

COLLECTIVE BARGAINING

**AGREEMENT
UPS PUERTO RICO**

AND

**UNION DE TRONQUISTAS DE PR
TEAMSTER LOCAL 901**

**Affiliate to the
International Brotherhood of Teamsters,
Chauffeurs, Warehousemen & Helpers
of America**

For the Period:

August 1, 2023 through July 31, 2028

**Collective Bargaining
Agreement Index**

Article 1 — Parties of Agreement.....	5
Article 2 — Collective Bargaining Agreement.....	5
Article 3 — Bargaining Unit.....	5
Article 4 — Recognition of the Union	5
Article 5 — Transfer of Interest.....	6
Article 6 — Assignment of Work.....	6
Article 7 — Maintenance of Conditions of Work	6
Article 8 — Union Shop	7
Article 9 — Dues	8
Article 10 — Delegates	8
Article 11 — Non — Authorized Activity.....	9
Article 12 — Protection of Rights	10
Article 13 — Inspection Privileges	10
Article 14 — No Strike — No Lockout.....	11
Article 15 — Disciplinary Actions	11
Article 16 — Complaints and Grievances.....	13
Article 17 — Non — Discrimination	15
Article 18 — Examination and Identification Fees	15
Article 19 — Competition.....	17
Article 20 — Reporting of Accidents	17

**Collective Bargaining
Agreement Index**

Article 21 — Union Cooperation	17
Article 22 — Management Rights Clause	17
Article 23 — General Dispositions	17
Article 24 — Leave of Absence	19
Article 25 — Uniform and Appearance	20
Article 26 — Probationary Employees	21
Article 27 — Seniority	23
Article 28 — Part-Time Employees	31
Article 29 — Work Week	32
Article 30 — Overtime.....	36
Article 31 — Pay.....	37
Article 32 — Income Replacement.....	37
Article 33 — Wage Schedule	39
Article 34 — Sick Leave.....	42
Article 35 — Vacations	43
Article 36 — Benefits	46
Article 37 — Supervisors Working.....	47
Article 38 — Appearances in Court	48
Article 39 — Hours of work and overtime	48
Article 40 — Posting	48

Collective Bargaining Agreement Index

Article 41 — Duration.....	48
Anexo I -Policy to maintain the Company Drug Free.....	50
Anexo II - Regulation for the Administration of Tests for the Detection of Controlled substances	51
Letter of Understanding and Agreement – Article 10 Delegates.....	54

ARTICLE 1 - PARTIES OF AGREEMENT

COLLECTIVE BARGAINING AGREEMENT

UNITED PARCEL SERVICE, INC.

AND

UNION DE TRONQUIS TAS DE PUERTO RICO TEAMSTER LOCAL 901

Affiliate to the

**International Brotherhood of Teamsters,
Chauffeurs, Warehousemen & Helpers of America**

AGREEMENT:

Neither party shall be held accountable for unintentional errors or omissions on this draft contract.

ARTICLE 2 - COLLECTIVE BARGAINING AGREEMENT

Between UNITED PARCEL SERVICE INC., PUERTO RICO, hereinafter called "the Company or Employer" and the TEAMSTERS UNION OF PUERTO RICO LOCAL 901, affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, hereinafter called "the Union". Except as provided herein, the provisions of the National Masters UPS Agreement shall prevail.

ARTICLE 3 - BARGAINING UNIT

The parties agree that the corresponding unit for collective negotiation is covered by the present contract and the certification issued by the Conciliation and Arbitration Bureau of the Puerto Rico Labor Department issued on November 26, 1985.

A. Inclusion

Article 1 Section 2 of the UPSNMA shall apply.

B. Exclusion

Confidential employees, salesmen, guards, supervisors as defined by law, clerks, who do not progress, administrative employees and office employees.

ARTICLE 4 - RECOGNITION OF THE UNION

The Company recognizes the Teamsters Union of Puerto Rico Local 901 as the exclusive representative of

the business unit, as defined, for the purpose of collective negotiation of hours and wages and other employment conditions and the parties will commit to negotiate in good faith both the present Agreement and its administration.

ARTICLE 5 - TRANSFER OF INTEREST

Section 1 — Transfer

This Agreement will be binding upon the parties and their successors. With the exception of the sale of assets, in the event that the complete operation or part of it is transferred or leased, for the purpose of continuing the business operations of the Company, such operation will continue subject to terms and conditions of this contract.

Section 2 — Notification

The Company will notify the existence of this Agreement to any of the employer's successors, in writing with copy to the Union, not later than the effective day of the transfer.

ARTICLE 6 - ASSIGNMENT OF WORK

For the purpose of preserving work and job opportunities for the employees covered by this Agreement, the employer agrees that no work or services of the kind, nature or type, and including new operations or buildings, covered by, presently performed, or hereafter assigned to the collective bargaining unit will be subcontracted, transferred, leased, assigned or conveyed in whole or in part to any other plant, person or non-unit employees, unless otherwise provided in this Agreement. The employer may not subcontract work in any classification if any employee who normally performs such work is on layoff. Any plans to utilize outside carriers will be reviewed and agreed with the Local Union.

From October 1st through the Friday following Three Kings Day and in the case of Acts of God, outside carriers may be used to service volume when the certified UPS Union employees cannot handle the delivery or pick-up of packages. Prior to utilizing the outside carrier, the employer will first offer any available overtime to Union employees. The employer may not utilize the outside carrier if any certified UPS employee is on layoff. The use of outside carriers by the Company is not meant to impact the organic growth of Union positions.

ARTICLE 7 - MAINTENANCE OF CONDITIONS OF WORK

Section 1 — Protection of Conditions

That material not covered by the present Collective Bargaining Agreement that affects hours and wages or conditions of employment as negotiated or agreed upon, will not vary unless agreed between the parties; understanding that the aforementioned will not apply in the case of errors committed in good faith or excusable oversight, in which case, the parties can correct the error within 90 days from when the error was discovered.

Section 2 — New Equipment or Operations

A. Whenever new equipment, machinery, or operations are used or established where this contract does not provide a work classification or salary, these positions will be submitted for negotiations and the agreements

reached will be effective the date on which operations commence. The above will not prohibit the Company from instituting any new type of equipment, machinery, or operation.

B. It is understood that should the Company decide to implement the Driver Bonus Program in any operating Center covered by this Agreement, the Company will obtain agreement from the Union for such implementation. Any future bonus program will be reviewed by the Company with the Union to ensure it is non-discriminatory and equally applied to all employees.

Section 3 — Agreement with Employees

The Company will not carry out either individual or collective agreements with individuals covered by this Agreement, and in case this occurs, such agreements will be null and void. Only the Secretary-Treasurer and the District Manager or the persons designated by them can amend this contract and the changes will be in writing and signed by the parties.

Section 4

The employer shall not require, as a condition of continued employment, that an employee purchase truck, tractor and/or trailer or other vehicular equipment or that any employee purchase any proprietary interest or other obligation in the business. Nothing in this section is intended to negate existing practices pertaining to mechanic's employee tools, supplies or employee's clothing, unless otherwise covered in this Agreement.

ARTICLE 8 - UNION SHOP

Section 1 — Union Member

All employees who at present are members of the Union will be obligated as a condition of employment to pay dues to the Union upon obtaining seniority as defined in the probationary employee article of this supplement.

Section 2 — New Employee

All new employees who are not members of the Union are obligated as a condition of employment to pay dues to the Union upon obtaining seniority as defined in the probationary employee article of this supplement.

Section 3 — Request for Payment

When an employee refuses to pay dues as carried out by this Agreement, the Union will request of the employee, in writing, to bring their payments up to date within seven (7) days following receipt of the Union's letter. The letter will further specify that if payment is not received within said time, that the employee can be discharged.

Section 4 — Request of Discharge

Subject to the applicability of the law and at the written request from the Union, the Company will discharge any employee who refuses to comply with payment of their dues as spelled out herein, after they have been requested in writing to pay and have let the seven (7) days pass by without complying with said payment.

Section 5 — Relief of Responsibility

The Union will relieve the Company of damages caused to an employee in the application of this Article.

ARTICLE 9 - DUES

Section 1 — Authorization and Deduction

After written authorization and on the form required by law, the Company will deduct weekly from the wages of each employee the initiation dues and the regular periodic Union dues.

Section 2 — Remittance of Dues

The Company will send to the Union de Tronquistas de Puerto Rico, Local 901, 352 Calle Del Parque, San Juan, Puerto Rico, 00912, all deducted dues and initiations together with a list, on which is clearly indicated the employee's name, social security number, and the approval amount. This remittance will be made monthly within ten (10) calendar days of the last week of the month of pay. In addition, the Company will also send the new members original admission forms as soon as dues begin to be deducted. It is understood that the member's admission forms belong to the Union.

Section 3 — Prohibition of Deduction

The Company will not retain any money of the employees that is not authorized by the employee, permitted or ordered by law.

ARTICLE 10 - DELEGATES

Section 1 — Appointment

The Union, at its discretion, will determine the method and procedure for selecting and appointing delegates; and can dismiss the delegates in order to best serve the interest of the Union and the employees.

Section 2 — Functions of the Delegate

A. The investigation and presentation of grievances with the Employer or the designated Company representative in accordance with the provisions of the Collective Bargaining Agreement.

B. The transmission of such messages and information, which shall originate with, and are authorized by the Local Union or its officers, provided such messages and information:

1. have been reduced to writing; or
2. 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.

- C. The collection of information that the Company is obligated to deliver to the Union.
- D. The control of the bulletin boards designated by the Company for the Union.
- E. The monitoring of honest adherence to the Collective Bargaining Agreement.

Section 3 — Unauthorized Activity

Neither the delegates nor alternates will have the authority to declare strikes, slowdowns, or work stoppages, or to take any other action that paralyzes, obstructs, or interrupts the operations of the Company.

Section 4 — Absences of Delegates

The delegates will not absent themselves from their assigned duties for the purpose of attending functions related to the delegate's responsibilities unless requested to do so by the Union Board or their representative. The delegates will attend such functions only after they have notified their immediate supervisor or the center manager in advance and received permission to do so from their center manager.

