00) 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 (\$60.00) 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.

\$2275.00 at any age after thirty-five (35) years of part-time Credited Service \$1950.00 at any age after thirty (30) years of part-time Credited Service \$1625.00 at age sixty (60) with twenty-five (25) years of part-time Credited Service \$1325.00 at any age with twenty-five (25) years of part-time Credited Service (Based on \$53.00 per year of credited services)

- b. Part-time Employees will receive one (1) year of Credited Service for 750 or more paid hours. (Six months of part-time Credited 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.
- c. The Employer will be responsible for funding the UPS Pension Plan as required to provide the benefits described above and will be responsible for maintaining the plan.
- d. The UPS Pension Plan will be governed by the terms of the Plan document.
- e. 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.
- f. 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, 2013 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, 2013 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.
- 9. Injured on Job. Employees injured on the job and unable to complete three and a half (3 ½) hours of work shall not forfeit their daily guarantee. The Employee will receive three and a half (3 ½) hours of pay for the day that the injury occurred. If an Employee does not complete their day's work because of illness on the job, they are to be paid for hours worked only.
 - The Company may continue a modified work program on a non-discriminatory basis. This program is designed to provide temporary opportunity to those Employees who are unable to perform their normal work assignment due to an on-the-job injury.
- 10. Part-time Employees who wish to transfer to another location for educational purpose may submit a written request to the Employer. If approved, the transfer shall be allowed subject to the following conditions:
 - a. A part-time opening exists at the desired terminal.

- b. Employees must have attained seniority and been employed by the Employer for at least one year.
- c. Job Classification Seniority shall be entailed.
- d. Company seniority shall be retained for the purpose of weeks of vacation, and number of holidays in accordance with the applicable Supplement at the new location.
- e. Any expenses, including moving expenses associated with an approved transfer, shall be the responsibility of the employee.
- 11. The parties agree that providing part-time employees the opportunity to become full-time employees is a priority of this Agreement. Accordingly, the Employer commits that during the life of this Agreement, it will offer part-time employees the opportunity to fill at least five hundred and fifty (550) permanent full-time job openings throughout its operations covered by this agreement. It is understood that the five hundred and fifty (550) jobs will include any full time job openings.

The Employer shall, wherever possible, reschedule part-time employees to make additional full-time jobs or combination full-time job. Existing 25.11 Employee shall not be forced to leave their jobs for coverage work. No part-time employee shall be laid off or suffer a loss of a job as result of creating a full-time combination job under this Article or Article 46. More jobs may be added by mutual agreement after six-month reviews. In order to enable the Union to enforce and monitor this provision, the Employer shall provide a quarterly report to the Local 710 Business Agent containing the location of each job created under this Section during the previous quarter and the identity of the jobs combined to create the positions.

The number of full time jobs created under Article 25 section 11 of the 1997 - 2002, the 2008, the 2008 - 2013 and the 2013 - 2018 Agreements shall not be reduced.

Part-time employees shall be selected for full time openings in accordance with the procedures contained in this agreement.

If there is a reduction in volume causing layoffs, the Employer's obligations under this section shall be null and void.

- a. Full-time Combination employees will be offered extra work for their assigned shift using company seniority. When scheduling extra work on a holiday or special sort. Qualified full-time combination employees will be offered extra work, with in their sort, using total company seniority. It is understood the employees performing this work will be paid for the hours worked on these days at the applicable overtime rate provided they complete their bid work week.
- 12. Part-time employees hired after August 1, 2008 will receive holidays, personal days and option days provided by this Agreement no earlier than after one (1) year of active employment.
- 13. All existing regular full-time package car drivers (RPCDs) shall be considered RPCDs for the purpose of this Section. The Union and the Company commit to protect existing RPCDs from being scheduled or forced to perform weekend delivery work and increasing the number of full-time opportunities for part-time employees. To achieve these objectives, the Company may create full-time 25.13 combination driving jobs. Such jobs may include inside work. In the event the Company utilizes this classification, the following shall apply only to those buildings that include Saturday or Sunday delivery.

The number of RPCDs working a Monday through Friday schedule in each building, shall be verified and agreed to by each Teamsters Local 710 and the Company Labor Representative, as of August 1, 2018 and shall be protected jobs. "Protected jobs" shall include RPCDs that will continue to be replaced by employees covered under Article 3, Section 1 B. In the event the Company does not begin Saturday or Sunday delivery at a building until after August 1, 2018, the number of RPCD jobs in existence at the time of implementation shall be included as "protected jobs."

RPCDs working a Monday through Friday schedule shall be guaranteed five (5) consecutive days of eight (8) consecutive hours per report and forty (40) straight time hours of straight time pay each week, if reporting each day as scheduled, as long as work is available.

Those RPCDs currently working Tuesday through Saturday shall be red circled by name and shall continue to be covered under Article 3, Section 1 B.

- 2. It is the commitment of the parties that RPCDs work a Monday through Friday schedule. To that end, the parties agree that all RPCDs currently working a Tuesday through Saturday schedule will transition to a Monday through Friday schedule as soon as practicable, within eighteen (18) months of ratification. The Company shall have an additional six (6) months for drivers hired directly into a Tuesday through Saturday schedule.
- 3. The number of protected RPCD jobs in each building as outlined in this Article 25.13 (1) above, shall be guaranteed from replacement by 25.13 combination drivers or from any part-time drivers. In the event a protected job moves to another building or jurisdiction as a result of a change of operations or otherwise, the protected status shall follow the job. The number of 25.13 combination drivers shall not exceed twenty-five percent (25%) of the total number of RPCDs in the building. If the amount of regular Saturday or Sunday volume in a building consistently requires RPCDs to work Saturday or Sunday because of the twenty-five percent (25%) limit, the Teamsters Local 710 and Company Labor Representatives shall be allowed to adjust the limit based on demonstrated service needs.
- 4. No RPCD shall be laid off or displaced from the classification while 25.13 combination drivers are working in the building.
- 5. All 25.13 combination drivers shall be guaranteed eight (8) consecutive hours of straight time pay per day, if reporting as scheduled. All 25.13 combination drivers shall work a five (5) consecutive day schedule of Tuesday through Saturday or Wednesday through Sunday. This paragraph shall supersede any language on the same subject.
- 6. When the new job includes inside work, the Company shall be entitled to establish up to a one-and-one-half (1 ½) hour gap, to include the meal period, between jobs in a workday. All other working conditions not set forth herein, including, but not limited to, the work available for combination with driving, bidding procedures, holidays, vacations, etc. shall be set forth in this Agreement.
- 7. 25.13 combination drivers shall be paid in accordance with Article 3.1 D (1).
- 8. In the event the Company needs additional staffing to cover Saturday or Sunday ground deliveries, such work shall first be offered to RPCDs as set forth above, then to Article 25.13 combination drivers on their scheduled off day, then to seasonal employees. If sufficient volunteers are not obtained, the Company may force in reverse order.

- 9. No 25.13 combination driver shall be required to complete more than one (1) qualification period or progression. Any 25.13 combination driver in progression who successfully bids any other full-time position shall slot in at the appropriate rate for the classification.
- 10. In the event a protected RPCD position becomes available, it shall be filled in accordance with this Agreement, provided, however that no RPCD position shall be filled by an outside hire unless the job remains unfilled after exhaustion of the applicable bidding procedure.
- 11. Newly created 25.13 combination driver positions shall count toward the newly created jobs required by this Agreement.
- 12. Article 3, Section 3(C) shall not apply to 25.13 combination drivers.

ARTICLE 26 MILITARY CLAUSE

Employees in service in the uniformed services of the United States, as defined by the provisions of the Uniform Services Employment and Reemployment Rights Act (USERRA), Title 38, U.S. Code Chapter 43, shall be granted all rights and privileges provided by USERRA and/or other applicable state and federal laws. This shall include continuation of health coverage as provided by USERRA and Pension contributions for the employees period of service, as provided by USERRA. Employees shall be subject to all obligations contained in USERRA which must be satisfied for the Employees to be covered by the statute.

The Employer, in its discretion, may make additional payments or award additional benefits to Employees on leave for service in the uniformed services in excess of the requirements outlined in the USERRA.

Employees on USERRA-approved military leave shall continue to accrue vacation to be used upon return as set forth below. To be eligible for accrual, Employees must be (i) employed by UPS for at least one (1) year, (ii) be a member of the uniformed services at time of call up, and (iii) be called into active duty (other than for training) for a period of service exceeding thirty (30) days pursuant to any provision of law because of a war or national emergency declared by the President of the United States or Congress. An eligible Employee returning to work as per USERRA shall be entitled to annual vacation for the remainder of that contractual vacation period based on the number of weeks to which he/she is entitled for years of service and the quarter in the current contractual vacation period in which the Employee returns from eligible military leave, as follows:

| No. Wks. | Q1 | Q2 | Q3 | Q4 |
|----------|----|----|----|----|
| 6 | 6 | 4 | 3 | 1 |
| 5 | 5 | 3 | 2 | 1 |
| 4 | 4 | 3 | 2 | 1 |
| 3 | 3 | 2 | 1 | 1 |
| 2 | 2 | 1 | 1 | 1 |

In no event shall the Employee have less than one (1) week of vacation available upon his/her return.

For the next contractual vacation period, the Employee shall be credited with the vacation he would have accrued while he was on military leave. In no event shall the Employee have less than he is entitled to based on total years of service under this agreement.

The treatment of unused vacation and the scheduling of the vacation shall be in accordance to this Agreement.

Upon notification from an Employee that he/she is taking USERRA qualified military leave, the Employer shall notify the Local Union within five (5) business days.

ARTICLE 27 EXTRA PAYMENTS, ETC.

The Employer shall not put into effect any new plan of an economic nature affecting Employees (such as incentive plans, sick leave schedules, piece rate plans, etc.) without first checking with and securing the approval of the Union. The administration of present plans are not within the scope of this Agreement. The bonus system, for delivery drivers, is subject to removal by approval of more than fifty percent (50%) of the package driver classification by center.

ARTICLE 28 EMERGENCY REOPENING

In the event of war, declaration of emergency, or imposition of civilian controls during the life of this Agreement, either party may reopen the same upon sixty (60) days written notice and request renegotiation of matters dealing with wages and hours. Upon the failure of the parties to agree in such negotiations, either party shall be permitted all legal or economic recourse to support their request for revisions. If governmental approval of revisions should become necessary, all parties will cooperate to the utmost to attain such approval. The parties agree that the notice provided herein shall be accepted by all parties as compliance with the notice requirements of applicable law, so as to permit economic action at the expiration thereof.

ARTICLE 29 GOVERNMENTAL APPROVAL

If any provision of this Agreement which requires approval of a regulatory wage control agency of the Federal Government shall be disapproved in whole or in part by such agency, the contract shall be automatically reopened by such act of disapproval and the parties shall enter into immediate negotiations for the purpose of reaching agreement on legally permissible alternatives. The Union shall have the right of economic recourse in support of its demands if agreement cannot be reached within a period of thirty (30) days from the date of automatic reopening, notwithstanding any provisions of this Agreement to the contrary. The notices given by the Union in connection with current negotiations shall be considered and accepted as satisfying the notice provisions of Federal Law in connection with this provision.

ARTICLE 30 SEPARABILITY AND SAVINGS CLAUSE

- 1. If any Article or Section of this Agreement should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid, or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.
- 2. In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations after receipt of written notice of the desired amendments by either Employer or Union for the purpose of arriving at a mutually satisfactory replacement of such Article or Section during the period of invalidity or restraint. There shall be no limitations of time for such written notice. If the parties do not agree on a mutually satisfactory replacement within sixty (60) days after receipt of the stated written notice, either party shall be permitted all legal and economic recourse in support of its demands notwithstanding any provisions of this Agreement to the contrary.
- 3. The provisions of this Agreement shall be construed, interpreted, and applied in a manner which shall conform with all laws applicable thereto and will not affect or impair its validity.
- 4. The word Union as used herein shall apply respectively to Local No. 710.

ARTICLE 31 EMPLOYEES NOT REQUIRED TO BUY OR LEASE EQUIPMENT

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

ARTICLE 32 LABOR MANAGEMENT COMMITTEE

In the interest of maintaining harmonious relations, it is hereby agreed that the Union and the Company shall form a Joint Labor-Management Committee of Union and Company representatives. This Committee shall meet quarterly or at designated intervals to discuss matters of mutual interest.

ARTICLE 33 FUNERAL LEAVE

In the event of a death of a member of the Employee's family, a regular full-time Employee shall be allowed a reasonable time off not to exceed four (4) scheduled work days (not to extend beyond the day of the funeral except if needed for travel one (1) day only in excess of 100 miles one way or if the

death is of the employee's husband, wife, child or parent) and will be reimbursed at eight (8) times his straight time hourly rate of pay for working days lost.

Part-time Employees shall receive four (4) times their regular straight time hourly pay for working days lost.

Member of the Employee's family means: husband, wife, child, parent, brother, sister, mother-in-law, father-in-law, or grandparents, grandchildren, step-children and step-parents.

An Employee shall be allowed one (1) day off to attend the funeral of a sister-in-law or a brother- inlaw. Reimbursement for this day shall be the same as outlined above.

An Employee would not receive the funeral benefit if on vacation, leave of absence, off work due to illness, bona fide layoff, or for days designated by contract as holidays.

ARTICLE 34 COST-OF-LIVING

All seniority Employees who have completed their appropriate wage progression schedule shall be covered by the provisions of a cost-of-living allowance, as set forth in this Agreement.

Employees who have not completed their appropriate wage progression on the effective date of a COLA increase, shall receive the adjustment on a prospective basis on the date they complete their wage progression schedules.

The amount of the cost-of-living allowance shall be determined as provided below on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers, CPI-W (Revised Series using 1982-1984 Expenditure Patterns). All Items (1982-84=100), published by the Bureau of Labor Statistics, U.S. Department of Labor" and referred to herein as the "Index".

Effective August 1, 2019, and every August 1 thereafter during the life of the Agreement, a cost-of-living allowance will be calculated on the basis of the difference between the Index for May 2019 (published June 2019) and every May thereafter, and the base Index for May 2018 (published June 2018) and every May thereafter, as follows:

For every two tenths (0.2) point increase in the Index, over and above the base (prior year's) Index plus 3.0% there will be a 1 cent (\$0.01) increase in the hourly wage rates payable on August 1, 2019, and every August 1 thereafter. These increases shall only be payable if they equal five cents (\$0.05) in a year.