Section 5 — Delegate Seniority

For the purpose of layoff, Union delegates will be considered as having the highest Company seniority within all the group of employees they represents. In the event they have to use their delegate seniority, the employee must be qualified to perform such work.

Section 6 — Alternate Delegates

Every delegate will have the right to one alternate delegate within the group they represents. This alternate delegate will be named by the Union and will have the same responsibilities and rights in their absence. It is understood that alternate delegates can also be called to assist Union businesses when required. Delegates will be paid according to the letter of understanding agreed between the Union and the Company.

Section 7 — Delegate Disciplinary Action

Due to the nature of the work done by delegates and alternate delegates, they will not be suspended or discharged before communication has been established with the Union's Secretary – Treasurer.

Section 8 — Country Manager and Union Delegate Meeting

The Country Manager and the Union's Secretary Treasurer agree to schedule one meeting each year with the delegates to discuss disputes or issues that interfere with the administration of this agreement. Time and location will be determined by mutual agreement. Additional meetings can be scheduled by mutual agreement.

ARTICLE 11 - NON - AUTHORIZED ACTIVITY AND RELIEF FROM RESPONSIBILITY

Section 1 — Limitations of Delegates and Business Agents

Neither the delegates nor the agents of the Union have the authority to declare strikes, work stoppages, slowdowns, walkouts, or any other actions that paralyzes, obstructs, or interrupts the operations of the Company. Only the Union's Board or the person designated by it has sufficient authority to order or authorize a strike, and only under the three (3) conditions established in Article 14.

Section 2 — Relief of Responsibility

The Company recognizes the limitations upon the authorized delegates and agents of the Union, and shall not hold the Union liable for any unauthorized acts. The Company in so recognizing such limitations shall have the authority to impose proper, non-discriminatory discipline, including discharge. In the event the delegate or the designated alternate has led, instigated, or encouraged unauthorized strike action, slowdown, or work stoppage in violation of this Agreement, they may be singled out for serious discipline, up to and including discharge.

Section 3 — Disciplinary Action

The Company can suspend or discharge any delegate or employee who declares an unauthorized strike, work stoppage, slowdown, walkout, or who takes any other action that paralyzes, obstructs, or interrupts the operations of the Company without resorting to the grievance procedure.

Section 4 — Stoppage Notification

The Company will give notification in writing to the Union's Board or the person designated by it relative to any strike or work stoppage situation and the Union will be obligated to order a ceasing of said strike or stoppage so that operations can continue normally. Furthermore, the Company will be notified immediately in writing whether or not the stoppage is or is not an unauthorized activity in accordance with Article 14, section C.

ARTICLE 12 - PROTECTION OF RIGHTS

Section 1 — Primary Picket Lines

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

B. Notwithstanding the above, when primary picket lines have been established by employees of a company related to United Parcel Service Inc., employees will be obligated to cross such picket lines at UPS facilities at Puerto Rico Airports if such picket lines interfere with employees going to or coming from the performance of their work at such UPS facilities.

ARTICLE 13 - INSPECTION PRIVILEGES

The Board of Directors and the Business agents authorized by the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions, collection of dues, and to observe that this Agreement is being obeyed, provided however, that there is no interruption of the Companies working schedule. The Union will notify the Company in writing who will be the

authorized persons.

The Union will notify the Company, with enough time ahead, if additional members of the Board are needed to visit the facilities.

ARTICLE 14 - NO STRIKE - NO LOCKOUT

A. There shall be no strikes, work stoppages, picketing, slow down, cessation of work or strike of any kind, including a sympathy strike, by members of the bargaining unit during this Agreement. No officer or Union representative shall authorize, instigate, and/or condone such activities. No employee shall participate in any of these activities.

B. Any employee who participates in or promotes a strike or other work stoppage in violation of this section, even of momentary nature, may be discharged.

C. There will be no strikes on part of the Union during the term of this Agreement except:

1. Failure by the Company to make contributions to the pension plan in accordance with this Agreement.
2. Non-payment by the Company of minimum established wage rate provided for in this Agreement.
3. Failure by the Company to make contributions to the 901 Health and Welfare Fund as agreed.

D. There will be no lockouts on the part of the Company during the term of this Agreement.

ARTICLE 15 - DISCIPLINARY ACTION

Section 1 — Summary Actions

A. The Employer shall not discharge nor suspend any employee without just cause, and prior to suspension shall give at least one verbal warning, one written warning notice, and one written final notice of the complaints against the employee to the employee, with a copy of the same to the Union and Delegate. The above procedure must also have been followed prior to discharge. However, no verbal warning, written notice or suspension need to be given to any employee before they are discharged or suspended, if during the work day such employee is convicted of any felony as defined by the Penal Code of Puerto Rico or is involved in any of the following: the sale, use, or possession of illegal drugs; reporting for duty under the influence of alcohol or illegal drugs as proven by medical examination; drinking alcoholic beverages during working hours including the meal period; or initiating attacks or aggressions against fellow employees, customers, members of the general public, supervisors or security guards, or participating in such actions other than for the purpose of defending oneself from physical attack; theft, larceny, or falsification of Company or customer documents; reckless or negligent handling of company equipment; malicious damage to customer property, Company property or property in the Company's keep; serving as an impostor or posing as an employee, agent or representative of the Company with the purpose of defrauding the Company or customer, or for self-gain; recklessness or negligence resulting in a serious accident; an avoidable runaway accident; failure to promptly report or concealing a vehicle accident; the carrying of unauthorized passengers; failure to report when a driver's operating privilege or license has been suspended or revoked; theft of Company customer property; tampering with merchandise (as explained in the employee orientation tampering memo); C.O.D. or C.C.D. manipulation; or failure to remit monies on day collected (not

intended to include bona fide errors or addition or subtraction). No employee will be taken out of service prior to a review of this infraction with the Union and the Division Manager or their designees in their absence.

B. In sensitive cases where the Company's image may be affected, such as murder, forceful rape, or robbery, the Company shall confer with the Secretary Treasurer or their representatives in order to establish what is just and reasonable to protect both the Company's image and the employee's rights.

C. The warning notice, including verbal, or suspension letter as herein provided shall not remain in effect for a period of more than seven (7) months from the date of said warning notice. All warning notices must be issued within ten (10) working days of the Employer's discovery of said infraction. The ten (10) working day time limit may be waived by mutual agreement between the Employer and the Union.

D. Discharge or suspension must be by proper written notice to the employee affected, to the Union, and to the delegate.

When warning letters and suspension letters have reached their expiration dates, such letters shall not be used in any future progressive disciplinary actions. The Company agrees not to use such letters in any future hearing or arbitration unless the Union or the employee introduces evidence that the employee's discipline should be mitigated due to the employee's overall performance or length of service. If the arbitrator questions either Party or the employee about the employee's length of service, it shall not be construed as evidence introduced by the Union or the employee.

E. An employee discharged or suspended without just cause will be paid for all time lost, unless otherwise mutually agreed upon between the Company and the Union.

F. Suspension shall not exceed five days unless mutually agreed to by the Company and the Local Union, with the exception of serious vehicular accidents, when otherwise mutually agreed between the Company and the Union, or as determined by arbitration.

G. An employee may request an investigation to attempt to prove that they are not at fault. If they are found to be not at fault, they shall be reinstated and such decision may provide full, partial, or no compensation for time lost. Appeal from discharge or suspension must be taken within ten (10) working days by written notice.

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

Section 2 — Other Causes

A. Notwithstanding section 1 C above, if an employee is involved in a chargeable accident which is not deemed to be serious, such employee shall be subject to a written warning. If such employee is involved in a second chargeable accident within a rolling twelve (12) month period, such employee shall be subject to a suspension. After the third such offense within a rolling twelve (12) month period, the employee shall be subject to further disciplinary action up to and including discharge.

B. In the event of a vehicle accident, the Employer shall have twenty (20) days to investigate 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 payroll during an investigation of any accident. The driver may be assigned to non-driving work during this period.

Section 3 — Notification

A. All disciplinary action will be in writing to the employee with a copy to the Union, delegates and to the General Delegate and will state the cause of the action, date and the offense which led to the disciplinary action. For verbal warnings, a log will be kept at the employee's file.

B. All employees will have the right to review their personnel file with center management upon request, on their own time.

C. The Employer recognizes the employee's right to be represented by a Delegate, or the designated alternate delegate, at such time as the employee reasonably contemplates disciplinary action. When requested by the Union or the employee, there shall be a delegate present whenever the Employer meets with an employee concerning grievances or discipline or investigatory interviews.

In such cases, the meeting shall not be continued until the delegate or alternate delegate is present. If an employee does not wish to have a Union delegate present in any meeting where the employee has a right to Union representation under this Article, the employee shall sign a waiver of Union representation, a copy of which shall be furnished to the Union upon its request.

D. Warning and suspension letter shall be hand delivered and acknowledged by signed copy, or by a delivery system prepaid with return receipt requested, addressed to the last known address of the person (s) to whom the notice is being given, with a copy to the Union and to the Delegate. The employee's copy of the letter will serve as their receipt.

Section 4 — Intent of the Parties

The procedures in this article set forth the intentions of the negotiating parties. If necessary and at the request of either party, the negotiating committee will reconvene to resolve any issue regarding the language in this article.

ARTICLE 16 - COMPLAINTS AND GRIEVANCES

Section 1 — Procedure

A. Grievance procedures may be invoked only by authorized Union Representatives or the Employer.

B. Any complaints, controversy, misunderstanding, or dispute the parties may have with regard to the interpretation or administration of the present Agreement will be resolved in the following way, unless it is mutually agreed between the Company and the Union.

C. Any grievance not presented, taken to the next step or answered within the established timeframe will be resolved based on the Company's last position if the Union fails to abide with the agreed timeframe or with the Union's last position if the employer does not take the corresponding action within the established timeframe unless otherwise agreed between both parties.

Section 2 — Employee Complaints / Grievances Procedures

A. When an employee has a complaint about the administration or interpretation of the present Collective Bargaining Agreement, the employee shall bring the complaint in writing to their supervisor. That supervisor will promptly provide a written response to the employee. If they do not reach a satisfactory agreement, the employee will bring the case in writing to the delegate, or in their absence to the designated alternate, within ten (10) working days of the occurrence. After studying the case, the delegate will present it in writing to the Company Center Manager within five (5) working days. In return, the Center Manager or their designee will have five (5) working days to give a written answer to the Delegate.