All cost-of-living allowances paid under this Agreement will become and remain a fixed part of the base wage rate for all job classification. A decline in the Index shall not result in the reduction of classification base wage rates.

Mileage paid Employees will receive cost-of-living allowances on the basis of .25 mills per mile for each 1 cent (\$0.01) increase in hourly wages, subject to the threshold set forth above.

In the event the appropriate Index figure is not issued before the effective date of the cost-of-living adjustment, the cost-of-living adjustment that is required will be made at the beginning of the first (1^{st}) pay period after the receipt of the Index.

In the event that the Index shall be revised or discontinued and in the event the Bureau of Labor Statistics, U.S. Department of Labor, does not issue information which would enable the Employer

and the Union to know what Index would have been had it not been revised or discontinued, then the Employer and the Union will meet, negotiate, and agree upon an appropriate substitute for the Index. Upon the failure of the parties to agree within sixty (60) days, thereafter, the issue of an appropriate substitute shall be submitted to an arbitrator for determination. The arbitrator's decision shall be final and binding.

ARTICLE 35 BREAKDOWN AND IMPASSABLE HIGHWAYS

Once an Employee has been dispatched, any instance of breakdown or impassable highway which prevents an Employee from proceeding to his/her destination, or if instructed, from returning to his/her Center, he/she shall be paid for all time spent in the service of the Employer until such time as he/she arrives at a place of lodging or other suitable shelter, with overtime payments, if appropriate. Suitable shelter shall be defined as a place inside with heat, water, and toilet facilities. This could include, but not limited to, a residence, home, gym, police station, firehouse, restaurant, truckstop, etc. These places must, however, have a place where the Employee may sleep or at least rest with reasonable comfort. Employees being put up in suitable shelter other than that which is normally considered lodging (hotel, motel, residence, home, etc.) shall receive a fifty dollar (\$50.00) per day room allowance and reasonable cost of meals.

It shall be the Employee's responsibility to make all reasonable efforts to get to a place of lodging or suitable shelter. Failure by the Employee to do so shall relieve the Employer of any pay responsibility other than that provided by the eight (8) hours pay in each twenty-four (24) hour period rule.

Once he has arrived at a place of lodging or other suitable shelter the Employee shall be considered to be relieved from duty and he/she shall remain off duty until his/her regular starting time the next day or until called back to duty, whichever comes sooner.

When in "lodging or other suitable shelter," the eight (8) hours (8 in 24 straight time) for each calendar day away from their center, begins at the same time they started on the day of the breakdown or impassable highway.

If called back to duty during the eight (8) hour time period, straight time will be paid until the end of the "off duty" shift and overtime thereafter.

If called back to duty during the eight (8) hour time period, straight time will be paid until the end of the "off duty" shift and overtime thereafter.

If called in before or after the "off duty" shift, pay will be At the overtime or the appropriate hourly rate for all hours worked. If called back and works into the next "off duty" start time, will receive the eight hour guarantee.

All overtime provisions as set forth in the Agreement shall apply for applicable hours consistent with the breakdown or impassable highway language.

Falsification of facts in breakdown or impassable highway situation will be treated as dishonesty and will be dealt with under the provision of the contract.

ARTICLE 36 JURY DUTY

Any regular full-time or part-time seniority Employee called upon and selected for jury duty shall advise his/her supervisor upon receipt of such call.

The full-time Employee shall be paid eight (8) hours' pay at his regular straight time hourly rate for each regularly scheduled work day lost because of absence on such jury duty provided, that any and all jury fees received by the Employee are turned over to the Employer.

The part-time Employee shall be paid four (4) hours pay at his regular straight time hourly rate for each regularly scheduled work day lost because of absence on such jury duty provided, that any and all jury fees received by the Employee are turned over to the Employer.

ARTICLE 37 GOVERNMENTAL EXAMINATION AND IDENTIFICATION FEES

1. Examinations

Physical, mental, or other examinations required by a governmental body of the Employer shall be promptly complied with by all Employees; provided, however, the Employer shall not pay for any time spent in the case of applicants for jobs, but shall be responsible to other Employees only for time spent at the place of the examination or examinations where the time spent by the Employee exceeds two (2) hours and in the case only for those hours in excess of said two (2). Examinations are to be taken at the Employee's home area and are not to exceed one (1) in any one (1) year, unless the Employee has suffered serious injury or illness within the year. Employees will not be required to take examinations during their working hours unless paid by the Employer. Employees shall be given reasonable notice of dates of examinations. The Employer reserves the right to select its own medical examiner or physician and the Union may, if it believes an injustice has been done an Employee, have said Employee re-examined at the Employee's expense. If the two (2) physicians disagree, the Company and the Union shall mutually agree upon a third physician whose decision shall be final and binding on the Company and the Union. Neither the Company nor the Union will attempt to circumvent the decision of the third physician and the expense of the third physician shall be paid for by the Employer.

A driver who is judged medically unfit to drive, but is considered physically fit and qualified to perform other inside jobs will be afforded the opportunity to fill an opening until he/she can return to his/her driving job. If no full-time inside position is available, the Company will meet with the Local Union to develop a full-time job if possible out of available work. While performing the inside work, the driver will be paid up to the highest rates listed in Article 3, Section D.

For those drivers subject DOT regulations who possess a valid medical certificate from a designated DOT provider, the Employer shall pay for any additional physical, mental, or other examinations required by the Employer to confirm the validity of the medical certificate.

Section 2. Identification

Should the Employer find it necessary to require Employees to carry or record full personal identification, such requirement shall be complied with by the Employees. The cost of such personal identification shall be borne by the Employer.

Any employee required to obtain T.S.A. certification which requires them to travel away from their home domicile shall be compensated for the miles between their home domicile and the closest certification facility.

Section 3. Controlled Substance Testing

The parties have agreed that the procedures as set forth in Article 37, Section 3 shall be the methodology for all testing and will be modified only in the event that further federal legislation or Department of Transportation regulations require revised testing methodologies or requirements during the term of this Agreement. To the extent that a subject if not covered by this Article the appropriate regulation shall control.

Should other categories, modifications or types of testing be required by the government, the parties will meet as expeditiously as possible to develop a mutually agreeable procedure. The provisions of Article 45 Section 5 will apply to all employees requesting enrollment in a rehabilitation program following a positive drug test. Employees may use the UPS Employee Assistance Program, a Union sponsored program, as well as any other referral service in choosing an approved program for treatment.

Section 3.1 Employees Who Must be Tested

UPS Employees subject to Department of Transportation mandated drug testing are drivers of vehicles with a vehicle weight rating over 26,000 pounds, requiring a commercial driver license (CDL). This includes mechanics and employees who relieve for vacations or other temporary vacancies. Any employee who drives a tractor-trailer and is on the qualified feeder driver list is also subject to DOT mandated testing as provided in this Agreement.

In addition to testing mandated employees, controlled substance testing will be part of prequalification conditions for feeder driver employment, and those persons transferring to a feeder driver position. Individuals who are on a "bid list" for tractor-trailer employment or other similar classification type jobs are subject to being tested for controlled substances before being accepted into such a position.

Employees covered by this Collective Bargaining Agreement who are not subject to DOT mandated drug testing are only subject to reasonable cause testing as provided herein. The substances for which testing shall be conducted, and cut-off levels thereto, shall be consistent with those listed for the DOT-covered employees. This provision also applies to testing conducted pursuant to rehabilitation and after care programs.

Section 3.2 Testing

Because of the consequences that a positive test result has on an employee, UPS will employ a very accurate, two-stage testing program. Urine samples will be analyzed by a highly qualified independent laboratory which is certified by the Department of Health and Human Services (HHS). All samples will be tested according to DOT drug testing requirements. Validity testing for the presence of adulterants shall be conducted on all specimens per HHS requirements.

Section 3.3 Screening Test

The initial test uses an immunoassay to determine levels of drugs or drug metabolites. The following initial cutoff levels shall be used when screening specimens to determine whether they are negative for these five (5) drugs or drug classes.

| Substance 1 | nitial Test Level (ng/mL) (1) |
|---------------------------|-------------------------------|
| Marijuana Metabolites (2) | 50 (3) |
| Cocaine Metabolites | 150 (3) |
| Codeine/Morphine | 2000 |
| Hydrocodone/Hydromorp | phone 300 |
| Oxycodone/Oxymorphone | e 100 |
| 6-Acetylmorphine | 10 |
| Phencyclidine | 25 |
| Amphetamines/Methamp | hetamine 500 |
| MDMA/MDA | 500 |

These substances and test levels are subject to change by the Department of Transportation as advances in technology or other considerations warrant.

Section 3.4 Confirmatory Test

All specimens identified as positive on the initial test shall be confirmed using gas chromatography/mass spectrometry (GC/MS) techniques at the cutoff values listed. The following cutoff levels shall be used to confirm the presence of drugs or drug metabolites:

| Substance Confirmatory | Test Level (ng/mL) |
|----------------------------|--------------------|
| Marijuana Metabolites (2) | 15 |
| Cocaine Metabolites | 100 |
| Codeine/Morphine | 2000 |
| Hydrocodone/Hydropmorphone | 100 |
| Oxycodone/Oxymorphone | 100 |
| | |
| 6-Acetylmorphine | 10 |
| Phencyclidine | 25 |
| Amphetamine | 250 |
| Methamphetamine (4) | 250 |
| MDMA (4)/MDA (5) | 250 |
| | |

(1) For grouped analytes (i.e. two [2] or more analytes that are in the same drug class and have the same initial test cutoff):

Immunoassay: The test must be calibrated with one analyte from the group identified as the target analyte. The cross-reactivity of the immunoassay to the other analyte(s) within the group must be eighty percent (80%) or greater; if not, separate immunoassays must be used for the analytes within the group.

Alternate technology: Either one (1) analyte or all analytes from the group must be used for calibration, depending on the technology. At least one analyte within the group must have a concentration equal to or greater than the initial test cutoff or, alternatively, the

sum of the analytes present (i.e., equal to or greater than the laboratory's validated limit of quantification) must be equal to or greater than the initial test cutoff.

- (2) An immunoassay must be calibrated with the target analyte, A-9-tetrahydrocannabino 1-9-carboxylic acid (THCA).
- (3) Alternative technology (THCA and Benzoylecgonine): When using an alternate technology initial test for the specific target analytes of THCA and Benzoylecgonine, the laboratory must use the same cutoff for the initial and confirmatory tests (i.e. 15 ng/mL for THCA and 100 ng/mL for Benzoylecgonine).
- (4) Methylenedoixymethamohetamine (MDMA)
- (5) Methylenedioxyamphetamine (MDA).

In the event the initial drug test indicates a positive response the confirmatory test must be done.

On an initial drug test, the laboratory must report a result below the cutoff concentration as negative. If the result is at or above the cutoff concentration, the laboratory must conduct a confirmation test.

On a confirmation drug test, the laboratory must report a result below the cutoff concentration as negative and a result at or above the cutoff concentration as confirmed positive.

These substances and test levels are subject to change by the Department of Transportation as advances in technology or other considerations warrant.

Section 3.5 Laboratory Testing

All laboratories selected by UPS for analyzing Controlled Substances Testing will be HHS certified.

Section 3.6 Types of Testing Required

Testing procedures will be performed as part of pre-qualified practices, after defined DOT reportable accidents, on the basis of reasonable cause, upon return to duty after a positive test, under DOT mandated random testing and as follow-up testing for post drug rehabilitation as outlined under Article 45, Section 5.

Section 3.7 Pre-Qualification Testing

Controlled substance testing will be part of UPS's regulated pre-qualification conditions for feeder driver positions.

Drivers will be advised in writing prior to the application process that pre-qualification testing will be conducted to determine the presence of controlled substances. Applicants will be required to acknowledge in writing an understanding of this request before they receive an application.

Section 3.8 Reasonable Cause Testing

Upon reasonable cause, UPS will require an employee to be tested for the use of controlled substances.

Reasonable cause is defined as an employee's observable action, appearance, or conduct that clearly indicate the need for a fitness-for-duty medical evaluation.

The employee's conduct must be witnessed by at least two (2) supervisors, if available. The witnesses must have received training in observing a person's behavior to determine if a medical evaluation is required. When the supervisor(s) confronts an employee, a Union representative should be made available pursuant to Article 11 of the Local Union 710 UPS Agreement as interpreted. If no steward is present, the employee may select another hourly paid employee to represent him.

Documentation of the employee's conduct shall be prepared and signed by the witnesses within twenty-four (24) hours of the observed behavior, or before the test results are released, whichever is earlier. In addition, a copy will be sent to the Local Union in a timely manner.

Note: (Reasonable Cause)

At the time the urine specimen is collected, the employee may opt to also give a blood sample. If the employee takes this option, the blood sample must confirm positive presence for the substance confirmed in the urine test. If no positive is confirmed in the blood specimen, the employee will be given a warning letter, offered an opportunity for rehabilitation as set forth in this Article, and the employee will be required to otherwise satisfy the requirements imposed by the DOT regulations. However, if there is a second occasion where reasonable cause testing results in a positive urine test, the employee will then be subject to discharge.

Non-DOT - Reasonable Cause:

In the event an employee (not covered by DOT) is tested pursuant to the discipline Article of the Local Union 710 / UPS Agreement, such test will be performed under the same procedures and requirements as those set forth in this article. In the event the test result is positive, as set forth above, it shall be considered a dischargeable offense.

Section 3.9 Post-Accident Drug Testing

DOT mandated drivers will be required to submit to a drug test after a DOT defined serious accident, which is one in which:

- 1. There is a fatality, or;
- 2. A citation is issued and there is bodily injury to a person who, as a result of the injury, receives immediate medical treatment away from the scene of the accident, or;
- 3. A citation is issued and one (1) or more motor vehicles incur disabling damage as a result of the accident requiring a vehicle to be transported away from the scene by a tow truck or other vehicle.

Non-DOT mandated drivers may be required to submit to drug testing if there is any reasonable suspicion of drug usage or reasonable cause to believe that a driver has been operating a vehicle while under the influence of drugs, or reasonable cause to believe the driver was at fault in the accident and drug usage may have been a factor.

Drivers are required to submit to such testing as soon as possible, but in all events within thirty-two (32) hours. Union representation will be made available pursuant to Article 11 of the Local 710 / UPS Agreement, as interpreted.

It is not the intention of this language to prohibit the driver from leaving the scene of an accident for the period of time necessary to obtain assistance in responding to the accident or to receive necessary medical attention.

The result of a urine test for the use of controlled substances, conducted by Federal, State, or Local officials having independent authority for the test, shall be considered to meet the requirements of post-accident testing, provided such tests conform to applicable Federal, State or Local requirements, and that the results of the tests are obtained by the Employer.