B. Failing to agree, the Delegate shall report the case to the Union Business Agent or their designee within five (5) working days, who shall submit it in writing within ten (10) working days to the Company Division Manager, or their designee, and attempt to adjust the same. Failure to agree a local level hearing between the Union and the Company Division Manager will be held within fifteen (15) working days of the Division Manager receiving the grievance. The Company Division Manager or their designee will have five (5) working days after the local hearing to give an answer to the Union Business Agent.

C. Failing to agree, the Union Secretary-Treasurer or their designee and the Company District Manager or their designee will attempt to reach a satisfactory solution to the case.

D. In the event that the Secretary-Treasurer and the District Manager, or the persons they designate, do not arrive at an acceptable solution to both parties, within fifteen (15) working days, the Union or the Company can ask that the case be submitted to an arbitrator. It is agreed that the arbitrator is empowered to hear and decide the case even if only one of the parties appears at the hearing.

E. Any reasonable written request for available grievance related information requested from the Company by a Delegate or Union representative, involving an active grievance shall be provided no later than three (3) working days from the date of the written request so as not to frustrate the grievance investigation. The same applies for requests from the Company to the Union.

F. Any agreement reached by the parties at any step of the Grievance procedure is final and binding upon the Parties.

Section 3 — Naming of Arbitrator

When the parties agree to submit a case before an Arbitrator, such Arbitrator can be selected by mutual agreement. It is understood that the arbitrator will be selected from a list provided by the Puerto Rico Labor Department.

Section 4 — Authority of the Arbitrator

A. The Arbitrator shall have the authority to apply the provisions of this Agreement, and to render a decision, on any grievance coming before them, but shall not have the authority to amend or modify this Agreement or establish new terms and conditions under this Agreement. The decision of the Arbitrator shall be final and binding on the parties and employees involved.

B. If the Arbitrator makes a decision favorable to the grievant, which involves a monetary award, the Company

must make such payment within thirty (30) days. In the event that the losing party fails to abide by the Arbitrators decision, or that either party refuses to submit to their jurisdiction, the other party shall have the right to take all legal recourse.

Section 5 — Cost of Arbitration

During all the steps of the disciplinary process agreed on this agreement, neither the grievant, nor the delegate, or witnesses employed by the Company will suffer any loss of pay for attending a meeting or a hearing to comply with the provisions under this article.

In arbitration cases the employee will be entitled their daily guarantee provided that the employee communicates with their immediate supervisor or manager to report to work after the conclusion of the arbitration in order to get paid. If there is work, the employee may be required to report to work to complete their shift. There shall be no disruption of the employer's business as a result of employees attending arbitrations. If there is no work available the employee will be reimbursed for time at the hearing. It is understood that the weekly guarantee for drivers will not be affected if there is no work available for the employee.

Section 6 — Intent of the Parties

The procedures in this article set forth the intentions of the negotiating parties. If need be and at the request of either party, the negotiating committee will reconvene to resolve any issue in regards to the language in this article.

ARTICLE 17 - 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 such individual's race, color, religion, sex, national origin, 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, national origin, or age in violation of any Federal or State Law, or engage in other discriminatory acts prohibited by law.

ARTICLE 18 - EXAMINATION AND IDENTIFICATION FEES

Section 1

Physical, mental, or other examinations required by a government body or 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 that case only for those hours in excess of said two (2). Examinations are to be taken at the employees' 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. If an employee takes the exam during working hours, they will not suffer a loss of time. The day will be paid based on the average daily hours worked of the previous month or the time spent taking the exam whichever is greater. It is understood that the employee will communicate with their immediate supervisor or manager to report to work after the examination concludes in order to qualify for the above mentioned guarantee. If there is work available the employee must report to work to get paid. If employee elects not to work, then they will be paid for time spent taking the exam only. 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 to an employee, have said employee re-examined at the employee's expense. If two (2) physicians disagree, the Employer and the Union shall mutually agree upon a third physician within ten (10) working days, whose decision shall be final and binding on the Employer and the Union and the Employee. Neither the Employer nor the Union will attempt to circumvent the decision of the third physician and the expense of the third physician shall be equally divided between the Employer and the Union.

In cases where the employees are under medical supervision of El Fondo de Seguro del Estado and are released to go to work the Company will keep the right to have the employee examined by the private physician prior to returning to work unless the law dictates otherwise.

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 displace the least senior full-time inside employee at such work, providing such inside employee has less Company seniority, until they can return to their driving job unless otherwise provided for in the Supplements. While performing the inside work, the driver will be paid the appropriate rate for that job. If no full-time inside position is available, the Employer will meet with the Local Union to develop a full-time job if possible, out of available work. It is understood that if there are changes agreed on the Master language they will apply accordingly.

Section 2 — Identification

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

B. The Company will pay for all expenses related to the obtainment of the Ports Authority badges for those employees required to work in secure designated airport areas. It is understood that all inside employees in the San Juan building may be required to work at those areas.

C. This section will apply to seniority inside employees as of July 31st, 2002. It is also understood that the pay will not be retroactive.

D. Only a specific number of drivers required to work at those areas by the Company will get reimbursed for the total cost of the badge.

E. Any driver not covered by the above will not be compensated for the related expenses. However, on their own time they may select to obtain the badge without reimbursement.

F. It is also understood that while taking the exam the employee can be replaced by an outside temporary cover employee.

Section 3 — Pay for Parking, Tolls and Mileage

The Company will reimburse reasonable pre-approved expenses by management such as: mileage, tolls, and parking when complying with sections 1 and 2 above. In the event the employee is required by the Company to layover, the Company will also cover pre-approved reasonable related expenses.

ARTICLE 19 - COMPETITION

The Union recognizes that the Employer is in direct competition with the United States Postal Service 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:

- A. May use substitute means of transportation (such as airplane, helicopter, ship, T.O.F.C.) in its operations.
- B. Any drop loaded or empty trailers at locations designated by it, its customers or consignees loading or unloading. It is further understood that the dropping and picking up of these trailers shall be done by members of the bargaining unit.

ARTICLE 20 - REPORTING OF ACCIDENTS

Section 1

- A. When required by the Employer, the employee before the end of the employees 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 available to the employee upon their request.
- B. Failure to promptly report a vehicle accident may be cause for disciplinary action or concealing of a vehicle accident will be cause for discharge.
- C. Any documents, photos, and or videos not deemed to be legally confidential by the Company will be provided to the employee and the Union no later than ten days after the conclusion of the accident investigation, if requested.

ARTICLE 21 - UNION COOPERATION

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

ARTICLE 22 - MANAGEMENT RIGHTS CLAUSE

Company reserves all the management rights as defined by law, unless otherwise defined in this Agreement.

ARTICLE 23 - GENERAL DISPOSITIONS

Section 1 — Time Period

When an employee is required to punch a time clock, they will be paid all time from the schedule start time, or actual report time if later, until the approved time they clocks out. It is understood that the Company may implement other means of recording time worked by an employee, but regardless of the means used by the Company to record time worked by employees, no employee will be paid less than the actual time worked from their scheduled starting time, or report time if later, and their approved finish time, providing the employee utilizes the proper

procedures for such pay.

Section 2 — Work in Other Classifications

When a worker is permitted to work in another classification with a higher rate of pay than the position, they normally occupy, the higher rate of pay will be paid and if they work in a classification with a lower rate of pay, the rate of pay they normally receive in their classification will be paid.

Section 3 — Move to Another Center

The Company will grant employees with a minimum of one (1) year seniority the opportunity to move to another center location on the Island in the event of a permanent vacancy.

A. A dated letter of intent must be submitted to the Puerto Rico Labor Department and the Union Delegate outlining the employee's request to move to another center. The letter of intent will stay active for one (1) year.

B. Any employee who moves to another center under the provision of this Article must remain in the new center for a minimum of one (1) year.

Section 4 — Contract Printing

A. The Employer agrees to pay the cost of printing the English version of the Supplemental Collective Bargaining Agreement (SCBA) in sufficient quantity for distribution of one copy to each bargaining unit member currently covered and one copy to each new member hired during the term of this Agreement. The Employer will also provide the Secretary-Treasurer with forty (40) additional copies.

B. The pages of such printed SCBA will not be larger than four (4) inches by six (6) inches and the print quality will be easily readable. Copies will be available for distribution within two calendar months of ratification of the Master and Supplemental Agreements.

C. The Employer agrees to pay fifty percent (50%) of the cost of translating and printing an accurate Spanish translation of the English SCBA. Union agrees to bear fifty (50%) of such cost and pays same prior to distribution, the translated version will be contained in the same booklet as the English version. It is understood the English version of the SCBA will be used in the administration and final interpretations of the contract language. It is understood that the Union will select the translation for Spanish and the Company will have the right to review the translation before printing.

Section 5 — Requested Reports

Copies of Company forms or documents signed or (refused to sign) by an employee pertaining to equipment accident write-ups, accident reports, injury reports, evaluation of performance, and disciplinary actions will be furnished to the employee upon their request, if not requested upon signature. The Company will not unreasonably delay providing the requested documents to the employee.

Section 6 — Management/ Employee Relations

To be covered in Article 37 of the UPS Master Agreement.

Section 7 — Employee Protection

The Employer agrees to act upon life threatening situations outside the Company's control as they are reported to a management person. This applies to all employees while performing their duties for the employer.

Section 8 — Tool Allowance

- A. All mechanics with one (1) or more years seniority as of December 1st of any year will receive an annual stipend to defray the cost of maintaining the necessary tools and equipment needed to perform their daily mechanical tasks and to cover for the collegiate and license fees. In addition the Company will provide an insurance to cover the cost of all the tools the mechanic possesses. This will be based on 2013 current inventory. This inventory will be updated every six months between the parties, and it is understood that the Company has to approve new tools on the inventory to be covered by the insurance. The Company will be responsible to make the appropriate changes on the insurance.
- B. To qualify for the annual stipend the mechanic must be in possession of a current license and collegiate certificate and produce same for management upon request. The mechanic must be on the active payroll at the time of payment and must have worked at least thirty nine (39) of the fifty two (52) weeks in the year of payment. Paid holidays, vacations, sick days, jury duty and bereavement will be continued as work days. Additionally, the mechanics must maintain an inventory of tools sufficient to properly perform their daily tasks. The Company must supply the specialized tools.
- C. The annual stipend will be paid by separate check in the amount of four hundred and fifty dollars (\$450.00) on the last pay period in December of each year of this Agreement. Such payment will be subject to all required with holdings.