Section 3.10 Random Testing Random Employee Selection:

The procedure used to randomly select employees for drug testing, in compliance with the U.S. Department of Transportation Regulations, will be a computer program specifically intended for such an application.

The program will utilize an internal computer clock procedure to randomly generate lists of employees mandated for testing by the Department of Transportation/Federal Highway Administration. The computer shall randomly select the required number of employees from the total pool of affected employees. The Total pool list shall be by each region.

For verification purposes and to cover absences the computer shall print the following lists for each testing period:

- 1. An alphabetical total pool list of employees in the region and
- 2. A district list of employees shall be printed from the random list in the order in which they are computer selected.

An absent employee whose name appears on the primary list on the random test day must be tested upon return to work immediately upon notification provided he/she returns prior to the next selection period. The lists or true copies of the lists shall be maintained by a third party administrator. Upon request to the District Labor Relations Manager, the lists will be made available for review by Local Union representatives and company labor relations managers to verify the proper application and use of the lists in the random testing system.

The parties agree that no effort will be made to cause the system and method of selection to be anything but a true random selection procedure insuring that all affected employees are treated fairly and equally.

The parties further agree not to amend or change the current method of random selection as described herein without prior agreement between the parties.

Section 3.11 Notification

UPS employees, subject to Department of Transportation mandated random drug testing, will be notified of testing in person or by direct phone contact. Notification shall be given by the management person responsible for such notification.

Section 3.12 Rehabilitation and Testing After Return to Duty/SAP and Employer Duties

A positive test specimen as a result of a DOT pre-qualification or random test will result in a rehabilitation opportunity. An employee whose test results are reported to the Medical Review Officer by the HHS certified laboratory and who has been contacted by the Medical Review Officer or his/her designee has seventy-two (72) hours to contact the Medical

Review Officer to review the test results. If the review time schedule is not met, then the Medical Review Officer

(MRO) may report to UPS Management that the test is verified as positive. If neither UPS nor the MRO, after making all reasonable efforts, as required by the DOT regulations, is able to contact the employee within ten (10) days from receiving the laboratory results, the test will be considered an uncontested positive test result. If the Medical Review Officer determines a specimen is positive, then the employee will have five (5) calendar days to evaluate his/her situation with an approved Substance Abuse Professional and then up to fifteen (15) calendar days to enter the rehabilitation treatment center after approval of a leave of absence as outlined in Article 45, Section 5 of the Local Union 710/UPS Agreement. UPS will follow the final recommendations of the Substance Abuse Professional as to the appropriate after-care protocol and post rehabilitation unannounced drug testing.

The employee will be permitted to return to work after the SAP has determined that the employee has successfully complied with prescribed education and/or treatment and the employee has provided a negative drug test result conducted under direct observation, as per cutoff levels contained in Section 3.3 or Section 3.4 of this Article, as applicable, and/or an alcohol test with an alcohol concentration less than 0.02. The Employer will make all reasonable efforts to conduct all return-to-work testing, conference calls, and examinations within five (5) working days of completion of a rehabilitation program.

It is understood that if the grievance procedure is utilized contractual time limits on disciplinary action and the employee's request for rehabilitation will be suspended until resolution of the grievance.

Substance Abuse Professional (SAP)

Each Substance Abuse Professional (SAP) must be a licensed Doctor of Medicine or Osteopathy, or a licensed or certified psychologist, social worker, employee assistance professional, or drug and alcohol counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substance-related disorders and be knowledgeable of the SAP function as it relates to Employer interest in safety-sensitive functions and applicable DOT agency regulations. In addition, the SAP shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing education requirements.

The SAP is responsible for performing the following functions:

- Conducting the initial face-to-face clinical assessment and evaluation to determine what assistance is needed by the employee to solve problems associated with alcohol and/or drug use;
- 2. Referring the employee to an appropriate education and/or treatment program;
- 3. Conducting a face-to-face follow-up evaluation to determine if the employee has actively participated in the education and/or treatment program and has demonstrated successful compliance with the initial assessment and evaluation recommendations.
- 4. Providing the Employer with a follow-up drug and/or alcohol testing plan for the employee; and

5. Providing the employee and Employer with recommendations for continuing education and/or treatment.

Follow-up testing shall consist of at least six (6) tests in the first twelve (12) months following the employee's return to duty. The one (1) year period may be extended as necessary by written verification of the Substance Abuse Professional. Tests shall be conducted under direct observation.

Employer Responsibilities

Prior to allowing an employee to return to duty, after the employee has tested positive for the presence of controlled substances or has refused to submit to a drug test, the employer shall:

- A. Ensure that the employee is "drug free," based on a drug test that shows no positive evidence of the presence of a drug or a drug metabolite in the employee's system.
- B. Ensure that the employee has been evaluated by a Substance Abuse Professional (SAP) for drug use or abuse.
- C. Ensure and confirm with the Substance Abuse Professional that the employee demonstrates compliance with all conditions or requirements of a rehabilitation program in which he or she participated.

Section 3.13 Disciplinary Action

Employees may be subject to discipline up to and including discharge as provided below if they test positive for drugs specified elsewhere in this Article.

- 1. Reasonable Cause Testing
 - a. A positive test is a dischargeable offense unless the Union and the Employer expressly agree to a lesser penalty. Any such agreement will not be precedent setting.
 - b. Refusal to submit to a reasonable cause drug test is a dischargeable offense.

2. Post-Accident Testing

- a. A positive test is a dischargeable offense.
- b. Refusal to submit to a post-accident drug test is a dischargeable offense.

3. Random Testing

- a. 1st offense A positive test shall result in a warning letter (subject to successful completion of rehabilitation).
- b. 2nd offense A positive test is a dischargeable offense.
- c. Refusal to submit to a random drug test is a dischargeable offense.

4. Pre-qualification

- a. 1st offense A positive test shall result in disqualification/not considered for feeder list until the next feeder driver school is conducted (subject to successful completion of rehabilitation).
- b. 2nd offense A positive test is a dischargeable offense.

5. Other Dischargeable Offenses:

- a. Failure to successfully complete rehabilitation.
- b. A positive specimen as part of after-care drug testing.
- c. Failure to comply with after-care treatment plan.

d. An Adulterated or substituted specimen.

Section 3.14 Preparation for Testing

Pursuant to Department of Transportation regulations, the Employer reserves the right to utilize on site or offsite collection facilities.

Upon arrival at the collection site, an employee must provide the collection agent with:

• Photo identification. - issued by the Employer or a federal, state or local government;

If the employee arrives without the above-listed items, the collection agent should contact the District Safety and Health Manager or District Human Resources Manager.

A standard DOT approved urine custody and control form will be supplied by the appropriate laboratory. This form must be used by all collection facilities and signed by the employee and the collection agent in the appropriate areas.

Section 3.15 Specimen Collection Procedures

The Employer agrees to continue use of the Specimen Collection Checklist. The checklist, approved by the UPS/IBT Safety and Health Committee, is to be used with the affected employees at the collection site by the person performing the collection services for the Employer.

The checklist is to be used at all locations, but it is understood that failure to use or the refusal to use the checklist does not invalidate a properly conducted controlled substance testing procedure. Nor does it prohibit an employee's recourse to the collective bargaining agreement and/or the grievance procedure.

All procedures for urine collection will follow Department of Transportation guidelines to ensure an individual's privacy. An employee who gives reason to believe that he or she may have adulterated or substituted a sample will be required to provide a specimen under direct observation by a same gender collection agent. If it is determined that an employee has adulterated or substituted a sample it shall result in the termination of his/her employment.

No unauthorized personnel will be allowed in any area of the collection site. Only one (1) controlled substances testing collection procedure will be conducted at a time and the specimens can only be handled by the collection site person.

The employee being tested should remove any outer garments, such as coats, jackets, hats or scarves, and should leave any personal belongings (purse or briefcase) with the collection agent. The employee shall display the items in his/her pockets to the collection agent. If the employee requests it, the collection agent shall provide the employee a receipt for his or her belongings. The employee may retain his or her wallet.

After washing his/her hands, the employee shall remain in the presence of the collection agent and shall not have access to any water fountain, faucet, soap dispenser, cleaning agent or other materials which could be used to adulterate the specimen.

The collection agent provides the employee with a new, sealed kit selected by the employee.

The employee will provide his or her specimen in a stall or otherwise partitioned area that allows for privacy. The Employer agrees to recognize all employee's rights to privacy while being subjected to the collection process at all times and at all collection sites. Further, the

Employer agrees that in all circumstances the employee's dignity will be considered and all necessary steps will be taken to insure that the entire process does nothing to demean, embarrass or offend the employees unnecessarily. Authorization for collection under direct observation will be in accordance with Department of Transportation regulations. All procedures shall be conducted in a professional, discreet and objective manner. Refusal to provide a specimen under direct observation when requested shall be considered a refusal to test and a terminable offense.

The employee shall be instructed to provide at least forty-five (45) milliliters of urine in the collection container. The employee shall hand the specimen to the collection agent. The specimen shall remain in the sight of both the collection agent and the employee at all times. A minimum of thirty (30) milliliters of urine shall be placed in the primary specimen container by the collection agent. The collection agent then must pour at least fifteen (15) milliliters of urine from the collection container into the second specimen bottle to be used for the split specimen. If the individual is unable to provide forty-five (45) milliliters of urine, the collection agent shall direct the individual to drink fluids, not to exceed forty (40) ounces distributed reasonably over a period not to exceed three (3) hours or until a sufficient specimen is provided, whichever occurs first. (The original specimen, if any, should be discarded, unless it was out of temperature range or showed evidence of adulteration or tampering). If the individual is still unable to provide forty- five (45) millimeters or urine, he/she will be taken out of service and a medical evaluation will be conducted within five (5) business days by a licensed physician who has the expertise in this type of medical issue, and is approved by the Employer to determine if there is a medical reason for the inability to provide a specimen. If it is not determined that there is a medical reason, the individual will be treated as having refused to take the test. If the employee fails for any reason to provide forty-five (45) milliliters of urine, the collection agent should contact a third party administrator (TPA) and either the District Safety and Health Manager or another Employer designee.

The regulations specify the privacy procedures and the reasons to believe that a specimen has been adulterated which includes, but is not limited to, conduct clearly and unequivocally indicating an attempt to substitute or adulterate the sample, e.g., abnormal urine color or urine temperature outside the acceptable range. All specimens suspected of being adulterated shall be packaged and forwarded to the laboratory for testing.

In the event of suspected specimen adulteration, a second specimen will be immediately collected under direct observation, and the entire procedure should be repeated including initiation of a new custody and control form and separate packaging for shipping. If an employee refuses to provide a second specimen, it shall be noted as a refusal to test and shall be a terminable offense.

The collection agent shall document any unusual behavior or appearance on the urine custody- and-control form.

Specimen handling (from one (1) authorized individual or place to another) will always be conducted using chain-of-custody procedures. Every effort must be made to minimize the number of people handling specimens. Both specimen containers shall be sealed and then forwarded to an approved laboratory for testing.

When a return-to-duty or follow-up test is being conducted, the collection process may be observed. If observed, the observer shall be the same gender as the employee being tested.

When a test kit is received by a laboratory, the thirty (30) milliliter sealed urine specimen container shall be removed immediately for testing. The shipping container with the remaining sealed container shall be immediately placed in secure refrigerated storage.

If an employee is told that the first sample tested positive, the employee may, within seventy-two (72) hours of receipt of actual notice, request that the second urine specimen be forwarded by the first laboratory to another independent and HHS approved laboratory of the parties' choice for GC/MS confirmatory testing of the presence of the drug. If an employee chooses to have the second sample analyzed, he/she shall at that time execute a special checkoff authorization form to insure payment by the employee. If the second test is positive, and the employee wishes to use the rehabilitation option, the employee shall reimburse the Employer for the costs of the second confirmation test and handling and shipping charges before entering the rehabilitation program. For those employees who choose to have the second specimen tested, disciplinary action can only take place after the MRO verifies the first test as positive and the second laboratory confirms the presence of the drug. However, the employee must be taken out of service once the first test result is verified as positive by the MRO while the second test is being performed. If the second laboratory report is negative, the employee will not be charged for the cost of the second test and will be reimbursed for all lost time. It is also understood that if an employee opts for the second specimen to be tested, contractual time limits on disciplinary action in the Supplements are waived.

Section 3.16 Specimen Shipping Preparations

After measuring temperature and visibly inspecting the urine specimen, the collection agent should tighten and seal the specimen shipping container.

The collection agent places a security label (initialed and dated by the employee) over the bottle cap, overlapping the bottle sides.

A double-pouch bag will be used for shipping, with one (1) side for the urine specimen and the other for paperwork. The collection agent places the urine specimen in the sealable pocket of the specimen bag and then seals the bag.

The collection agent places laboratory copies of the urine custody and control form in the back sleeve of the double-pouch bag.

The collection agent places the sealed specimen bag in the shipping box.

Section 3.17 Medical Review Officer

Any person serving as a Medical Review Officer (MRO) for the Company must be a licensed doctor of medicine or osteopathy with knowledge of substance abuse disorders, issues relating to adulterated and substituted specimens, possible medical causes of specimens having an invalid result, and a applicable DOT Agency regulations. In addition the MRO shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing education requirements.

The MRO is responsible for performing the following functions, in addition to those specified in the DOT regulations:

1. Reviewing the results of UPS's drug testing program.

- 2. Receiving all positive and negative drug test reports as prescribed under the DOT regulations, and making all reports of drug test results to the Employer.
- 3. Within a reasonable time, notifying an employee of a confirmed positive test result.
- 4. Reviewing and interpreting each confirmed positive test result in order to determine if there is an alternative medical explanation for the specimen's testing positive. The MRO shall perform the following functions as part of the review of a confirmed positive test result:
 - a. Provide an opportunity for the employee to discuss a positive test result.
 - b. Review the employee's medical history and relevant biomedical factors. A driver is allowed to use a controlled substance (except for methadone) only when taken as prescribed by a licensed medical practitioner who is familiar with the driver's medical history and assigned duties.
 - c. Review all medical records made available by the employee to determine if a confirmed positive test resulted from legally prescribed medication or other possible explanation.
 - d. Verify that the laboratory report and assessment are correct.
- 5. Processing an employee's request to test the split sample. Such testing will be conducted at the employee's expense. The employee shall be reimbursed by UPS for any such expense should the retest provide a negative result. If a reanalysis is negative, then the MRO will declare the test canceled.