Section 9 — Time Worked

As stated by Puerto Rico law and for purposes of this agreement paid vacation time and paid sick leave will be considered as time worked. In addition, funeral paid leave, holiday pay, jury duty and delegate paid days will also be counted as worked days.

Section 10 - Sanitary Conditions

To be covered in Article 5 of the UPS Master Agreement.

ARTICLE 24 - LEAVE OF ABSENCE

Section 1 — Regular Leave

Any 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 one hundred and twenty days (120) 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. 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 and Pension payments before the leave may be approved by either the Local Union or the Employer.

Section 2 — Special Leave

A. 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 sixty days (60) days unless extended by mutual agreement.

B. While on such leave the employee shall not receive any of the benefits provided by this Agreement, Supplements, or Riders and/or Addendums except the continued accrual of seniority, nor does this provision amend or alter the disciplinary provisions. However, if the article in the National Master Agreement covering this type of leave subsequently has provisions that exceed this section of this article relative to benefits, then such provisions in the master shall prevail.

C. The Company will concede the needed time, without pay, to selected employees by the Union to participate in conventions with written notification 48 hours in advance.

D. To a member of the Union, elected or designated to serve as Business Agent or Union's Boards, a leave without pay during the time of such assignment will be given without discrimination or loss of seniority if requested.

Section 3 — Military Clause

To be covered under Master Agreement.

Section 4 — Funeral Leave

To be covered in Master Agreement.

Section 5 — Family and Medical Leave Act

The Company acknowledges that the Family Leave Act applies to its Puerto Rico operations in accordance to said law.

ARTICLE 25 - UNIFORM AND APPEARANCE

A. The employer agrees that if any employee is required to wear any kind of uniform as a condition of their continued employment, such uniform, shall be furnished by the Employer free of charge.

B. Each seniority driver shall be entitled to a maximum of five (5) shirts and five (5) pants. When a shirt becomes worn, it will be turned in and replaced by a new shirt.

C. The Company will provide each seniority employee with a raincoat as part of the regular uniform issue. It is agreed that employees will handle the raincoat in accordance with the manufacturer recommendation. As part of the regular uniform, raincoats are not to be taken from Company premises without prior authorization from their supervisor to be cleaned. Raincoats will not be worn during off duty hours.

D. It is agreed that each employee shall put on their uniform before reporting for duty each day. It is agreed that the time spent in putting on and taking off their uniform shall not be paid for by the Employer.

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

E. The Company will continue the practice of providing rubber boots to carwash employees.

ARTICLE 26 - PROBATIONARY EMPLOYEES

Section 1 — Recruitment of Personnel

The selection of additional personnel will remain at the sole discretion of the Company, it being understood that the Company will give equal opportunity to all candidates sent by the Union as is given to any candidate from other sources. Those candidates for employment will be given orientation training. Orientation days, up to ten (10), will be counted toward seniority. New employees attending orientation shall be paid the starting rate for their classification. It is agreed that in the event of an increase in the number of orientation days in excess of ten (10), said increased days shall be counted in the probationary period.

Section 2 — Probationary Period

A. A new employee shall work under the provision of this Agreement, but shall be employed on a thirty (30) working day trial basis, plus ten (10) additional orientation days for regular employees for orientation purposes and five (5) additional orientation days for part-time employees for the same purpose, during which period the Company can discharge the employee without further recourse. Provided however, that the employer may not discharge or discipline for the purpose of evading this Agreement or discriminating against Union members. After completing thirty (30) working days plus the additional orientation days within any ninety (90) consecutive day period, the employee shall be placed on the regular center seniority list within the classification they worked, and the employee's seniority date shall be the Company seniority date.

B. Time worked from October 1, through the Friday following Three Kings Day of each year shall not accrue toward seniority. Any employee hired after October 1st of any year, who is retained after Three Kings Day or recalled within sixty (60) days after Three Kings Day, must work thirty (30) days in the ninety (90) day period commencing with the first day worked after Three Kings Day to obtain seniority.

C. Employees hired for permanent positions prior to October 1, will continue to accrue seniority credit through the months of October, November, December, and during the period up to the Friday following Three Kings Day. Said employees must qualify as detailed herein to gain seniority.

Section 3 —Temporary Coverage Employees

A. The Company may use temporary employees for coverage during short term volume surges, peak season,

vacation, holidays, leaves of absence as permitted by this Agreement as well as for non-permanent disabilities. The use of cover employees will be on a temporary basis as defined in this section and not for the purpose of circumventing the terms of this Agreement.

B. It is understood that the first opportunity for temporary bargaining unit positions shall be given in the seniority order to the existing seniority part-time employees in the building who are qualified to perform such jobs. In filling these positions, said employees must meet the minimum qualifications set forth by the Company for said positions. It is understood that a maximum of 60% of the existing part-time employees can move from their operations to cover temporary positions.

C. Cover employees shall continue to accrue part-time seniority and shall have the right to bid on all available full-time positions. When cover work no longer exists in a Center, the seniority cover employee will immediately revert back to the regular part-time job with all part-time seniority.

D. In the event that no existing seniority part-time employee is available to fill the temporary coverage need, the Company will have the right to hire outside temporary employees.

E. The vacancy created by the part-time temporary coverage employee will be filled by a temporary outside hire.

F. Any part-time employee working coverage position continually (forty-five (45) of fifty-two (52) weeks in any twelve (12) consecutive month period, who then works in the same coverage classification thirty (30) days within the next three (3) months, shall be given seniority in that classification they were covering. Classification seniority shall be the Company seniority date for purposes of layoff, job bidding, and job assignments, however, any additional benefits resulting from gaining seniority in that classification shall commence at the completion of the thirty (30) days. It is understood that an employee needs to work three days or more per week as a temporary coverage to attain full-time credit for each week. Absences of less than thirty days due to proven illness or disability, any other approved leaves by the Company or covered by this agreement will not affect the count of weeks toward seniority.

G. When an outside hire is used in a temporary coverage position, and works thirty (30) days in the first three (3) months subsequent to working continually (forty five (45) of fifty two (52) weeks) in any twelve (12) consecutive month period, such position will be made available as a permanent position to seniority part-time employees in accordance with Article twenty eight (28), and if not bid, such outside hire will be given seniority from the first day worked of the thirty (30) in the three month period.

H. Seniority part-time employees performing temporary coverage will not accrue working day credits towards seniority for the temporary classification being filled, except as described in Section 3 - F above. For non-driving positions, such employees will be paid the applicable current starting rate for the classification for which they perform, or the part-time employee's current rate, whichever is greater. For driver coverage positions, such employees will be paid as follows: effective on August 1st 2002 \$16.50 per hour or their salary whichever higher, on August 1st 2003 \$16.75 per hour or the salary whichever higher, and from August 1st 2004 until the end of the agreement \$17.00 per hour or their salary which ever higher. Vacation and sick days will be paid based on the average salary of the different classifications according to the hours worked by classification for the previous month, if the employee pay is different, by classification.

I. All outside temporary cover employees will receive the applicable current starting rate for the classification in which they perform, and will not accrue working day credits toward seniority except as described in Section 3 - G above.

J. Temporary coverage drivers:

1. The Company will make every reasonable effort to qualify the number of seniority part-time employees necessary to handle expected temporary cover driver positions from those employees who have expressed an interest in such positions. Such qualification procedures shall be the same as a regular driver and include the normal driver orientation and thirty (30) day probationary period to be eligible for the qualified list. Driver coverage positions will be offered in Company seniority within the building order to those on a single qualified list and assigned in reverse order of seniority when necessary. No cover driver may be used if any seniority regular driver is on layoff and elects to work.
2. Training for cover drivers as referenced in Section 3 — J — 1 above shall be accomplished from available training areas and from work available as referenced in Section 3 — A above. To the extent such available work allows, the Company will conduct cover driver training on a particular and specific area in order to maintain consistency in training.
3. Cover drivers shall be entitled to the same guaranteed hours as the least senior driver in the center in accordance with Article twenty-nine (29) if worked at least three days as a cover driver.
4. Cover drivers shall be compensated for holiday, vacation, and sick leave under the same calculation as the least senior driver in the center in accordance with the applicable Articles of this Agreement.
5. With the exception of a delivery area that can be used to train a new cover driver for consistency, delivery areas requiring coverage shall first be offered in seniority order to unassigned (swing) seniority drivers before assigning such areas to cover drivers. An area used to train a new cover driver will be offered in seniority order to unassigned (swing) seniority drivers at the end of the thirty (30) days of cover driver training. The unassigned driver accepting an area shall remain on that area until the original driver returns, unless otherwise mutually agreed.
6. Part-time employees on the coverage driver list at the time of ratification shall be qualified by the Company before any new cover drivers are added to the qualified list. Such cover drivers will retain their seniority on the qualified list in the order they appeared on the coverage driver list. Cover drivers added to this qualified list after ratification, and after qualification of existing cover drivers, shall obtain seniority on that list in order of their Company seniority.
7. Within the last two weeks of the months of December, March, June, and September of each year during the term of this Agreement, the Company will review with cover drivers, in seniority order by building, the known openings requiring coverage for that upcoming quarter resulting from vacations and leaves of absence. In seniority order, the cover drivers can choose the openings to which they prefer to be assigned for that quarter. Cover drivers must promptly indicate their preference so as not to delay the process with other drivers. It is understood that assignments can be adjusted with mutual agreement due to unforeseen personal or operational circumstances.

ARTICLE 27 – SENIORITY

Section 1 — Definition

The rights of seniority are defined as an employee's time of service within:

- A. Company – Within the Bargaining Unit
- B. Center or Building
- C. Classification

Section 2 — Application

A. The Company seniority within the classification within the center will prevail for the purpose of:

1. Layoff
2. Recall from Layoff
3. Advancement to a higher classification. It is understood that the higher the pay the higher the classification.
4. Vacation selection
5. When unassigned work or additional work is available.
6. Bidding for permanent assignments of driver routes within the driver classification.
7. Start time with the exception of delivery areas with definite guarantee time for delivery or pickups in which case the Company will assign it on its best interest.