Section 3.18 MRO Determination

If the MRO determines, after appropriate review, that there is a legitimate medical explanation for the confirmed positive test result, the MRO shall report the test to the Employer as a negative. If the MRO determines, after appropriate review, that there is no legitimate medical explanation for the confirmed positive test result, the MRO shall report the positive test result to the appropriate member of management in accordance with DOT regulations.

Based on a review of laboratory reports, quality assurance and quality control data and other drug test results, the MRO may conclude that a particular confirmed positive drug test result should be cancelled. Under these circumstances, the MRO shall report that the test is cancelled.

Not later than seventy-two (72) hours after notification of a confirmed positive test result or refusal to test because of adulteration or substitution, an employee may submit a written or verbal request to the MRO for testing of the split sample. The laboratory used must be certified by the HHS and must follow usual chain-of-custody procedures.

The employee shall be reimbursed for any pay lost if taken out of service based upon a positive test result which is negated by the second test or as the result of the resolution of the grievance.

Section 3.19 Record Retention

The medical review officer is the sole custodian of individual test results. The MRO shall retain reports of individual positive test results for a minimum of five (5) years. Individual

negative test results will be maintained for at least twelve (12) months. UPS shall maintain in a driver's qualification file only such information as required by the DOT to document compliance with the drug testing requirements.

Section 3.20 Release of Drug Testing Information

The MRO shall inform the employee before beginning the verification interview, that the MRO could transmit to appropriate parties information concerning medications being used by the employee or the employee's medical condition only if, in the MRO's medical judgment, the information indicated that the employee may be medically unqualified under applicable DOT agency rules.

When a grievance is filed as a result of a positive test the Employer shall obtain from the laboratory its records relating to the drug test. Upon receiving the records, the Employer shall promptly provide copies to the appropriate official of the Union, by the end of the following business day after receiving the documents from the laboratory or the MRO, as applicable, provided that the employee has executed written consent authorizing release to the Union, a copy of which must be provided to the Employer. The Company agrees to notify the Union of any change of HHS approved laboratories used for drug testing, for whatever reason.

Section 3.21 Paid for Time

Testing – Except for drug tests taken in conjunction with a DOT physical, the employee will be paid their regular straight time hourly rate of pay in the following manner:

- 1. For all time at the collection site.
- 2. (a) If the collection site is reasonably en route between the employee's home and the center, and the employee is going to or from work, pay for travel time one way between the center and the collection site or the collection site to the center; or
 - (b) For travel time both ways between the center and the collection site, only if the collection site is not reasonably en route between the employee's home and the employee's center.
- 3. If an employee is called at home to take a random drug test at a time when the driver is not en route to or from work, the employee shall be paid in addition to all time at the collection site, travel time both ways between the employee's home and the collection site with no minimum guarantee.

When an employee is on the clock and a random drug test is taken any time during the employee's shift, and the shift ends after eight (8) hours, the employee shall be paid time and one-half ($1\frac{1}{2}$) for all time past the eight (8) hours.

Section 4. Alcohol Testing

The parties have agreed that the procedures as set forth in Article 37, Section 4 shall be the methodology for all testing and will be modified only in the event that further Federal legislation or Department of Transportation regulations required by regulation, revise testing methodologies or requirements during the term of this Agreement.

Where such regulations allow revised testing methodologies such modifications shall be subject to mutual agreement by the parties.

Section 4.1 Employee's Who Must Be Tested

UPS employees subject to Department of Transportation mandated alcohol testing are drivers of vehicles with a vehicle weight rating over 26,000 pounds, requiring a Commercial Drivers License (CDL). This includes mechanics and employees who relieve for vacations or other temporary vacancies. Any employee who drives a tractor-trailer and is on the qualified feeder driver list is also subject to DOT mandated testing as provided in this Agreement.

Section 4.2 Testing

Because of the consequences that a positive test result has on an employee, UPS will employ a very accurate, two-stage testing program. Breath samples will be collected by a Breath Alcohol Technician (BAC), who has been trained in the use of the Evidential Breath Testing (EBT) device, in a course equivalent to the DOT's model course. All samples will be tested according to DOT alcohol testing requirements. In the event that breath testing is not possible in such cases as reasonable cause, or post accident, the Employer has the right to use alternative DOT approved methods.

Section 4.3 Screening Test

The initial screening test uses an Evidential Breath Testing (EBT) device to determine levels of alcohol. The following initial cutoff levels shall be used when screening specimens to determine whether they are negative for alcohol. The EBT must also be capable of distinguishing alcohol from acetone at the .02 concentration level, test an air blank, and perform an external calibration check.

Breath Alcohol Levels:

Less than 0.02 - Negative 0.02 and above - Positive (Requires Confirmation Test)

Section 4.4 Confirmatory Test

All specimens identified as positive on the initial screening test, showing an alcohol concentration of 0.02 or higher, shall be confirmed using an EBT that is capable of providing a printed result in triplicate; is capable of assigning a unique and sequential number to each test; and is capable of printing out, on each copy of the printed test result, the manufacturer's name for the device, the device's serial number, and the time of the test.

A confirmation test must be performed not sooner than fifteen (15) minutes after the screening test, but not more than thirty (30) minutes after the screening test.

The following cutoff levels shall be used to confirm the presence of alcohol:

Breath Alcohol Levels:

Less than 0.02 - Negative 0.02 to 0.039 - Positive/Out of service for twenty-four (24) hours from time of the test

0.04 and above - Positive/Out of service and referred to Substance Abuse Professional (SAP).

Section 4.5 Types of Testing Required

Testing procedures will be performed as part of pre-qualified practices, after defined DOT reportable accidents, on the basis of reasonable cause, upon return to duty after a positive

test, under DOT mandated random testing and as follow-up testing for post alcohol rehabilitation as outlined under Article 45, Section 5.

Section 4.6 Reasonable Cause Testing

Upon reasonable cause, UPS will require an employee to be tested for the use of alcohol.

Reasonable cause is defined as an employee's observable action, appearance or conduct that clearly indicates the need for a fitness-for-duty medical evaluation.

The employee's conduct must be witnessed by at least two (2) supervisors, if available. The witnesses must have received training in observing a person's behavior to determine if a medical evaluation is required. When the supervisor confronts an employee, a union representative should be made available pursuant to Article 11 of the Local 710 / UPS Agreement as interpreted. If no steward is present, the employee may select another hourly paid employee to represent him.

Documentation of the employee's conduct shall be prepared and signed by the witnesses within twenty-four (24) hours of the observed behavior. In addition, a copy will be sent to the Local Union in a timely manner.

NON-DOT Reasonable Cause Testing

Employees covered by this Collective Bargaining Agreement who are not subject to DOT mandated alcohol testing as provided herein, in accordance with this Agreement's practices.

Section 4.7 Post Accident Alcohol Testing

DOT mandated drivers will be required to submit to an alcohol test after a DOT defined serious accident, which is one in which:

- 1. There is a fatality, or;
- 2. A citation is issued and there is bodily injury to a person who, as a result of the injury, receives immediate medical treatment away from the scene of the accident, or;
- 3. A citation is issued and one (1) or more motor vehicles incur disabling damage as a result of the accident requiring a vehicle to be transported away from the scene by a tow truck or other vehicle.

Non-DOT mandated drivers may be required to submit to alcohol testing if there is any reasonable suspicion of alcohol usage or reasonable cause to believe that a driver has been operating a vehicle under the influence of alcohol, or reasonable cause to believe the driver was at fault in the accident and alcohol usage may have been a factor.

Alcohol testing will be required after accidents under the above conditions and drivers are required to submit to such testing within two (2) hours of the accident, if possible, and within eight (8) hours at the latest.

Drivers are required to submit to such testing as soon as possible within two (2) hours. Under no circumstances shall this type of testing be conducted more than eight (8) hours after the time of the accident.

It shall be the responsibility of the driver to remain readily available for testing after the occurrence of a commercial motor vehicle accident. It is also the responsibility of the driver to not use alcohol for eight (8) hours or until a DOT post accident alcohol test is performed

under this section, whichever occurs first. Union representation will be made available pursuant to Article 11 of the Local 710 / UPS Agreement, as interpreted.

It is not the intention of this language to prohibit the driver from leaving the scene of an accident for the period of time necessary to obtain assistance in responding to the accident or to receive necessary medical attention.

Law Enforcement Testing

The result of a breath or blood test for the use of alcohol or a urine test for the use of controlled substances, conducted by Federal, State or Local officials having independent authority for the test, shall be considered to meet the requirements of post-accident testing, provided such tests conform to applicable Federal, State or Local requirements, and that the results of the tests are obtained by the Employer.

Section 4.8 Random Testing-Random Employee Selection

The procedure used to randomly select employees for alcohol testing, in compliance with the U.S. Department of Transportation regulations, will be a computer program specifically intended for such an application.

The program will utilize an internal computer clock procedure to randomly generate lists of employees mandated for testing by the Department of Transportation/Federal Highway Administration. The computer shall randomly select the required number of employees from the total pool of affected employees. The total pool list shall be by each Region. The pool of employees selected randomly for controlled substance testing will also be the pool of employees selected for alcohol testing in compliance with DOT regulations. For verification purposes and to cover absences the computer shall print the following lists for each testing period:

- 1. An alphabetical total pool list of employees in the Region, and
- 2. A District list of employees shall be printed from the random list in the order in which they are computer selected.

An absent employee whose name appears on the random test list must be tested upon return to work immediately after notification provided he/she returns before the next selection period. The lists or true copies of the lists shall be maintained by a third party administrator. Upon request to the District Labor Relations Manager, the lists will be made available for review by Local Union representatives and company labor relations managers to verify the proper application and use of the lists in the random testing system.

The parties agree that no effort will be made to cause the system and method of selection to be anything but a true random selection procedure insuring that all affected employees are treated fairly and equally.

The parties further agree not to amend or change the current method of random selection as described herein without prior agreement between the parties.

A driver shall only be tested for alcohol while the driver is performing safety sensitive functions, just before the driver is to perform safety sensitive functions, or just after the driver has ceased performing such functions.

Employees who are on long term illness or leave of absence shall not be subject to testing.

Section 4.9 Notification

UPS employees, subject to Department of Transportation mandated random alcohol testing, will be notified of testing in person or by direct phone contact. Notification shall be given by the management person responsible for such notification.

Section 4.10 Rehabilitation and Testing after Return to Duty

If the Breath Alcohol Technician (BAT) determines a specimen is confirmed positive, then the employee will be removed from service and have five (5) calendar days to evaluate his/her situation with an approved Substance Abuse Professional (SAP) and then up to fifteen (15) calendar days to enter the rehabilitation treatment center after approval of a leave of absence as outlined in Article 45, Section 5 of the Local 710/UPS Agreement. UPS will follow the final recommendations of the Substance Abuse Professional (SAP) concerning the appropriate after- care protocol and post rehabilitation unannounced alcohol testing.

It is understood that if the grievance procedure is utilized contractual time limits on disciplinary action and the employee's request for rehabilitation will be suspended until resolution of the grievance.

The provision of Article 45, Section 5 will apply to all employees requesting enrollment in a rehabilitation program following a positive alcohol test. Employees may use the UPS Employee Assistance Program, a union sponsored program, as well as any other referral service in choosing an approved program for treatment.

Follow up testing shall consist of at least six (6) tests in the first twelve (12) months following the driver's return to duty. The one (1) year period may be extended as necessary by written verification of the SAP.

Employer Responsibilities:

Prior to allowing an employee to return to duty after the employee has tested positive for an alcohol concentration higher than .02, or has refused to submit to an alcohol test, the Employer shall:

- A. Ensure that the employee is "alcohol free", defined as less than .02 based on an alcohol test.
- B. Ensure that the employee has been evaluated by a SAP for alcohol use or abuse.
- C. Ensure and confirm with the SAP that the employee demonstrates compliance with all conditions or requirements or a rehabilitation program in which he or she participated.

Section 4.11 Discipline

It is agreed that an employee will have rehabilitation opportunities for alcohol abuse as outlined in Article 45, Section 5, except as provided under Random Testing below.

1. Reasonable Cause Testing

An employee who is tested for reasonable cause and whose alcohol level is 0.02 to 0.039 will be taken out of service for twenty-four (24) hours and receive a warning letter.

An employee who is tested for reasonable cause and whose alcohol level is 0.040 to 0.069 will be taken out of service for twenty-four (24) hours, referred to a Substance Abuse Professional (SAP) and suspended for ten (10) days. If the employee has

committed a disciplinary offense under the terms of this agreement, the results of the test may be used in the support of the Employer's disciplinary action.

A second positive test of 0.02 or above is a dischargeable offense. A positive test of 0.070 or above is a discharge offense.

A presumption exists that the employee was drinking on the job if the observation, time of testing and alcohol level combine to show the employee's level was too high to have consumed alcohol prior to the employee's report time.

An employee taken out of service for a positive test result must have a negative test prior to returning to work.

2. Post Accident Testing

An employee who is involved in an accident for which the mandate requires post accident testing must submit to such test. A post accident test of 0.02 or above is a dischargeable offense.

3. Random Testing

A positive test of 0.02 to 0.039 will result in the employee being taken out of service for twenty- four (24) hours and a warning letter shall be issued.

A second positive test of 0.02 to 0.069 or an initial positive test of 0.04 or above will result in the employee being taken out of service and a ten (10) day suspension shall be imposed. The employee will also be referred to a Substance Abuse Professional (SAP) for evaluation. If the SAP requires in-patient treatment and that in-patient treatment is the second such treatment afforded the employee, the cost of such treatment will not be borne by the UPS medical plan.

A third positive test of 0.02 or above after the employee was tested pursuant to the above levels will subject the employee to discharge.

4. Dischargeable Offenses

Other language to the contrary notwithstanding, the following may result in discipline up to and including discharge:

- A. Failure to successfully complete rehabilitation.
- B. A positive test, defined as .02 or higher, as part of post-care testing.
- C. Failure to comply with the after-care treatment plan.
- D. Possession of and/or consumption of an alcoholic beverage while on duty.
- E. Any test of an on-duty employee that measures at or above the state mandated DWI level. Should any state reduce the DWI mandated levels below 0.08, the Employer and the Union agree to meet and renegotiate section E. of this Agreement.
- F. An employee's refusal to submit to a negotiated test.

Non-mandated employees shall be subject to reasonable cause testing as outlined above. In no circumstances under this Section shall suspension time run concurrently with any leave period.

Section 4.12 Preparation for Testing

Pursuant to Department of Transportation regulations, the Employer reserves the right to utilize on site or off site testing facilities. Under no circumstances shall the Employer utilize UPS personnel to serve as a Breath Alcohol Technician (BAT).

Upon arrival at the testing site, an employee must provide the BAT with a photo identification.

If the employee arrives without the photo identification, issued by the Employer, or federal, state or local government, the BAT should contact the District Safety and Health manager or the District Human Resources manager.

A standard DOT approved alcohol testing form must be used by all testing facilities. The form used for non-DOT tests will contain the same information procedures as the DOT form.

Section 4.13 Specimen Testing Procedures

The Employer agrees to implement a "Specimen Testing Checklist". The checklist, approved by the UPS/IBT Safety and Health Committee, is to be used with the affected employees at the testing site by the person performing the testing for the Employer. The checklist is to be used at all locations, but it is understood that failure to use or the refusal to use the checklist does not invalidate a properly conducted alcohol testing procedure. Nor does it prohibit an employee's recourse to the collective bargaining agreement and/or the grievance procedure.

Procedures for alcohol testing will follow Department of Transportation guidelines to ensure an individual's privacy. No unauthorized personnel will be allowed in any area of the testing site. Only one (1) alcohol testing procedure will be conducted at a time.

The employee will provide his or her specimen in a location that allows for privacy. The Employer agrees to recognize all employee's rights to privacy while being subjected to the testing process at all times and at all testing sites. Further the Employer agrees that in all circumstances the employee's dignity will be considered and all necessary steps will be taken to insure that the entire process does nothing to demean, embarrass or offend the employees unnecessarily. Testing will be under the direct observation of a BAT. All procedures shall be conducted in a professional, discreet and objective manner. Direct observation will be necessary in all cases.

The employee shall provide an adequate amount of breath for the EBT device. If the individual is unable to provide a sufficient amount of breath, the BAT shall direct the individual to again attempt to provide a complete sample. If the employee fails for any reason to provide the requisite amount of breath, the BAT shall contact the District Safety and Health manager or Human Resources manager.

If an employee is unsuccessful in providing the requisite amount of breath, the Employer then must have the employee obtain, within five (5) business days, an evaluation from a licensed physician chosen by the Employer who has the expertise in the medical issues concerning the employee's medical ability to provide an adequate amount of breath. If the physician determines that a medical condition has, or with a high degree of probability, could have precluded the employee from providing an adequate amount of breath, the employee's failure to provide an adequate amount of breath will not be deemed a refusal to take the test.

If the physician is unable to make a determination that the employee was medically unable to provide a sufficient amount of breath, the employee will be regarded as refusing to take the test.

The BAT shall document any unusual behavior or appearance on the alcohol testing form.

Section 4.14 Substance Abuse Professional (SAP)

Each Substance Abuse Professional (SAP) must be a licensed Doctor of Medicine or Osteopathy, or a licensed or certified psychologist, social worker, employee assistance professional, or drug and alcohol counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substance-related disorders and be knowledgeable of the SAP function as it relates to Employer interest in safety-sensitive functions and applicable DOT agency regulations. In addition, the SAP shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing education requirements.

The SAP is responsible for performing the following functions:

- Conducting the initial face-to-face clinical assessment and evaluation to determine what assistance is needed by the employee to solve problems associated with alcohol and/or drug use;
- 2. Referring the employee to an appropriate educational and/or treatment program
- Conducting a face-to-face follow-up evaluation to determine if the employee has actively
 participated in the education and/or treatment program and has demonstrated
 successful compliance with the initial assessment and evaluation recommendations;
- 4. Providing the Employer with a follow-up drug and/or alcohol testing plan for the employee;
- 5. Providing the employee and employer with recommendations for continuing education and/or treatment.

Section 4.15 Record Retention

The Employer shall maintain records in a secure manner, so that disclosure of information to unauthorized persons does not occur.

Each Employer or it agent is required to maintain the following records for two (2) years:

- 1. Records of the inspection and maintenance of each EBT used in employee testing;
- 2. Documentation of the Employer's compliance with the Quality Assurance Plan (QAP) for each EBT it uses for alcohol testing;
- Records of the training and proficiency testing of each BAT used in employee testing;
 and
- 4. Any required log books.

The Employer or its agent must maintain for two (2) years records pertaining to the calibration of each EBT used in alcohol testing, including records of the results of external calibration checks.

Section 4.16 Release of Alcohol Testing Information

The Breath Alcohol Technician (BAT) shall inform the employee before testing that the Employer will be notified if the confirmatory test is greater than 0.02, since the employee will be removed from service and considered medically unqualified to drive under DOT agency rules and regulations.

When a grievance is filed as a result of a positive test the Employer shall obtain records relating to the alcohol test. Upon receiving the records, the Employer shall provide copies to the appropriate official of the Union, by the end of the following business day after receiving the documents form the laboratory or the MRO, as applicable, provided that the employee has executed written consent authorizing release to the Union, a copy of which must be provided to the Employer.

Section 4.17 Paid for Time

Testing – The employee will be paid their regular straight time hourly rate of pay in the following manner:

- 1. For all time at the testing site:
- 2. (a) If the testing site is reasonably en route between the employee's home and the center, and the employee is going to or from work, pay for travel time one way between the center and the testing site or the testing sit to the center; or
 - (b) For travel time both ways between the center and the testing site only if the testing site is not reasonably en route between the employee's home and the employee's center.

When an employee is on the clock and a random alcohol test is taken any time during the employee's shift, and the shift ends after eight (8) hours, the employee shall be paid time and one-half (1 $\frac{1}{2}$) for all time past the eight (8) hours.

ARTICLE 38 NON-DISCRIMINATION

The Employer and the Union agree not to discriminate against any individual with respect to hiring, compensation, terms or conditions of employment because of such individual's race, color, religion, sex, sexual orientation, national origin, physical disability, veteran status, or age in violation of any federal or state law, or engage in any other discriminatory acts prohibited by law, nor will they limit, segregate or classify employees in any way to deprive any individual employees of employment opportunities because of race, color, religion, sex, sexual orientation, national origin, physical disability, veteran status, or age in violation of any federal or state law, or engage in any other discriminatory acts prohibited by law. This Article also covers employees with a qualified disability under the Americans with Disabilities Act.

ARTICLE 39 MECHANICS

RATES EFFECTIVE AUGUST 1, 2018

Mechanics Journeymen \$37.45 per hour (Part-Time: Limit [1] per center)

- 1. The meal time period shall be up to one-half hour for all mechanics.
- 2. Maintain existing tool insurance.

The full-time automotive/maintenance journeymen mechanics shall receive an eighteen hundred dollar (\$1800.00) tool allowance. The tool allowance shall be paid in three (3) equal parts, six hundred dollars (\$600.00) during August of the first year of the Agreement, six hundred dollars (\$600.00) during August of the third year of the Agreement, and six hundred dollars (\$600.00) during July of the fifth (5th) year of the Agreement.

Apprentices-Mechanics, Painter, New Hire Wage Progression Percent of Journeyman Rate

| Start | 60% |
|----------------------------------|------|
| Seniority | 65% |
| Date of Seniority plus 12 months | 70% |
| Date of Seniority plus 18 months | 75% |
| Date of Seniority plus 24 months | 80% |
| Date of Seniority plus 30 months | 85% |
| Date of Seniority plus 36 months | 90% |
| Date of Seniority plus 42 months | 95% |
| Date of Seniority plus 48 months | 100% |

Note: These rates do not include future Cost-of-Living.

Present Employees

Any mechanic called back to work after completing his scheduled workday shall be guaranteed four (4) hours work or pay at time and one-half (1 $\frac{1}{2}$) his regular rate. If called in four (4) hours or less before starting time, it will be considered an early start and not a call back.

MECHANICS, BUILDING MAINTENANCE

In those areas where the Union can demonstrate, based on the use of outside vendors, that a full-time maintenance position can be created, the Company will review the issue with the Union and determine if a new position can be created.

One change of uniform per day.

Foul weather gear.

Insulated coveralls.

Apprenticeship Program.

Heavy equipment for doing heavy jobs and special tools for new types of equipment, supplied as determined by the Company.

If a mechanic is used to move cars or do any driving work, that person shall be compensated at their regular mechanic rate. However, if an apprentice mechanic is given driving work and the apprentice rate is below driving rate, they shall be paid the appropriate driving rate for actual hours driving.

POSTING MECHANICS JOBS:

On June 1st of each year all mechanics and maintenance jobs in each Center shall be posted for bid by seniority. Employees in other classifications may not bid on these jobs.

When posting a job for bid, the Company must indicate the fact that during peak season the job may be changed from days to nights.

In addition to the June 1st bid of each year if a new permanent or vacant job becomes available in the Center, the mechanics in that Center may bid on such openings in seniority order.

In the event a bid starting time is permanently changed two (2) hours or more, the employee may stay with the job or displace a junior employee within ten (10) days.

The filling of openings by bidding shall be limited to four (4) bids, the original and three (3) others.

TOOL INSURANCE FOR MECHANICS:

The Company shall be responsible for replacing Employee's personal tools, which are required by the Company to furnish for himself, if such personal tools are lost due to proven theft or by fire or destruction. The Company's liability shall not, however, exceed the actual replacement cost of the tools stolen. Employees shall cooperate in safeguarding their personal tools.

For Employees to be covered under this Article it is understood that each Employee must furnish the Company with a complete inventory of his personal tools, subject to verification by the Company and must keep the inventory current. The Employee shall retain a copy of such inventory for his own protection. The Employer will give the Employee a written acknowledgment of inventory submitted, with a copy to the Union.

OVERTIME

During the normal work week, the Employees normally performing that work shall be entitled to the daily overtime. Overtime days—Saturday, Sunday or holidays—will be offered by classification seniority to the qualified Employees.

PART-TIME MECHANIC

Starting rate will be the same as full-time mechanics. Guarantees, vacations, holidays, optional days, and medical will be governed by the part-time language in the Agreement. There will be only one part-time mechanic per center. If the full-time mechanic leaves for any reason, the part-time mechanic will be offered the opening before hiring from the street.

SWING MECHANIC

The Company may, in the event of need, be allowed to use a domiciled swing mechanic. He may travel between neighboring centers for the purpose of relief work, vacations, day's off, absences, or extra work. The swing mechanic will receive full Company seniority, benefits, and be eligible to fill any permanent openings as may occur. A swing mechanic will be a journeyman mechanic and will be paid a full journeyman's rate. He will also be reimbursed for all traveling and lodging expenses.

ARTICLE 40 BONDS

Should the Employer require any Employee to give bond, cash bond shall not be compulsory and any premium involved shall be paid by the Employer. The primary obligation to procure the bond shall be on the Employer. If the Employer cannot arrange for a bond within ninety days (90), it must so notify the Employee in writing. Failure to do so shall relieve the Employee of the bonding requirement. If proper notice is given, the Employee shall be allowed thirty (30) days from the date of such notice to make his own bonding requirements, standard premiums shall be that premium paid by the Employer for bond applicable to all other of its Employees in similar classifications. Any excess premium is to be paid by the Employee. Cancellation of a bond after once issued shall not be cause for discharge, unless the bond is cancelled for cause which occurs during working hours, or due to the Employee having given fraudulent statement in obtaining said bond.

ARTICLE 41 LOSS OR DAMAGE

Section 1

Employees shall not be charged for loss or damage unless clear proof of gross negligence is shown. This Article is not to be construed as permitting charges for loss or damage to equipment under any circumstances.

No deduction of any kind shall be made without a hearing with the Local Union.

No Employee shall be subject to discipline or reimbursement unless the Employer brings the loss or damage to the Employee's attention within fifteen (15) business days after receiving a written shipper notice of claim.

No Employee shall be subject to restitution or discipline unless the Employer brings the bad check to the Employee's attention within fifteen (15) business days after receiving a written shipper notice of claim.

Section 2

The Employer shall make a reasonable effort to collect for losses due to bad checks, to include a driver follow-up, and an attempt by the Manager or his designee to meet with the consignee and a letter to the consignee requesting payment, when appropriate. Should a driver who has been held liable for restitution choose to pursue legal recourse against the consignee, the Employer will provide any necessary and available documents to aid the driver in processing a claim through the courts. The employee shall not be held liable for restitution or disciplined if he/she accepts an irregular check if a reasonable person would have accepted the check.

Employees handling money shall account for and remit same to the Employer at the completion of each day's work. An Employee's cash turn-in will be verified (initial envelope and signature list) upon request. In the absence of a requested cash turn-in verification, no disciplinary action will be taken. The following wording shall be used in a letter when a disagreement arises on C.O.D. turn-in not verified.

| On/ your C.O.D. turn-in was \$ short. This error was discovered on |
|---|
| / (Date) |
| You have seventy-two (72) hours from receipt of this letter to make restitution or you will be suspended until arrangements are made for restitution of all monies. |
| Signed |
| |

Section 3

The Employer shall reimburse Employees for loss of personal money or personal property in a hold-up while on duty, up to a maximum of two hundred dollars (\$200.00) per Employee, provided the Employee promptly reports such hold-up to the Employer and the police and cooperates in the investigation of such hold-up. Employees shall be paid for all time involved, however, reimbursement for cash loss shall be limited to one hundred dollars (\$100.00).

Section 4

The Employer will incorporate into the DIAD for packages shipped using Worldship and Maxiship (as well as other shipping systems when it is technologically feasible) a function that will prompt the driver when a specific type of fund is to be collected from each C.O.D. delivery (e.g., certified funds, cashiers checks, money orders). The Employer will notify the Union prior to the installation of the prompts or as the system is expanded. If the driver collects an improper check, the Employer will inform the driver of that acceptance.

ARTICLE 42 PASSENGERS

No driver shall allow anyone, other than Employees of the Employer, who are on duty, to ride on his truck except by written authorization of the Employer, except in cases of emergency arising out of a disabled commercial equipment, accidents, or an Act of God, in accordance with Department of Transportation regulations.

ARTICLE 43 GARNISHMENTS

In the event of notice to an Employer of a garnishment or wage assignment or impending garnishment or wage assignment, the Employer may take disciplinary action if the Employee fails to satisfy such garnishment or wage assignment within a seventy-two (72) hour period (limited to working days) after notice to the Employee. However, the Employer may not discharge any Employee by reason of the fact that his earnings have been subjected to garnishment or wage assignment for any one indebtedness. If the Employer is notified of three garnishments or wage assignments for more than one debt, irrespective of whether satisfied by the Employee within a seventy-two (72) hour period, the Employee may be subjected to discipline, including discharge. However, if the Employer has an established practice of discipline or discharge with a fewer number of garnishments or wage assignments or impending garnishments or wage assignments if the

Employee fails to adjust the matter within the seventy- two (72) hour period, such past practice shall be applicable in those cases. The Employer agrees to comply with the local, state, and federal law.