B. When assigning employees to planned, unplanned, or unscheduled work, the Company will recognize the highest Company seniority in the classification of the available qualified employees when such assignments can be made without unreasonably interrupting the operation (i.e.: delays, non-completion of other duties, or multiple re-assignments), or interrupting the individual's primary job assignment because no available employee is properly trained to perform it. In the case of delivery routes where there is more than one route to assign and more than one driver available, the assignment will be done based on Company seniority provided the driver has knowledge of such routes. The parties agree to develop a log by center identifying the drivers' knowledge of any route.

C. When a day off is requested and granted, the Company seniority will prevail.

1. Employees interested in such a day off shall request the same in writing three (3) working days prior to the day in question.
2. The Company will respond to the employee's request by the end of the employee's next working day.
3. The senior employee, within the classification, making such request will be awarded the available day.

K. In the event that unassigned work of an unexpected nature is available, in order to meet necessary service commitments, the employer will first offer the work to the highest seniority employee, within the classification, in the center available at that time. If the work is offered and refused by the highest seniority employee, the least senior employee, within the classification, available will perform the work. Once the work is assigned it remains assigned.

Section 3 — Loss of Right of Seniority

- A. Voluntary resignation.
- B. Discharge for just cause.
- C. Unemployment for a period of their employment up to three (3) years.
- D. Failure to report to work within five (5) working days after the Company has notified the employee at their last address, or failure to bring to the Company within five (5) working days of the notification, satisfactory reasons why they cannot report to work.
- E. Work related illness or injury for more than two (2) years.
- F. Non-work related illness or injury for more than two (2) years.
- G. Not being part of the contracting unit.
- H. After having been notified, failure to report to work or to answer the call four (4) days during a regular month without just cause or excuse.
- I. Takes an unauthorized leave of absence. Accepts a permanent position as a supervisor or manager with the Company.

Section 4 — List of Employees by Seniority

The Company will prepare a list of employees by seniority, by center, by classification and by department, and will post the list on the bulletin board. A copy will be sent to the Union and to the delegates. Changes will be updated every six months. Once the list is posted for thirty (30) days and not protested, it shall be deemed correct by all parties. Mechanics and feeder drivers will be included on the center seniority list with their own classification and rights.

Section 5 — Notification

The Company will furnish the Union within ten (10) days after seniority with the name, social security number, and classification of all new employees, as well as the date these employees began to work. The Union will be notified in the same way as to all discharges within ten (10) days after separation from work.

Section 6 — Reduction for Economic Reasons

When the Company finds it necessary to reduce personnel for economic reasons or lack of work, they will do it in the following order: layoff will be given to those employees with the least seniority in the Company in the classification of the affected center. For purpose of layoff, Union delegates will be considered as having the highest seniority within the group they represent. In the event there is more than one (1) employee with the same Company seniority within the same classification, the employee least senior within the classification, will be laid off. In the event of a tie, a flip of a coin or any other method that is understood and accepted by the affected employees will determine the senior employee.

Section 7 — Notification of Layoff

A. In cases of layoff whereby the employer reasonably expects the length of layoff to exceed ten (10) work days, the affected employees will be notified at least five (5) working days before the date of intended layoff.

B. Agreed upon notices of layoff do not apply during an emergency. An emergency occurs where conditions exist such as storms, flood, fire, destruction, strikes, airport closures, non-arrival of incoming aircraft, acts of Nature, or similar catastrophes that are beyond the Employers control. During and at the conclusion of such emergency, report to work notice will be issued to the employees on the basis, and in the order, which will provide for the Employer's best interest in returning to a normal operating schedule. It is understood that normal operating conditions were those present before the emergency

Section 8 — The Right to Claim Positions

A. In the event of a reduction of personnel due to economic reasons or lack of work, for periods of ten (10) work days or less, the affected employee will use, as their first alternative, their Company seniority right in the center in their work classification to claim a position within the same classification occupied by an employee with the lesser seniority.

B. In a building where there are two or more package centers, the affected employee may displace the least Company seniority employee in the same classification in the same building.

C. If the affected employee cannot claim the position of an employee within the same classification, they can use their Company seniority in another classification in the center/building to displace the employee with the least Company seniority, provided that they are qualified to perform the job of the junior employee in the other classification. Delivery drivers shall be considered qualified to perform preload and sort duties whether or not they previously worked in such operations.

D. In the event they chooses not to displace the employee with the least Company seniority in another classification in their same center/building they can elect to displace the least senior part-time employee within their center/building. The full-time employee that has elected to bump into part-time will be paid at their original rate for the first ten days working in that classification. Days in excess of ten will be paid at the appropriate wage rate for the job being performed based on their Company seniority. The employee will be guaranteed four (4) hours of work.

E. In cases of layoff whereby the Employer reasonably expect the length of layoff to exceed ten (10) work days, if the affected employee is unable to claim a position within their same classification in their same center/building and elects not to replace a junior employee in another classification, then such employee shall

have the right to displace the employee with the least Company seniority within their classification on the Island of Puerto Rico.

F. In order for a laid off employee to displace into a skilled position such as pre-loader, sorter, and/or technical positions involving the use of computers, the employee must be qualified.

G. As soon as work in displaced employee's original classification, in their original center/building, becomes available the displaced employee must return to their original classification.

H. In case of layoff, if the affected employee(s) desires to exercise their seniority and so requests, the Employer will provide the affected employee(s), in seniority order, with the working positions to which the employee has a right to claim.

I. It is understood that the right to claim positions is limited to the same or a lower classification. The higher the pay the higher the classification. No employee will be bumped on a partial part of their job.

Section 9 — Notification of Re-Employment

A. When it becomes necessary to increase the workforce, or, new or vacant positions become available, the employee laid off for economic reasons or for lack of work will be called according to the order in which they were laid off within their classification and center.

B. When the Company decides to increase the work force in a classification for which existing laid off employees do not have seniority and these employees were not able to exercise their seniority as defined in paragraph "A" above, such employees will have the right to exercise their seniority and claim such vacant or newly created position. The employees will be required to present their claim for such work to the Company.

C. In cases of layoff of ten (10) work days or more, the Company will notify those employees to be re-employed with at least five (5) working days' notice before the date on which they will be required to begin work. The notification will be in writing, hand delivered and acknowledged by signature or by a delivery system with a return receipt requested and will be sent to the last known address of the employee. The acknowledgment of receipt will be evidence of said notification. A copy of the same notification will be sent to the Union and to the delegate. The employee notified of re-employment will report to work in at least five (5) working days from the date in which they received the notification of re-employment.

Section 10 — Opening and Closing of a Center

A. Whenever a Center is closed and the work is transferred to or absorbed by another Center, the affected employees will be entitled to follow their work and their seniority shall be dovetailed at the new Center. In the event that there is more than one (1) employee within the same classification with the same seniority date, the method outlined in Section 6 of this Article will be utilized to break the tie.

B. Whenever a Center is partially closed and the work is transferred to or absorbed by another Center, the affected employees may either follow their work and have their seniority dovetailed in the new Center or be allowed to exercise their seniority in their present Center and displace the least senior employee in their respective classifications. In such event, the employees who are then laid off from their Center shall be allowed to either accept a layoff from their Center or follow the work to the new Center and have their seniority dovetailed in the new Center.

Section 11 — Job Openings and Qualifications by Classification

A. For the purpose of clarification there will be three (3) types of delivery areas (bid routes within a geographical loop area):

1. Regular delivery areas
2. Unassigned delivery areas
3. Designated training delivery areas

B. For permanent job openings, qualified drivers may select either a regular delivery area or select to be an unassigned driver.

C. Regular Delivery Areas (Bid routes) within geographical loop area.

1. Qualified package drivers with six (6) months of seniority or more may select permanent vacancies in all months except October, November and December.
2. Those permanent vacancies that developed on established areas during this time will be posted the following month (January).
3. The successful bidder must remain a minimum of nine (9) months on the selected route before being eligible to bid again.
4. The loop dispatch concept will be used to post and bid these openings.
5. Package Drivers may be required to perform work in geographical loop area adjacent to the geographical loop area in which they have exercised their bid, and to perform work on the way to and from their bid delivery area as long as seventy (70) percent of the work performed is within their bid geographical loop area.

D. Unassigned and training delivery areas.

1. Five (5) percent of the permanent areas will be established by the Employer to be used as training and unassigned areas.
2. Base lines in the center loops will be used as first choices in determining training areas. Once training areas are determined they will remain so designated and will not be subject to the bid process.
3. Those areas that are designated as bid areas will remain as bid areas for the life of this Agreement subject to the continued availability of work.
4. Qualified drivers with nine (9) months or more seniority within the classification will be allowed to bid available unassigned driver positions if they so choose.

E. Permanent is defined as a job that has been vacated by another driver, one that the Employer knows that is going to be a regular area, and one that has been in existence for a period of thirty (30) working days outside the months of October, November, and December. When areas are not dispatched as a result of being the day before or after a holiday, on a half holiday, or on a day of emergency, such non-dispatched days will nevertheless be counted in the calculation of the thirty (30) days. The first permanent opening in a multiple center building shall be offered to the employees within the package driver classifications in which the opening occurs; the second resultant opening shall be offered to the employees within the package driver classification within the building; and the third resultant opening will be filled by the Company.

F. Bid Process - Once an area comes open it will be posted for bid within seven (7) work days. The bid sheet will remain posted for seven (7) calendar days. The most senior driver within the classification shall be awarded the area and it will go in effect and be assigned on the second Monday following the completion of the posting.

Section 12 — Tractor Trailer Classification Qualification

A. The employees who are interested in qualifying as tractor trailer drivers shall so notify the Employer. Such employees, in seniority order, will be permitted to attend the Employer's training program on their own time which will be established periodically when the Employer determines there is a need to qualify additional tractor trailer drivers. A good driving record is a pre-requisite to such training. The Employer agrees to furnish the instructors and necessary equipment.