ARTICLE 44 PAID FOR TIME

All Employees covered by this Agreement shall be paid for all time spent in service of the Employer. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the Employee reports for work and registers in and until the Employee 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 by the Employer.

The Employer shall not allow Employee to work prior to their start time without appropriate compensation.

The District Labor Manager and the Business Agent shall periodically review this Article to insure compliance.

ARTICLE 45 LEAVE OF ABSENCE

Section 1

The Employer agrees to grant the necessary time off, without discrimination or loss of seniority rights and without pay, to any Employee designated by the Union to attend a labor convention or serve in any capacity or other official business, provided forty-eight (48) hours 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 operations due to lack of available Employees.

A Union member elected or appointed to serve as a Union Official shall be granted a leave of absence during the period of such employment, without discrimination or loss of seniority rights, and without pay.

Section 2

Any full-time Employee desiring leave of absence from 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 Employee involved. Inability to work because of proven sickness or injury shall not result in the loss of seniority rights. The Employee must make suitable arrangements for the continuation of Health and Welfare payments before the leave may be approved by either the Local Union or the Employer.

Section 3

When driver's operating privilege or license has been suspended or revoked for reasons other than those for which the Employee can be discharged by the Employer, leave shall be granted for such time as the Employee's operating privilege or license has been suspended or revoked but not for a period longer than two (2) years provided that such suspension or revocation was not the result of driving under the influence of alcohol or narcotics and further provided the driver whose operating privilege or license has been suspended or revoked notifies the Employee's immediate supervisor before his next report to work of such suspension or revocation. The above provision need apply only to the first suspension or revocation.

The Employer will make all reasonable efforts to conduct all return-to-work testing, conference call, and examinations within five (5) working days of completion of a rehabilitation program.

Section 4

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 and maternity leave must comply with applicable state laws. It is further understood that paternity leave for a male employee whose spouse is pregnant shall be granted a leave with no loss of seniority for each pregnancy for a period not to exceed one week's time to commence from the day prior to the date of birth or the day the spouse is released from the hospital, subject to the Employee's choice.

Section 5

An Employee shall be permitted to take a leave of absence for the purpose of undergoing treatment of an approved program for alcoholism or drug abuse. 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 ninety (90) days unless extended by mutual agreement. While on such leave, the Employee shall not receive any of the benefits provided by this Agreement except the continued accrual of seniority, nor does this provision amend or alter the disciplinary provisions.

It is agreed to by and between the parties that, with respect to Article 45, Leave of Absence, Sections 3 and 5, shall be applied to mutual agreement between the Union and Company.

Employees shall be permitted to take advantage of a rehabilitation program once every five (5) years, three (3) times lifetime maximum, under all conditions of this Article.

ARTICLE 46 AIR AGREEMENT PREAMBLE

In order for the Employer, the Union and the employees to further benefit from the expanding air operations the following Sections shall supersede language on the same subjects in this agreement, unless specifically stated otherwise in this Article.

Section 1. Air Drivers

- a. Air driver work shall consist of delivery, and pickup of air packages which, because of time and customer commitments, cannot be reasonably performed by regular package drivers.
 Such work may include:
 - 1. Delivery of air packages which the regular delivery drivers cannot deliver within guaranteed time commitments.
 - 2. Delivery of air packages arriving at the facility after regular drivers have been dispatched.
 - 3. Delivery and pick up of air packages on weekends and holidays.
 - 4. On Call air pickups.
 - 5. Pick up at air counters and drop boxes.

The Company and Union agree that NMA Article 40 section 1(a) 5 will apply.

- 6. Additional late air pickups.
- 7. Air drivers may, on an exception basis, be used to make service on packages which are not air packages. An exception package is intended to be when an Air Driver is making a pick up, as outlined above, after the regular driver has been at the customer's premises, and the customer has an exception ground package(s) for shipment, the air driver may make service on this package(s). Air drivers may continue to pick up automatic return service packages but the features of this service will not be expanded. Any violation of Section 1, (a) 7, shall obligate the Employer to pay the Air Driver involved the difference between his/her rate of pay and the top regular package car driver wage rate existing at that building. Grievances concerning violation or abuse of this shall be referred directly to the Local 710 Grievance Panel.
- 8. Delivery of Early A.M. packages.
- 9. Air Shuttle Work.

Movement of air packages to airports and other locations such as service centers, UPS buildings and driver meet points.

Shuttle work currently performed by regular full-time drivers shall be excluded. Should a regular full-time driver vacate a position which includes air shuttle work, that work shall either be rebid as it previously existed and continue to be paid at the regular driver rate or the air shuttle work may be combined with other air work to create one (1) or more full-time air or full-time combination job(s) paid in accordance with Section 6 below. In no event shall such shuttle work be assigned to a part-time air driver.

Shuttle work currently being performed by part-time air drivers shall be converted to full-time air driver work when the driver vacates the job except when there is not enough work available to create a full-time job.

- b. The workday for air drivers shall be as follows:
 - 1. Eight (8) hours scheduled work in the air driver's classification, or a combination of eight (8) hours work in the air driver's classification and other bargaining unit classifications, except air walker. These employees will receive all appropriate fulltime benefits.

- 2. Less than eight (8) hours scheduled work in the air driver's classification or a combination of less than eight (8) hours scheduled work in the air driver classification and other bargaining unit classifications, except air walker. The Employer will notify the Union within thirty (30) calendar days in writing when less than eight (8) hour position is created and the Union will have thirty calendar days to grieve the implementation if they believe such position is improper. This grievance shall go directly to the Local 710/UPS Negotiating Committee. These less than eight (8) hour employees shall receive appropriate part-time benefits. No less-than eight (8) hour combination job will be rescheduled to create two (2) part-time jobs.
- 3. Combinations which require more than a two (2) hour gap between jobs will normally not be used unless mutually agreed to by the Local Union and the Employer.

c. Air Driver Workweek

The workweek for full-time air drivers currently working a Monday through Friday workweek shall continue on that schedule. The workweek for additional full-time air drivers shall be any five (5) consecutive days in seven (7) and for all part-time air drivers shall be any five (5) in seven (7) days.

d. Air Driver Guarantee and Overtime

- 1. Full-time air drivers shall have the same daily and weekly guarantees as provided for regular drivers in this Agreement. They shall receive overtime pay for hours worked in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week.
- 2. Less than eight (8) hour air drivers (part-time air drivers) who have a regular scheduled start time shall have a three (3) hour daily guarantee.
 - They shall receive overtime pay for hours worked in excess of eight (8) hours in a twenty- four (24) hour period or in excess of forty (40) hours per week.
- 3. Any less than eight (8) hour combination air driver (part-time combination air drivers) who works their three (3) hour guarantee shall be guaranteed four (4) hours. They shall be paid overtime for work in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week.
- 4. The provisions above do not apply to an air exception driver who performs extra work under Sections 1.h, j, or k below.
- 5. Employees in paragraphs two (2) and three (3) above shall be entitled to all other provisions in this Agreement (such as rest periods, shift differential, bidding to full-time jobs and layoff provisions, etc.).

e. Start Times

All full-time and part-time air drivers, who have a scheduled assignment, shall have start times posted the previous week. Start times may be adjusted with notification prior to the employees reporting to work.

f. Break Periods

1. Full-time air drivers shall receive the same provisions for lunch and/or breaks as regular drivers receive in this Agreement.

2. This provision is not intended to give less than eight (8) hour air drivers or less than eight (8) hour combination air drivers more than one (1) break unless specifically stated otherwise in this Agreement. However, any less than eight (8) hour air driver (part-time air driver) or less than eight (8) hour combination air driver (part-time combination air driver) who is dispatched with eight (8) or more hours will be provided the same break or lunch period as that provided to full-time drivers in this Agreement.

g. Bidding Procedure

Air Driver jobs shall be subject to the appropriate bidding procedures in this Agreement.

h. Exception Air Drivers

- The Employer and the Union recognize that there may be air packages that cannot be
 delivered by the regular full-time package car driver or the scheduled air drivers listed
 in this Section. Therefore, the parties agree to continue the practice of allowing the use
 of part-time employees who have signed the exception qualified list or who have
 expressed in writing their desire to be on the list and who have been certified to deliver
 exception air packages.
- Employees certified on the Exception Air Driver list who have not worked over forty (40) hours in the current workweek shall be offered this extra air driver work by seniority.
- 3. Exception air drivers shall have no guarantee and will be paid only for the time worked. In the event a part-time employee works over eight (8) hours in any one (1) twenty-four (24) hour period, he or she shall be compensated at the rate of time and one-half for all hours worked over eight (8) at the rate of pay specified in Section 6 below. Guarantees on primary jobs will not be disturbed.
- 4. No exception air driver shall be required by the Employer to wait at a center for packages off the clock.

i. Personal Vehicles

Air exception drivers will use the Employer's vehicles whenever possible. Exception Air drivers who would happen to use their personal vehicles shall be reimbursed at the IRS limit applicable per mile for all miles driven to perform the air driving work in addition to their air driver wages. When an employee uses his/her own vehicle in the service of the Employer and is involved in an accident, the Employer shall be responsible for the damages to both the employee's vehicle and to the other person's vehicle and/or property, and will provide liability insurance coverage.

. Holiday Work

When it is necessary to provide air services on holidays, the following procedure shall be used:

- 1. The employer shall offer this work, in seniority order, to full-time air drivers who have worked at least one (1) day that week before offering it to part-time air drivers.
- When the scheduling needs cannot be met using the above provision, the Employer shall have the right to force part-time air drivers and then full-time air drivers to work starting in reverse order of seniority. If, after exhausting the above steps, scheduling needs are still not met, the Employer shall offer the work, in seniority order within the

package driver classification. If more drivers are still needed, the reverse seniority order concept will be used for package drivers. Package car drivers who work on a holiday may make a written request for an eight (8) hour guarantee. Such written request shall be made the last workday prior to the holiday. All time worked on a holiday will be paid at the holiday rate.

- 3. The scheduling of the support work will be reviewed with the Local Union prior to the holiday. If the Local Union believes that the Employer has scheduled an excessive number of support employees, it shall have the right to appeal directly to the Local 710/UPS Negotiating Committee. The Local 710/UPS Negotiating Committee will review the schedule and determine whether the Employer has scheduled an excessive number of support employees. If it is determined by the Local 710/UPS Negotiating Committee that the Employer worked excessive support employees, the excessive employees worked shall be paid double time for hours worked in addition to their holiday pay.
- 4. Air drivers and support employees scheduled on a holiday to ensure air services to the customer, including time performing incidental work, shall receive straight time for all hours worked up to eight (8) in addition to the holiday pay.
- 5. Overtime provisions shall apply if the employee works over eight (8) hours.

k. Saturday or Sunday Air Work

- 1. To perform Saturday or Sunday air work, the Employer and the Union recognize the need for air drivers other than those regularly scheduled. Qualified part-time employees who are interested in performing this work will so notify the Employer, be certified and be placed in seniority order on a posted qualified air driver list. Such work will be first offered in seniority order to employees on the qualified list who have not worked more than thirty-seven (37) hours in the current week. This work shall then be offered in seniority order to qualified part-time employees regardless of hours worked. If the scheduling needs still cannot be met and additional employees are needed, the Employer may force qualified part-time employees in reverse seniority order.
- 2. These employees shall be paid at the air driver's straight time rate of pay in accordance with Section 6 below. Time and one-half will be paid after eight (8) hours per day or after forty (40) hours per week.
- 3. All employees working as an air driver on Saturday or Sunday under this Section shall have a three (3) hour guarantee.
- l. References in this Article to an air driver, part-time or full-time, includes Employees who on a scheduled basis, perform (1) only air driving work, or, (2) air driving work in combination with other bargaining unit work.

Section 2. Air Walkers

- a. Air Walkers may deliver and/or pick up air packages and shall not drive any vehicle which requires a drivers license in the performance of their duties.
- b. Air Walkers will not be used to pick up or to deliver ground packages.
- c. Air Walkers shall start and end the day in the area they work.
- d. Air Walkers shall be guaranteed three (3) hours per day and shall be given a ten (10) minute paid break.

- e. Air Walkers shall be paid in accordance with Section 6 below.
- f. Air walkers shall receive all part-time benefits and conditions of employment as outlined in this Agreement including the right to bid into fulltime jobs. An air walker position shall be open for bid to current employees prior to filling that position from the outside.
- g. The intent of this Section is not to eliminate present full-time air jobs and/or combination jobs.