B. In Puerto Rico, employees other than Automotive and Maintenance mechanics, interested in qualifying as tractor trailer drivers may apply for the Employer's training program in another Center providing:

1. There are no tractor trailer jobs originating in the employee's home Center.
2. There are not enough candidates for the training program in the Center requiring tractor-trailer drivers.

C. A good driving record is a pre-requisite to qualifying for training in section 12 A and B above. A good driving record is defined as having the previous twelve (12) months accident free; no more than one moving violation in the previous twelve (12) months; no more than three (3) accidents and/or moving violations combined in the previous three (3) years; and no reckless or driving while under the influence violations within the previous five (5) years.

D. New permanent feeder openings utilizing tractor trailer equipment which occur in all months except October, November and December will be filled from the list of qualified employees in seniority order. In the event no employee on the list qualified of employees elects to fill an opening, the employee on the qualified list for tractor trailer driving with the least seniority must fill the opening.

E. To be eligible to move from the qualified list to a tractor-trailer job, an employee must not have an accident during the year preceding their assignment to a tractor-trailer job. It will only apply to accidents on the job.

F. Feeder drivers, regardless of equipment assigned and irrespective of domicile, shall work as directed including but not limited to deliver, loading, unloading, and sorting in any operating location of the Employer.

Section 13 — Feeder Driver Vacancies and Openings

A. A permanent vacancy or opening shall be defined as a job that has been vacated by another driver; one that the Employer knows is going to be a regular run, and one that has been in effect for thirty (30) working days within a period of forty (40) consecutive working days. When a feeder run is not dispatched as a result of being the day before or after a holiday, on a half holiday, or on a day of emergency, such non dispatched days will nevertheless be counted in the calculation of the thirty (30) days.

B. When a permanent vacancy or opening occurs in the feeder classification, feeder drivers in the order of their Company seniority Center shall be permitted to select such openings in the following manner:

1. Pending the job becoming permanent and the operation of the job selection procedure, the Employer shall assign the employee with the highest Company seniority who is interested, to the work on a temporary basis, if necessary, or assign such work in reverse order of seniority to qualified employees.
2. A laid off senior feeder driver may displace the package driver with the least Company seniority in the building, and if required, shall be given a thirty (30) day training period to qualify.

C. All employees pre-qualified to be feeder driver and having worked as a feeder cover driver for a least one (1) year and employed in a center in which Feeder jobs will not be available may notify the Employer in writing of their desire to become a feeder driver in another center or hub within the Local Union's jurisdiction and will be given the opportunity to fill open feeder bids in seniority order prior to the Employer hiring from the street. Such moves will be permanent but the employee will be permitted to return to their original center in the event an opening becomes available in their classification. The employee will be added to the appropriate seniority list as the least senior employee in that classification in the new center. The move will be at the expense of the employee and will not be covered under the Change of Operation language.

D. Substitute Drivers:

1. All centers which have feeder drivers assigned as an originating center location will have at least one (1) pre-qualified feeder driver within said center in addition to the regular feeder driver(s) in order to substitute the regular vacations, leaves, and absenteeism. Qualified substitute feeder drivers will fill the openings as they occur. It is understood that the first opportunity for coverage will be given to layoff feeder drivers.
2. Selections of substitute feeder drivers will be made according to Company seniority. In the event that no employee elects to become qualified as a substitute feeder driver, the Company can assign another.

Section 14 — Classifications

A. Full-Time Classifications

1. Package Driver
2. Feeder Driver
3. Air Driver

4. Clerk

5. Mechanic

B. Part-Time Classifications – Company seniority will apply for the listed classifications for the purposes of selecting start times and extra work on their shift.

1. Counter Clerk

2. Preloader

3. Operations / Center Clerk

4. Package Handler – Loader / Unloader

5. Ground Handler

6. Car washer

7. Revenue Auditor

C. This language is not intended to increase the number of vacation schedules per shift. Employees changing shifts in the same classification will maintain their Company seniority date. Employees changing shifts into a new classification will maintain their Company seniority date.

Section 15 — Extra Work

Extra work shall be assigned for the listed employees based on their Company seniority date.

A. Temporary cover drivers

B. Unscheduled air drivers

ARTICLE 28 – PART-TIME EMPLOYEES

Section 1

A. Part-time employees are defined as employees who when reporting to work as scheduled, shall be guaranteed a minimum of four (4) hours.

Part-time employees shall be given the opportunity to fill permanent full-time jobs before hiring from the outside on a 6 for 1 basis (six (6) part-time to every one (1) outside hire), or as provided in the National Master Agreement, whichever is greater. Part-time employees may fill full-time vacancies in other buildings provided they meet the same requirements as an applicant from the outside.

B. 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 October, November and December. The Company will consider waiving the twenty (25%) percent stipulation from Article 22 of the UPSNMA when filling unskilled positions on other shifts in the building.

C. The employee awarded the job must satisfactorily complete the normal training period. An employee who fails to qualify shall not be allowed to transfer to driving again for one (1) full year, and shall have a maximum of two attempts to qualify as a driver.

D. Part-time employees successfully transferring to permanent full-time positions will be added to the appropriate seniority list. Their seniority date will be the Company seniority date.

1. Any part-time employee who transfers into Puerto Rico will have their seniority date end-tailed into the center where they transfer.

E. Any accrued vacation or sick leave will be offered as follows:

1. To be taken as scheduled at part-time rate.
2. To be paid off on day of transfer at part-time rate and start anew.

Section 2 — Notification of Vacancies

A. The Company will notify center employees of vacant regular part-time or full-time positions. Said notifications will be placed on the designated center bulletin board within seven (7) working days of permanent vacancy availability. Interested employees will sign a list indicating interest in the permanent vacancy. Said list will remain on the center bulletin board for a period of seven (7) calendar days, unless otherwise mutually agreed.

B. The permanent vacancy position will be awarded to the highest Company seniority employee in the Center/Building who signed the list and meets all Company requirements.

C. The resulting part-time permanent vacancy from B above will be posted on the center bulletin board in all centers on the island for a period of seven (7) calendar days. The permanent vacancy will be awarded to the highest Company seniority employee who signed the list and meets all the requirements. The resulting permanent vacancy will be filled with an outside hire.

D. It is further agreed that said notification will be displayed only for the original opening and one additional opening, and not for subsequent vacated positions occurring as a result of the original and secondary moves.

E. The employee's seniority right's remains the same when they change from one area of work to another. However, the employee who fills the posted vacancy will not bump another employee who has already been assigned their job. The bidding employee will perform the work in accordance with the intended vacancy that was posted on the bulletin board.

F. When a full-time inside employee vacates their position for any reason, if sufficient work remains available for a full-time position, the Company will not replace the vacated employee with two part-time employees.

ARTICLE 29 - WORK WEEK

Section 1 — Regular Working Week

A. The regular week will consist of any five consecutive days within seven. 100% of the senior package drivers and full-time clerks as specified below who are put to work the first full work day of a regular work week will be afforded the opportunity of working a minimum of thirty (30) hours during the week. In certain designated Centers that have the volume and operational availability to do so, an additional percentage of the most senior drivers who are put to work the first full work day of a regular work week will be afforded the opportunity of working a minimum of thirty-five (35.0) hours, during the week. In certain other designated centers, an additional percentage of the most senior drivers and full-time clerks who are put to work the first full work day of the regular work week will be afforded the opportunity of working a minimum of 40 hours a week. The guarantees shall not apply:

1. To the weeks of Christmas, New Years, and the week after Thanksgiving. It is understood that the weekly guarantees will not apply if there has been a formal warning of a catastrophic event by the government authorities.
2. To a week that involves temporary layoffs because the week has a day designated as a Puerto Rico election day, or has a non-contractual full holiday, or has a new half-holiday, not so designated as of July 31, 2002, and becomes so designated during the term of this Agreement, which results in business closures or volume reduction. The existing half-holidays as of July 31, 2002 are:

Eugenio María de Hostos
Abolición de la esclavitud
Natalicio de Munoz Rivera
Descubrimiento de América
Descubrimiento de P.R.

Natalicio de Washington
Natalicio de José de Diego
Natalicio de José Barbosa
Dia del Veterano

3. To an employee who fails to work a scheduled work day during the week, or who is suspended or discharged for just cause.
4. To a laid off employee who does not exercise their seniority to obtain available work.
5. When there are conditions beyond the Employers control such as fire, flood, destruction, strikes, storms, airport closures, act of Nature, or failure of incoming aircraft to arrive, and these conditions cause a curtailment of all or part of the Employers operation.
6. The year-round guarantee will be as follows:

I. Driver Whole Year

Center	Total % Guaranteed	% At 30 Hrs.	% At 35 Hrs.	% At 40 Hrs.
Feeders	100	0	0	100
San Juan Bldg.	100	20	30	50
Bayamon	100	20	30	50
Caguas	100	20	30	50
Ponce	100	10	30	60
Mayaguez	100	10	30	60
Arecibo	100	10	30	60
New Centers	100	100	0	

II. Mechanic Whole Year

Center	Total % Guaranteed	% At 30 Hrs.	% At 35 Hrs.	% At 40 Hrs.
San Juan Bldg.	100	0	0	100
Bayamon	100	0	0	100
Caguas	100	0	100	0
Ponce	100	0	0	100
Mayaguez	100	0	100	0
Arecibo	100	0	100	0
New Centers	0	100	0	

III. Full-Time Clerks

100 at 40 hours

B. Should the employee(s) working in the mechanic classification vacate their position for any reason in the centers of Arecibo, Ponce, or Bayamon, the full-time replacement employee(s) will receive a guarantee of thirty (30) hours in Arecibo and thirty-five (35) hours in Ponce and Bayamón respectively. All part-time mechanics will be guaranteed four (4) hours per day.

C. The aforementioned Hours Guarantee by will apply based upon the current week's average employee dispatch by classification for said week in the applicable center.

D. If as a result of seniority an employee is eligible for and receiving a weekly guarantee as outlined above in their original Center, and is moved to a newly created Center where their seniority does not entitle them to the guarantee, the weekly minimum for that individual's seniority falls within the Center's weekly minimum

percentages. Red circled employees in a new Center will be counted first when determining the number of drivers who will receive weekly guarantees under the Center's percentage, regard less of how these individual's seniority compare with other drivers in the center. The Company District Manager and the Union Secretary-Treasurer and/or their designees will meet once per year during the term of this agreement in order to evaluate the guaranteed percentages to determine if it is economically possible to increase the number.