Section 3. Air Hub and Gateway Operations

Employees presently working in or hired into existing air hubs and/or gateways shall continue to work under the present agreements covering the air hub and gateway operations. If no agreement exist, Article 46, Section 3 shall apply. However, if Section 3 is silent, this Agreement will apply.

a. Workweek

- 1. The workweek for air hub and gateway employees shall consist of any five (5) days in a seven (7) day period.
- 2. Air hub and gateway employees hired prior to August 1, 1987 shall have the right to maintain the workweek in existence at that time, if such workweek exists.

b. Daily Guarantees

The three (3) hour daily guarantees shall apply whenever possible. Further, the parties agree that in those areas that do not currently have a daily guarantee, the following procedure shall apply: If eighty percent (80%) of the Employees reporting to a shift work three (3) or more hours for thirty (30) working days within a forty (40) day period, except for peak season, such shift shall be entitled to a three (3) hour guarantee. The Employer may also provide a higher daily guarantee to the extent it does not conflict with the overtime rules in this Agreement. Grievances concerning this issue shall be brought directly to the Local 710 Grievance Panel.

c. Holidays

- When it is necessary to operate an air hub and gateway operation on a holiday, those employees worked will be paid overtime in addition to holiday pay if it is not a scheduled workday for those employees.
- 2. For those employees not qualified for overtime, as stated above, the holiday will be a normal workday.
- 3. The holiday shall be defined as the day the holiday is nationally observed.
- 4. Start times on these days may differ from normal workday start times.

d. Rest Periods

Air operation employees who are covered by a daily guarantee shall receive the same rest period provisions as outlined in this Agreement.

e. Newly Expanded Hubs and Gateways

If an air operation is expanded or altered and is no longer able to effectively operate, the Employer and the Union shall meet to work out any needed modifications, which would be subject to approval of the Local 710/UPS Negotiating Committee.

f. Seniority

- Air hub and gateway employees shall work off one (1) seniority list within each operation, unless otherwise mutually agreed. Part-time employees covered under this Section shall be given the same opportunities for fulltime positions as described in this Agreement. Where this Agreement is silent or is not clear, the Employer and the Local Union shall meet and agree upon a method of affording the opportunity for full-time employment.
- 2. In air hub and gateways that currently have no procedure to recognize part-time seniority, part-time employees with one (1) or more years of seniority will be allowed in seniority order to fill permanent vacancies on a different shift and/or fill permanent vacancies between the airport sort facility and the ramp in all months except November and December. The employee will be allowed to exercise this procedure once a year.

g. Start Times

Start times may be adjusted with notification, prior to the employees reporting for work, to coincide with the arrival and departure of parcels.

h. Rain Gear

The Employer shall provide all outside ramp employees rain gear, to include, pants and tops. De- ice crews shall be provided with insulated coveralls, insulated gloves, boots, and rain gear that is large enough to fit over the insulated coveralls.

i. Air Gateway

In addition to the Union's right to organize Employees at the Company's air gateways in accordance with applicable law, work performed at air gateways shall be performed by United Parcel Service bargaining unit members in accordance with the following procedure: The Union Chairperson of the Local 710 Negotiating Committee shall serve the Company's Chairperson of the Local 710 Negotiating Committee with written notice of the Union's position that work at a particular gateway is appropriate for conversion to work performed by United Parcel Service bargaining unit members. Upon receipt of the notice, the Union and Company Chairpersons of the Local 710 Negotiating Committee shall meet to review the details of the specified gateway operation, including if necessary an inspection of the air gateway. For work at an air gateway/ramp operation (including any sort work performed on the ramp) to be performed by United Parcel Service bargaining unit members, all of the following criteria must be met:

- 1. The air gateway operation must have an established five (5) day workweek with a minimum of three (3) hours of continuous work on all shifts (excluding rest periods provided in the Agreement) for all Employees;
- 2. There is a minimum of forty (40) potential bargaining unit members on the ramp;
- 3. The Company currently owns, rents, or leases the appropriate ramp equipment. Disputes over the economic impact of the Company's ability to purchase, rent or lease the necessary ramp equipment will be resolved by the Local 710 Grievance Panel; and
- 4. The Company is not prohibited from obtaining legal permission to operate on the airport ramp by the operating authority of that particular airport.

Once the Union Chairperson of the Local 710 Negotiating Committee has served the Company Chairperson of the Local 710 Negotiating Committee with written notice of the Union's position that a particular air gateway is appropriate for conversion in accordance with the criteria set forth in (1) through (4) above, the Company agrees that subsequent alteration or changes in the four (4) criteria listed above, which are made by the Company, shall not be used as a subterfuge to avoid conversion.

The conversion period shall be no longer than one hundred twenty (120) days from the date the Union and Company Chairpersons verify that the above-stated criteria have been satisfied. The completed conversion of an air gateway to work being performed by United Parcel Service bargaining unit members under the provisions of this section shall not be affected by subsequent alteration or changes in the criteria set forth in (1) through (4) above at any such converted air gateway.

Air gateway location(s) which utilize a Teamster represented vendor contracted by United Parcel Service are not subject to this section.

Section 4. Start times for Air Shuttle and Air Feed Drivers

Because of the nature of the air business, regular air shuttle and air feed drivers may have flexible start times on Monday, Friday, Saturday, Sunday, and/or holidays to coincide with the needs of the Employer's air operations.

Section 5. Grievance Procedure

- a. The Local 710/UPS Negotiating Committee shall be appointed for the purpose of continually reviewing the progress of the air expansion and the unforeseen problems that may arise. This Committee shall have the authority to amend, alter, add to, and delete provisions of this Article as it deems necessary to further the best interests of the employees and the Employer's air operation.
- b. All grievances, controversies, and/or disputes concerning the air Operation shall be subject to the regular grievance procedure. Any decision rendered by a local, state, or area panel which interprets Article 46 shall not be precedent setting in any other case.
- c. Any dispute concerning the interpretation or applicability of this Article including cases which have deadlocked at the lower level shall be submitted to the Local 710/UPS Negotiating Committee for resolution. Such resolution will include the right to submit the matter to arbitration. Decisions made in accordance with this Section shall be final and binding on all parties.

Section 6.

All hourly wages for employees covered under Article 46 will be determined only in accordance with this Section.

a. Part-time air drivers including exception air drivers will be paid as follows:

| Start | \$15.00 |
|-------------------------|----------|
| Twelve (12) months | \$16.00 |
| Twenty-four (24) months | \$17.00 |
| Thirty-six (36) months | \$21.00 |
| Forty-eight (48) months | Top Rate |

- Effective August 1, 2018 the prior \$28.64 forty-eight (48) month (top) rate shall change on August 1st of each year of the Agreement to reflect the agreed upon general wage increases.
- 2. Seniority part-time employees entering a part-time air driver job after August 1, 2018 shall begin at the start rate. Part-time air drivers in progression as of the ratification of this Agreement will maintain a two (2) year progression to Top Rate as set forth in Article 46, Section 6(a) of the 2013-2018 Agreement but will be paid the applicable hourly rates as set forth above.

Part-time Employees who are awarded a scheduled part-time air driver job shall receive progression credits in accordance with the following: for each four (4) days on which exception air work was performed in the two (2) years immediately prior to the bid award, one (1) month of progression credit shall be granted. In addition, if a bid part-time air driver is laid off, he/she will retain his/her progression credit under paragraph (a) for any air exception work. Seniority part-time employees entering a part-time air driver job after the date this Agreement becomes effective will begin at the seniority rate.

b. Full-time air drivers will be paid as follows:

| Start | \$17.00 |
|-------------------------|----------|
| Twelve (12) months | \$18.00 |
| Twenty-four (24) months | \$19.00 |
| Thirty-six (36) months | \$23.00 |
| Forty-eight (48) months | Top Rate |

- 1. Effective August 1, 2018 the prior \$30.64 (top) rate will change on August 1st of each year of the Agreement to reflect the agreed upon general wage increases.
- 2. Seniority full-time employees entering a full-time air driver job will be slotted based on their Company seniority. Full time air drivers in progression as of the ratification of this Agreement will maintain a two (2) year progression to Top Rate as set forth in Article 46, Section 6(b) of the 2013-2018 Agreement but will be paid the applicable hourly rates as set forth above.
- c. All new hire full-time or part-time air drivers will be placed in the applicable progression in paragraphs a. or b. above. Part-time employees who bid into a full-time air driver job covered by this Section will be red circled at their current wage rate until such time as the calculated progression rate set forth above exceeds that rate. The transfer date will become his/her full-time start date for the purposes of applying the progression set forth above. A part-time employee shall not lose the red circle protection provided by this paragraph as a result of transferring from one full-time air driver job to another full-time air driver job.
- d. All current full-time or part-time air drivers who are out of the progression in the prior agreement shall receive the general wage increases provided for in accordance with Article 3 or the Top Rate provided in paragraphs a. or b. above, whichever is greater.
- e. Employees in existing or newly created less-than-eight (8) hour combination jobs shall be paid the part-time air rate in accordance with paragraph (a) above for air driver work and their normal part-time wages for the hours worked in other classifications in accordance with Article 3.

- f. Employees who are in existing full-time combination jobs or who hereafter enter a full-time combination job shall be paid the appropriate full-time air rate for air driver work and the appropriate inside part-time rate for the hours worked in other classifications. If an employee has no established inside rate, that employee will be paid the appropriate part-time rate in accordance with his/her Company seniority.
- g. Employees on the exception air driver list shall be slotted into the part-time air driver progression in paragraph a. above based upon the length of time the employee has been performing air exception work. Seniority employees who begin performing air exception work will start at the seniority rate. New part-time employees signing up to perform air exception work will receive the start rate in paragraph a. above until they gain seniority.
- h. Part-time air hub and gateway employees and air walkers shall be paid the applicable part-time rate of pay as set forth in Article 3. However, if a part-time Employee is awarded an air walker job he/she shall continue to receive his/her inside rate in accordance with Article 3. Full-time air hub and gateway jobs shall be paid in accordance with Article 3, Section 3(D), unless there is an existing agreement under Article 46, Section 3, expressly providing a pay rate for such a classification.
- i. Air operation employees who are covered by a daily guarantee shall receive the same rest period provisions as outlined in this Agreement.

ARTICLE 47 PREMIUM SERVICES

Section 1. Job Protection

From time to time, the Employer must offer special new premium services to its customers in order to protect existing jobs and further the mutual goal of increasing the number of bargaining unit jobs. The Employer shall utilize bargaining unit employees to perform the feeder movement work of such new premium services, which work shall be considered to be bargaining unit work. The provisions of this Article shall also apply to all packages moved by airplane and to the Employer's "city pairs" service, where it is necessary for the Employer to implement the service to meet its competition. No feeder driver will be laid off or displaced from a feeder classification as a direct result of any provision in this Article.

In implementing such new premium services, the Employer shall utilize the following options to complete the ground movement of the customers' packages in the following order:

- 1. If the Employer's existing feeder network can meet the Employer's time and service needs, that network will be used first.
- 2. When the existing feeder network will not adequately meet the Employer's time and service needs, the Employer agrees to establish a new driver classification, which shall be called a premium service driver. This driver will be typically used to move loads to and from ground and air hubs that are more than two hundred fifty (250) miles apart. Wherever practical, the driver will start approximately the same start time each day and make two (2) round trips per week to a scheduled sort location.

Such work must provide the driver a minimum four (4) day workweek.

Benefits provided will be those of regular fulltime feeder drivers. The driver will be provided the opportunity to work ten (10) hours per day four (4) days per week. Drivers will also be provided with lodging and shuttle service at the away destination. When jobs are created that have less than ten (10) hours of work, the premium service driver will be paid at the feeder rate of pay and be allowed to work locally in either origin or destination city to fill out his/her workday. In regard to premium service drivers, since some hubs work on Friday and some on Sunday, the Employer may move the fifth (5th) day loads via a TOFC pursuant to Article 13.

3. If the Employer cannot accommodate its time and service needs under (1) and (2) above, the Employer shall have the right to propose the use of bargaining unit sleeper teams to the Local Unions and the Local 710/UPS Negotiating Committee as set forth in Section (4) below. The wages and other economic terms of employment for such sleepers shall be as set forth in Section 2 below.

Section 2. Sleeper Team Operations

The Employer may use subcontractors for new custom contracts for reasonable start-up periods. In no event shall such start-up period exceed thirty days.

1. Bidding and Mileage

- a. Sleeper cab runs approved pursuant to the provisions of Article 47 will be posted and employees may bid for such runs in accordance with the bidding procedures set forth in this Agreement. No seniority employee shall be forced to drive in a sleeper cab run. A senior driver who successfully bids a sleeper cab run shall be permitted to select his respective sleeper cab team partner without regard to seniority, provided that the driver selected as a partner has, prior to such bid, acknowledge his agreement, in writing, to accept such permanent sleeper cab run driving assignment and provided further that the selected partner possesses the required qualifications.
- b. There shall be no two (2) person operations on runs of less than five hundred fifty (550) outbound miles and one thousand one hundred (1,100) miles round trip. All bids and cover drivers will receive reasonable time off at their home center. Every team driver shall be guaranteed at least forty (40) hours of pay per week.

2. Driver Team

Once driver teams are established it is understood that they are not to be separated unless mutually agreed to by the Employer, the Local Union, and the driver team involved, except in case of emergency or reduction in force. Only two (2) drivers shall be permitted in sleeper cab equipment at any one time except in case of emergency, an Act of God, or where a new type of equipment is put into operation.

3. Furnished Transportation and Lodging

Comfortable, sanitary lodging shall be furnished by the Employer in all cases where an employee is required to take a rest period away from his home center. Air conditioned hotel rooms shall be furnished. Hotel rooms shall be equipped with blinds or draperies or be suitably darkened during daylight hours. There shall be no bunk beds or double beds and both drivers shall be entitled to a room. All team driver lodging must be maintained on the basis of one (1) driver per room.

Under unusual circumstances in which the Employer is unable to furnish satisfactory lodging, the employee shall be paid fifty dollars (\$50.00) for each rest period; except where accommodation is unavailable at such figure and it is necessary for the driver to pay in excess of fifty dollars (\$50.00), he shall receive reimbursement of the actual cost of the room.

The Employer shall furnish transportation to and from the nearest public transportation, when there is unreasonable delay, at any away-from-home-center, provided there is no public transportation available in the near vicinity and further provided that this provision shall not apply where the driver is allowed to use company equipment for transportation.

All time waiting for motel/hotel furnished transportation and/or waiting for sleeping room to be made available, will be paid at the hourly rate of pay.

4. Safety and Health Committee

The parties will maintain a safe and healthy working environment in sleeper operations. The parties agree to establish a committee composed of four (4) members each to review the comfort and/or safety aspects of sleeper berths pertaining to ride. Such committee shall meet by mutual agreement of the co-chairman as to time and place. The committee shall confer with appropriate representatives of equipment manufacturers and/or other experts on this subject as may be available. The intent of the committee is to identify any problems with the comfort and/or safety aspects of sleeper berths pertaining to ride that may exist, and through its deliberations with the manufacturer and/or other experts, develop ways and means to correct such situations. Disagreements shall be subject to the Local 710 Grievance Procedure.

5. Sleeper Equipment

Newly purchased equipment will meet the following specifications:

a. Minimum interior dimensions of the sleeper berths shall be:

length -79/80 inches width - 36 inches height - 24 inches

It is understood that a "manufacturing tolerance of error" of one inch (1") is permissible, provided the original specifications were in conformity with the above recommended dimensions.

- b. Sleeper berths shall be equipped with individual heat and air conditioning controls and units.
- c. Bunk restraints strap/net buckles on sleeper equipment shall be mounted on the entrance side of the sleeper berth.
- d. Sleeper equipment shall be equipped with a power window on the passenger side of the cab that is operable from the drivers side of the cab.

6. Subsistence Allowance

Each employee shall be allowed road expense in the amount of thirty-five dollars (\$35.00) for each one thousand (1,000) miles traveled.

7. Delay Time

It is the intent of the parties to make the driver whole for all justified delay time, such as waiting for late loads, unscheduled on property work, accident delay or unload equipment breakdown. Any disputes will be referred to the Local 710/ UPS Negotiating Committee.