Section 2 - Overtime

A. The hours worked in excess of forty (40) a week and the ninth consecutive hour will be paid at double time, and the hours in excess of eight (8) per day, if the total of hours worked during the rest of the week does not exceed forty (40), will be paid as time and a half.

B. The Employer shall continue its effort to reduce overtime where requested. If the review does not indicate that progress is being made in the reduction of assigned hours of work, a full-time employee for whom the Employer has continually caused to work over nine and one half (9.5) hours per day, and a part-time employee for whom the employer has continually caused to work over five (5) hours per day, shall have a right to file a grievance. It is understood that this will not apply on the days following Puerto Rico holidays or in the months of November or December.

Section 3 - Fragmentation

Unless as otherwise provided for in this Agreement scheduled hours shall be consecutively worked and neither the work day nor the work week will be fragmented.

Section 4 - Meal Period for Regular Full-Time Employees

A. The Company will give to each full-time employee up to one half (1/2) hour to eat. The period assigned for taking food should commence not before the conclusion of third (3rd), nor after the commencement of the sixth (6th) consecutive hours of work, so that at no time would the employees be required to work more than five (5) consecutive hours without pausing in their duties to take food. With the authorization of Puerto Rico's Secretary of Labor, the period assigned for taking food for full-time employees shall not commence before the conclusion of the second (2nd) hour.

B. In the event that the employees are entitled to a second meal period in accordance with the law, the Company and the Union agree that said employees will have one-half (1/2) hour to eat.

C. The Union and the Company agree that if any of the Company's employees, after having been warned of the clear Company policy that they have to enjoy their meal periods pursuant to the Collective Bargaining Agreement and the law, work during said periods knowing they should not do so, they will not have the right to claim said periods as worked since they were not authorized to do so. Any work done during these periods shall not constitute time worked unless employees have been ordered in writing by management to work during said periods.

Section 5 — Regular Working Week and Overtime

A. Aircraft Delays - It is understood that occasionally the inbound volume can be delayed due to acts of Nature, such as weather problems or other delays such as mechanical problems with the aircraft. If the projected delay is to exceed fifteen (15) minutes the Company reserves the right to adjust the starting times for all affected employees accordingly. The Company will make effort to notify all employees who have furnished the Company with a phone number as soon as is reasonably practical up to three (3) hours in advance, but in no case less than one hour in advance. The starting time will be delayed a minimum of thirty minutes a maximum of one hour and thirty minutes. Notice of start time changes will be posted on the time clock. Upon request from delegate's verification of late aircraft arrivals will be made available.

B. ACT NO. 83

1. The Union and the Company agree to an established alternate time system according to Puerto Rico's Act No. 83 of July, 1995, in which the employees may advance or delay the time at which they begin their workday and/or the meal period without it incurring in extra hours.
2. Any change in the time an employee begins the workday must be authorized by the supervisor. Without the supervisor's prior authorization, the employee will begin workday pursuant to the employee's regular schedule. The Union and the Company agree that nothing in this Article shall be construed as an authorization or consent for tardiness.

Section 6 — Parking

The Company agrees to make all reasonable attempts to provide parking to all employees.

Section 7 — Paycheck

To follow Article 17 Master Language.

Section 8 — Credit Union

A. The Union will designate a single Credit Union in which employees may participate. The Employer agrees to deduct certain specific amounts each week from the wages of those employees who have given the employer written notice to make such deductions. The Employer will remit amounts deducted to the applicable Credit Union once each month. The Employer shall not make deductions and shall not be responsible for remittance to the Credit Union for any deductions for those weeks during which the employee's earnings shall be less than the amount authorized for deduction.

ARTICLE 30 - OVERTIME

Section 1 — Assignment of Overtime on Free Days and Holidays

Where there exists the opportunity to work overtime during free days and holidays, the right of seniority will prevail in the classification where the opportunity arises, provided senior employees has job knowledge.

Section 2 — Overtime in Excess of Eight (8) Hours a Day

A. When the opportunity to work in excess of eight (8) hours a day arises, if the work to be done is already

assigned, the opportunity to continue the work will be given to the employees already assigned to the work.

B. When the work is not assigned, the opportunities to work will be given to the workers according to seniority in the classification within the center to which the work corresponds.

C. This also applies when extra work is available to PT employees.

ARTICLE 31 - PAY

Section 1 — Christmas Bonus

The employer will provide all employees a Christmas bonus in accordance with Law # 148 of June 31st 1969, as revised.

Employees who have worked seven hundred (700) hours or more within the period of twelve (12) months comprised from October 1st of the previous year until September 30th of the current year will receive a Christmas Bonus equivalent to 3%, of the total wages, up to a maximum of ten thousand (10,000) dollars for the bonus to be granted in 2006; to 4.5% of the total wages up to a maximum of ten thousand (10,000) dollars for the bonus to be granted in 2007; and to 6%, of the total wages up to a maximum of ten thousand (10,000) dollars for the bonus to be granted on and after 2008, earned by the employee or worker within the said lapse of time.

ARTICLE 32 - INCOME REPLACEMENT

Section 1

A. The employer agrees to make available an income replacement plan on behalf of all participating full-time and part-time seniority employees for the purpose of contributing to an insurance plan which will provide supplemental income replacement in the event of any injury incurred on the job. It is further agreed that:

1. The plan is intended as a supplement to the stipend provided by the Fondo del Seguro del Estado.
2. The employee must be certified as disabled as a result of an injury on the job following the provisions of the Puerto Rico Law. On the work day the employee provides such certification, the Company will notify the Insurance Carrier to immediately initiate the process for payment of the weekly insurance stipend, without regard as up to whether or not a Fondo payment has been made.
3. The employee must report the on-job injury to the employer before the end of the shift at the time of said injury. Such employee will be assisted by a designated company representative.
4. Prior to a return to their regular job, the employee must be certified as able to return to work following the Puerto Rico Law.
5. The employee must use their accumulated sick days and vacation days in that order before receiving the benefit.

B. The benefits will be administered as follows:

1. Participants must be full-time or part-time seniority employees.
2. Participation of employees qualified for the income replacement benefit is limited to one occurrence per injury per agreement year during the term of the Collective Bargaining Agreement.
3. Benefits are shown below for full-time:

Period of Disability	Weekly Insurance Stipend	Weekly Fondo's Stipend	Total Maximum
Days 1 – 180	\$235.00	\$65.00	\$300.00
Days 181 +	Benefit Ends	Benefit Continues	\$65.00

4. Benefits are shown below for part-time employees:

Period of Disability	Weekly Insurance Stipend	Weekly Fondo's Stipend	Total Maximum
Days 1 - 180	\$45.00	\$65.00	\$110.00
Days 181 +	Benefit Ends	Benefit Continues	\$65.00

C. It is understood by the Union and the Company that any change through legislation affecting the stipend paid by Fondo del Seguro del Estado to the injured employee will cause adjustment to the current levels of the insurance carrier's contribution to the total benefit in order to maintain the agreed upon maximum levels of stipend set forth in this Agreement.

Section 2 — Guarantee for Injury

Any seniority employee injured on the job and having to be taken to a hospital or a medical clinic for treatment, or after having had such treatment is relieved to go home, shall suffer no loss in pay for the day affected. Full-time employees shall be paid at their current hourly rate, time the average hours worked per day in the previous calendar month, up to a maximum of nine (9) hours, and part-time employees shall be paid four (4) hours.

Section 3 — Position Protection

A. Upon returning to work, a seniority employee who had been absent as a result of injury, illness, vacation, or approved leave of absence, other than for military leave, shall retain for a period of up to twenty-four (24) months their regular position of work, if such work is still in existence. If such work is not in existence, such employee will be allowed to exercise their seniority to displace any junior employee in their classification, and such displaced employee can displace the employee with the least Company seniority in their classification, if existing and if not existing, to displace the employee with the least Company seniority in a classification for which they are qualified. Return from military leave will be in accordance with applicable law.

B. Upon returning to work from approved absences greater than twenty-four (24) months, other than for absences resulting from illnesses or injury, the employee shall be entitled to displace the employee with the least Company seniority in their classification, if existing and if not existing to displace the employee with the least Company seniority

in a classification for which they are qualified.

ARTICLE 33 - WAGE SCHEDULE

Section 1 — Work in Other Classification

A. An employee may be required to work in more than one job classification within any work day. When an employee works in another classification with a higher rate of pay than the position they normally occupy, the higher rate of pay will be paid, and if they work in a classification with a lower rate of pay, they will be paid the rate of pay they normally receive in their classification.

B. In layoff situations, when FT employees displace other FT employees in another classification, the employee will be paid the appropriate rate for that classification in accordance with their seniority.

C. In layoff situations when a FT employee displaces a PT employee, they will get paid their original rate for the first ten days working in that classification. Days worked in excess of ten will be paid at the appropriate rate for work performed based on Company seniority.

D. It is understood that when a PT employee displaces other PT employee in another classification their original rate will be paid.

Section 2 — Wage Schedule

A. Package Delivery Drivers

1. Will follow wage and progression rates of Article 41 of the UPSNMA.
2. Driver wage increases, and additional bonus if any, will follow the National Master wage provisions.
3. Driver wage progression for employees hired after July 31, 2002 will follow the National Master wage progression.
4. A package driver doing pick-up or delivery work for one hour or more, driving a tractor trailer will be paid at the applicable tractor-trailer rate described below.

B. Feeder Drivers

1. Will be paid as specified below:

I. Package Car	Driver rate
II. Tractor trailer single unit	Driver rate + .10 per hour
III. Tractor trailer doubles less than 40 ft.	Driver rate + .50 per hour
IV. Tractor trailer doubles 40 ft. or more	Driver rate + .75 per hour

2. Driver wage increases, and additional bonus if any, will follow the National Master wage provisions.

3. Driver wage progression for employees hired after July 31, 2002, will follow the National Master Wage progressions.

C. Mechanics

1. Seniority Mechanics

Driver rate + .10 per hour

D. Clerks

Will follow the wage and progression rates described in Article 22 of the National Master Agreement, plus increases as provided for in either Article 22 or Article 41 of the National Master Agreement, as applicable, plus additional bonus, if any, as provided for in the National Master Agreement.