8. Solo Driving

There shall be no solo driving permitted in sleeper cab operations, except in cases of emergency. In case of emergency where one (1) driver is used to complete a sleeper cab trip, the driver so used shall receive the full mileage rate of pay per unit mile traveled in addition to all other compensations provided for herein. In cases of emergency solo driving of such length that a rest period is necessary, the driver, in addition, shall be provided the cost of lodging for such rest period.

9. Layover Pay

In the event a driver is required to take a rest period during any one (1) round trip away from his home center, the driver shall be compensated at his regular hourly rate of pay for all hours after the first eight (8) hours of the layover.

10. Mileage Determination

Sleeper drivers shall be paid for the scheduled miles that they drive, on a point-to-point basis, over the routes driven. The method of measurement for mileage under this provision will be Microsoft Streets and Trips mapping or similar successor software. If an extension or diversion occurs, the drivers would be paid the scheduled miles using the same methodology as above.

11. All employees entering after August 1, 2018, a job classification paid on a mileage rate, who have not yet completed a full-time progression, shall be paid a progression rate equal to the following:

| | Single | Double | Triple |
|-------------------------|----------|--------|--------|
| Start | 0.5816 | 0.5939 | 0.6062 |
| Twelve (12) months | 0.6203 | 0.6335 | 0.6466 |
| Twenty-four (24) months | 0.6591 | 0.6731 | 0.6871 |
| Thirty-six (36) months | 0.6979 | 0.7127 | 0.7275 |
| Forty-eight (48) months | Top Rate | | |

Those drivers in progression as of the ratification of this agreement will maintain a three (3) year progression to Top Rate as set forth in Article 43, Section 2 (11) of the 2013-2018 NMA but will be paid the applicable mileage rates as set forth above.

12. Hourly work performed at the beginning or the end of a mileage run shall be paid at the applicable hourly feeder one and one-half (1 ½) rate of pay or the applicable premium rate of pay.

Section 3. Mileage Rates

Premium service drivers will be paid the cents per mile shown below for all miles driven. Sleeper teams will receive a two (2) cents per mile premium on the appropriate mileage rate and will equally divide the appropriate rate.

The mileage rates set forth below shall be effective for each of the specified contract years. The total increases for each year will result in the following mileage rates:

| | Single | Double | Triple |
|-------------|--------|--------|--------|
| August 2018 | 0.8442 | 0.8626 | 0.8810 |
| August 2019 | 0.8613 | 0.8800 | 0.8988 |
| August 2020 | 0.8796 | 0.8987 | 0.9179 |
| August 2021 | 0.9001 | 0.9196 | 0.9393 |
| August 2022 | 0.9229 | 0.9429 | 0.9631 |

Section 4. Joint Premium Service Review Committee

The Employer and the Union agree to establish a Joint Premium Service Review Committee consisting of four (4) Union representatives and four (4) Employer representatives. This Committee shall meet at least quarterly or upon the call of either the Union Chair or the Employer Chair.

In the event the Employer proposes to implement either a mileage layover run or sleeper team run in accordance with the provisions of Section 1 above, the run must first be reviewed and approved by the Union. Such approval shall not be unreasonably denied. After approval by the Union, the accommodation shall be submitted to the Local 710/UPS Negotiating Committee for review.

The Committee shall also review the Employer's compliance with the provisions of this Article and shall report and recommend improvements or alterations in the implementation and operation of premium service and sleeper team drivers.

ARTICLE 48 CONTRACT TERMS

This Agreement shall become effective August 1, 2018 and continue in full force and effect to and through July 31, 2023. This agreement will continue in full force and effect from year to year thereafter unless written notice of termination is given by either party hereto sixty (60) days or more prior to July 31, 2023 or sixty (60) days or more prior to July 31 of any year thereafter.

Signed for the Union:

HIGHWAY DRIVERS, DOCKMEN, SPOTTERS, RAMPMEN, MEAT PACKINGHOUSE AND ALLIED PRODUCTS AND HELPERS, OFFICE WORKERS AND MISCELLANEOUS EMPLOYEES, LOCAL UNION 710, INTERNATIONAL BROTHERHOOD OF TEAMSTERS

| Muchael J. Cales Michael J. Cales, Secretary-Treasurer / Principal Officer | 2/24/19 |
|--|-----------------|
| Michael J. Cales, Secretary-Treasurer / Principal Officer | Date |
| Delmar R. Schaefer, President / Bargaining Chairman | 2/24/19 Date |

Signed for the Employer:

UNITED PARCEL SERVICE, INC.

Dean Fragale, Labor Relations Manager

Date

2 - 26 - 19

Date

LETTER OF AGREEMENT

BETWEEN

TEAMSTERS LOCAL 710 and UNITED PARCEL SERVICE

ARTICLE 25, PART-TIME EMPLOYEES - SECTION 13

- 1. The implementation of 25.13 Combination Drivers will not materially reduce the workdays of Regular Package Car Drivers (RPCDs) who have not requested 9.5 protection.
- 2. 25.13 Combination Drivers will not perform any work while any RPCDs are laid off.
- 3. Vacated RPCD positions shall be offered by building seniority to all combination employees and part-time employees.
- 4. The practice of using RPCDs to perform early AM package and bulk stop work shall remain the same. Article 25.13 Combination Drivers shall not perform early package work. Any movement of air packages to airports and other locations, including, but not limited to, service centers, UPS buildings and driver meet points, shall continue to be performed by RPCDs, and at no time shall such work be performed by a 25.13 Combination Driver.
- 5. The protected number of RPCDs shall include all full-time drivers on the seniority list as of the date of ratification including any driver currently on probationary period.
- 6. The workweek for Article 25.13 Combination Drivers shall consist of five (5) consecutive eight (8) hour days with one scheduled start time per week. No 25.13 Combination Driver shall start driving before RPCD start times pursuant to Article 5, Section 3.
- 7. 25.13 start times will be offered by seniority within the 25.13 Combination Drivers by classification in each package center.
- 8. 25.13 Combination Drivers are eligible for eight (8) hour requests.

Signed for the Union - TEAMSTERS LOCAL 710

- 9. 25.13 Combination Drivers shall have the right to file a grievance when there is a concern that they have regularly been given an excessive workload. The Company and Union will meet in an effort to resolve the grievance. This meeting will not be unreasonably delayed. If the violations continue, the panel shall have the right to apply the appropriate remedy.
- 10. The Company and the Union agree there may be unforeseen 25.13 issues that may need to be addressed during the term of this 2018-2023 Agreement. Upon request from either party, the parties agree to meet and attempt to resolve those issues.

| Muchael J Cales | 2/24/19 |
|---|-----------|
| Michael J. Cales, Secretary-Treasurer / Principal Officer | Date |
| | |
| Signed for the Employer - UNITED PARCEL SE | DVICE INC |

Dean Fragale, Labor Relations Manager

Date

2-26-19

Date

LETTER OF AGREEMENT

BETWEEN

TEAMSTERS LOCAL 710 and UNITED PARCEL SERVICE

United Parcel Service (UPS) and Teamsters Local 710 (Local 710) agree that Local 710 drivers shall be permitted to wear brown hooded sweatshirts during inclement weather.

| Signed for the Union - TEAMSTERS LOCAL 710 | |
|---|----------|
| Minhael of Cales | 2/24/19 |
| Michael J. Cales, Secretary Treasurer / Principal Officer | Date |
| Signed for the Employer - UNITED PARCEL SERVICE | EE, INC. |
| Dean Jacale | 2-26-19 |
| Dean Fragale, Labor Relations Manager | Date |
| | |

LETTER OF AGREEMENT

BETWEEN

TEAMSTERS LOCAL 710 and UNITED PARCEL SERVICE

WINNEBAGO COUNTY, IL AREA WAGE ADJUSTMENT FOR ROCKFORD PART-TIME EMPLOYEES WHO HAVE GAINED SENIORITY BY AUGUST 1, 2018

In light of the unique economic circumstances in the Chicagoland area, United Parcel Service, Inc. and Teamsters Local 710 agree to apply Article 3, Section 1 F of the Teamsters Local 710 and United Parcel Service Agreement to Rockford employees as follows:

- 1. Seniority employees who are currently eligible to receive weekly attendance bonuses under a Market Rate Adjustment ("MRA") program shall have their hourly wage rates converted to fifteen dollars (\$15.00) per hour.
- 2. Seniority employees who are not currently eligible to receive weekly attendance bonuses under an MRA program and whose hourly wage rate is less than fifteen dollars (\$15.00) per hour shall have their hourly wage rates converted to fifteen dollars (\$15.00) per hour.

Future hourly wage increases shall be applied as set forth in Article 3, Section 1 F.

Such wage rate conversions will be prospectively effective January 21, 2019.

| Signed for the Union - TEAMSTERS LOCAL 710 | |
|---|-----------------|
| Muchael of Cales | 2/24/19 |
| Michael J. Cales, Secretary-Treasurer / Principal Officer | Date |
| Signed for the Employer - UNITED PARCEL SERVICE | CE, INC. |
| Dean Fragale, Labor-Relations Manager | 2-26-19 Date |

INDEX

| 25.1156 | Equipment Change Double 40's to Triple 28 | 3 Ft. |
|--|---|-------|
| 25.1356 | Trailers | 29 |
| 9.510 | Extra Payments, etc | 59 |
| Α | F | |
| Accident, Reports39 | Feeder Bumping Procedures | 20 |
| Agency Shop4 | Feeder Driver Run Elimination | |
| Air Agreement Preamble89 | Feeder Tractor-Trailer School | |
| Air Drivers90 | Funeral Leave | |
| Air Hub & Gateway Operations94 | runeral beave | 00 |
| Air Walkers93 | _ | |
| Bidding92 | G | |
| | | |
| Break Periods | Garnishments | |
| Exception92 | Governmental Approval | |
| Grievance Procedure96 | Governmental Examination & Identification | |
| Guarantee & Overtime91 | Grievance & Arbitration | 50 |
| Holiday Work92 | Guarantees | |
| Personal Vehicles92 | "Step-up" | 18 |
| Saturday or Sunday Air Work93 | Injured On Job | 16 |
| Start Times91 | Mon - Fri or Tues - Sat or Sun - Thurs | 15 |
| Wages96 | Sunday | 15 |
| Workweek91 | Weekly | |
| Alcohol Testing75 | • | |
| | Н | |
| В | | |
| Bonds86 | Health & Welfare and Pension Fund Contrib | |
| Breakdown and Impassable Highways62 | ** 1-1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | |
| breakdown and impassable riighways02 | Health and Welfare Insurance | |
| | Holidays | |
| С | Holiday Rate | |
| | Holiday Shift | |
| Change of Operations28 | Optional Holidays | |
| Check-Off2 | Qualifications | 19 |
| Compensation Claims16 | Saturday-Sunday Shifts | 20 |
| Competition37 | Seniority Part Time Employees | |
| Contract Terms 103 | Weekly Guarantee | |
| Controlled Substance Testing64 | • | |
| Cost-of-Living61 | ĭ | |
| | ı | |
| D | Individual Bargaining | 1 |
| D.R.I.V.E3 | T | |
| Discharge & Suspension45 | J | |
| Diversion of Work Parent or Subsidiary Companies | Joh Brotostian | 0.0 |
| 37 | Job Protection | |
| DOT Hours of Service11 | Jurisdiction | |
| Duties8 | Jury Duty | 63 |
| | | |
| E | L | |
| n n | Labor Day | 47 |
| Eight Hour Request9 | Labor Management Committee | |
| Emergency Reopening59 | Layoffs | |
| Employee's Bail46 | Leave of Absence | |
| Employees Not Required to Buy or Lease | Lie Detection | |
| Equipment60 | | |
| Equipment39 | Loss or Damaga | |
| | Loss or Damage | ბნ |

i

| Lost Time | 12 | Sixth Day Work | 30 |
|---|----|---|-----|
| | | Sleeper Team Operations | |
| M | | Bidding & Mileage | |
| M | | Delay Time | |
| Maintenance of Standards | 2 | Driver Team | |
| Meal Time | | Equipment | |
| Mechanics | | Furnished Transportation and Lodging | |
| | | | |
| Overtime | | Joint Premium Service Review Committee. | |
| Part-Time | | Layover Pay | |
| Posting Jobs | | Mileage Determination | |
| Progression | | Mileage Rates | |
| Rates | | Progression | |
| Swing | | Safety & Health Committee | |
| Tool Insurance | 85 | Solo Driving | |
| Medical Coverage | 47 | Subsistence Allowance | 100 |
| Military Clause | 58 | Stewards | 33 |
| Miscellaneous | | Struck Goods | 44 |
| | | Subcontracting | 36 |
| N | | Supervisors | 35 |
| N | | Surepost | |
| New Employees | 2 | Suspension or Revocation of License | |
| | | Sympathetic Action | |
| New Equipment | | - J P | |
| Non-Discrimination | 83 | m | |
| | | T | |
| 0 | | m 1 1 | |
| | | Technology | |
| On Call Seniority Feeder Drivers | 31 | Temporary Alternative Work | |
| Opening and Closing of Center | 26 | Temporary Removal of Loads from Rails | |
| Overtime | 9 | Trainers | |
| | | Transfer of Company Title or Interest | 36 |
| Р | | | |
| _ | | U | |
| Paid For Time | | TT 16 | |
| Part -Time Retiree Coverage | 48 | Uniforms | |
| Part-Time Employees | 52 | Union Inspection | |
| Bidding Procedure | 54 | Union Liability | 51 |
| Pension Benefit | | | |
| Transfers | | V | |
| Part-Time Injured on Job | | ' | |
| Passengers | | Vacations | 21 |
| Picket Lines | | Eligibility Full Time | 21 |
| Posting Feeder and Spotter Jobs | | Eligibility Part-Time | |
| Posting List | | Vacation Pay | |
| | | Tacation Lay | 20 |
| Posting New Permanent Jobs or Permanent | | | |
| Vacancies | | W | |
| Premium Services | | | |
| Present and Future Employees | 2 | Wages | |
| | | Full Time 25.13 | |
| R | | Full Time Classification | |
| | | Full Time Inside | 6 |
| Recognition | 1 | Full Time Progression | |
| Removal of Loads from Rails | | General Wage Increases | |
| | | Part Time Newly Hired | |
| 2 | | Part Time Wages and Progression | |
| S | | Weekly Pay Day | |
| Coference of the deb. Co | | Work Assignment | |
| Safety and Health Committees | | Worker's Compensation | |
| Security (Employees) | | | |
| Seniority | | Workweek | 13 |
| Senarahility & Savings Clause | 60 | | |