E. Part-Time Employees

Will follow National Master wage and progression rate. Plus, any Bonus offered in National Master Agreement.

Section 3 — Pension Plan

1. Full-time employees covered by this Supplement and represented by Teamster Local 901 who were covered by the UPS Pension Plan ("UPSPP") and all future full-time employees under this Supplement who would have been covered by UPSPP absent this agreement, shall be covered by the UPS/IBT Full-Time Pension Fund as set forth in Article 34, Section 1(I) of the National Master Agreement (effective January 1, 2008) and the related Plan Documents and Trust Agreement. The Company's obligation to provide future pension coverage under UPSPP will cease on the date a full-time employee becomes covered by the UPS/IBT Full-Time Pension Fund.

2. It is agreed and understood that the benefits level outlined in section 1 above are subject to future contract negotiations.

3. If the National Master Agreement provides for a per employee Company contribution match to the Teamster UPS National 401 K Tax contribution match to the Deferred Savings Plan, the Company agrees that for employees covered by this Supplemental Agreement, such contribution, in lieu of being paid to the National Plan, will be made to the Local 901 401K plan, provided:

I. The Local 901 Plan is operational and functioning in accordance with Internal Revenue and E.R.I.S.A. codes and regulations.

II. The Company will not be obligated to pay for any administrative or record keeping expense for the local 901 plan.

III. The Company will only be required to make contributions to one of the two plans.

4. Eligible part-time employees are covered under the UPS Pension Plan. With benefits as provided for domestic part-time Teamster employees.

Section 4 — Health and Welfare Plan

A. The Company will continue to provide for all seniority drivers and mechanics a group healthcare plan administered through Triple S, identified as coverage for all full-time and part-time bargaining unit. "Employees with direct Dependents including domestic partnership (same sex)" and further identified in the benefit proposal as Basic Coverage (MQ-41); (AC-14-H-91); Medicines (F-15); Dental (D-42); and Major Medical (MM59); (M2) Maternity; Orthodontics to \$1050.00 lifetime; Eyeglasses or Contact Lenses; and Hepatitis B (Engerix B) Inoculation coverage. The Company will provide for all part-time seniority employees on the payroll as of August 1, 1987, and all part-time seniority employees hired after August 1, 1987 who accumulate ninety (90) days of seniority a group healthcare plan administered through Triple S identified as coverage for the "Employee", and further identified in the benefit proposal as basic coverage (A-14); (MQ-41); H-91 Medicines (F-15); Dental (D-42); Major Medical (MM-59); Orthodontics to \$1,050 lifetime; Eyeglasses or Contact Lenses; Hepatitis B (Engerix B) Inoculation coverage. The Company reserves the right to negotiate the cost of the above specified coverage with Triple S and agrees such negotiation will reduce any of the benefits in the coverage identified above.

B. In addition to the coverage's in Section 4A above, upon ratification of both the National Master and this Supplemental Agreement, the Company will provide for full and part-time seniority employees the following coverage: Podiatry treatment for up to six (6) visits per person per calendar year.

1. Medically necessary chiropractic care visits up to eighteen (18) per person per calendar year as long as the patient is referred by a physician. However, the physician referral is not required for the first four (4) visits per calendar year.
2. The company will provide a new SPD 90 days post ratification of this Agreement detailing coverage for Organ transplant, chemotherapy, surgical procedures including open heart surgery.

The coverage in section 4-B-1 and 2 above shall be administered in accordance with a Triple S Major Medical provision that incorporates these expenses as applicable to the existing Major Medical deductible provisions, and at a coinsurance level no greater than the existing Major Medical coinsurance level.

C. Co pays for the following medical services will be as follows:

Hospitalization - \$ 20.00
Doctors Visit - \$ 7.00
Emergency Room - \$ 10.00
Prescription Brand - \$ 5.00
Prescription Generic - \$ 2.00

Mandatory Bioequivalent is FDA approved — If brand chosen then copay plus the difference.

Section 5 — Full Day Holiday

A. The following are to be considered full day holidays and full-time seniority employees will be paid eight (8) hours straight time regardless of the day on which they occur. Part-time employees will be paid the average daily rate worked for the previous calendar month at a minimum of four (4) hours and up to five (5) hours straight time, regardless of the day of the week on which they occur.

New Years Day	January 1
Three Kings Day	January 6
Martin Luther King Jr. Day	Third Monday of January
Good Friday	As occurs yearly
Memorial Day	Last Monday of May
USA Independence Day	July 4
P.R. Constitution Day	July 25
Labor Day	First Monday of September
Thanksgiving Day	Fourth Thursday of November
Christmas Day	December 25
One Elective Holiday	(As Scheduled)

B. These holidays shall be in addition to any new Holiday to be provided by the National Master Agreement.

C. All seniority employees shall receive one (1) personal holiday each calendar year. The personal holiday shall be selected in November for the following calendar year at the time of and in conjunction with vacation selection. Twenty (20%) percent of the seniority employees will allow to schedule this day off on the day after Thanksgiving.

Section 6 — Working During Holiday

If work is done on any of the above-named holiday, the employee will be guaranteed time and half for the hours worked in addition to the holiday pay.

Section 7 - Right of Pay

All full holidays not worked will be paid at the above-mentioned rates to seniority employees who report to work the last scheduled working day before and first scheduled work day after the holiday. This will not apply to employees who failed to work as a result of being lay off or employees who were out with proven illness. Proof of illness must be submitted to a management person on the first day the employee returns to work. It is understood that a suspension before or the day after a holiday could not be used to not pay the holiday.

Section 8 — When Holidays Coincide

When holidays coincide with or in between vacation, both will be paid.

ARTICLE 34 - SICK LEAVE

Section 1 — Monthly Accumulation

A. A seniority employee on the payroll as of July 31, 2002, will accumulate up to thirteen days sick leave per year at the rate of one and one twelfth (1-1/12) days for each month in which they have worked at least eighty (80) hours.

B. Full-time employees obtaining seniority after July 31, 2002, will accumulate up to twelve (12) sick days per year at the rate of one (1) day for each month in which they have worked at least one hundred (100) hours. Part-time employees obtaining seniority after July 31, 2002 will need to work at least eighty (80) hours each month to the accumulate the sick day benefit as specified in section 1B.

C. Seniority employees with perfect attendance for the twelve (12) month period beginning December 1st through November 30th will be awarded four (4) additional bonus days paid.

Section 2 — Accumulation of Liquidation

Sick leave will be accumulated up to thirteen (13) days. The employee may elect to cash in any amount of accumulated sick leave which will be paid during the third (3rd) week of December. The perfect attendance four (4) day bonus will also be paid during the third (3rd) week of December.

In the event the employee terminates, or is terminated, all accumulated sick leave will be paid to the employee or his their heirs.

Section 3 — Compensation for Sick Leave

Full-time sick leave will be paid at the employee's current rate at eight (8) hours straight time per day. Sick leave for part-time employees will be paid at the rate of four (4) hours per day at their current rate of pay.

Section 4 — Medical Certificate

A. The employee who is absent for more than three (3) days consecutively due to illness must prove same through a medical certificate, if requested by management, in order to have the right to collect for the days on which they were absent.

B. All employees who are absent as a result of work-related illness or accident, must report, instantly, to the doctors that the company selects. Those doctors shall have the right to give treatment to the employee for the time permitted by law. The doctors selected by the Company will be recognized by the Fondo del Seguro del Estado and will have the authority to determine when the employee can return to work whenever such determinations are not in conflict with the law or determination of the Fondo del Seguro del Estado.

ARTICLE 35 — VACATIONS

Section 1

A. Vacation schedules of the active and reporting employees will be by classification date by shift following Company seniority date for all employees, shall be posted on November 1st of each year of this Agreement, and remain posted for one (1) month for selecting of vacations for the following calendar year. If not available on time the selection time will be extended equal to the delay time without any penalty to the employee.

B. A minimum of fifteen (15%) percent of the employee by classification in a center will be scheduled off each week during the months of the last two weeks of May, June, July (Except the week of July 25th PR Constitution

Day which will be ten (10%) percent), August. The application of the fifteen 15% by classification per center will be applied as follows:

1. No. of Employee	No. of Vacation Per Week
1-9	1
10-16	2
17-23	3
24-29	4

2. For the remaining vacation months of January through the end of October, with the exception of the week after the Good Friday Holiday, the Employer will schedule vacations in relations to expected volume, and allow a minimum of at least one (1) employee to be off on vacation each week.
3. After all department personnel have selected their vacations, if there is need for an employee to change their vacation provided that there is space based on the agreed numbers, the change will be given if requested with a week's notice.

C. The employees in the top 25% of the seniority list will select their vacations and if they choose elect pay for all days in excess of ten (10) during the first week of posting. The selection of vacation or pay in lieu thereof will continue with the second 25% by seniority selecting the second week, and continuing using the same formula until all have had the opportunity to select.

D. If a holiday falls within the employee's vacation period (Sunday through Saturday), said employee may elect to extend their vacation time by the number of holidays falling within the vacation period.

The employee may elect to take the additional day at the beginning or end of the scheduled vacation week. The employee's election to extend their vacation must be made during the November vacation selection period. There will be no exception as to any holiday.

E. Any employee who fails to select their vacation during the assigned period will wait until the selection process is completed and will then select from remaining open weeks. Any employee failing to select their vacation by the end of the posting period will be assigned their vacation by their Manager. In such cases, however, the manager cannot assign pay in lieu of vacation, or assign extended vacations for holidays in lieu of pay.

E. However, in case of disagreement between the Company and the employee, the Company has the final authority to schedule the vacations of its employees.

Section 2 — Monthly Accumulation

A. Seniority employees on the payroll as of July 31, 2002, will accumulate up to seventeen (17) days vacation per year at the rate of one and five twelve (1-5/12) days for each month in which they have worked at least eighty (80) hours.

B. Full-time employees obtaining seniority after July 31, 2002, will accumulate up to fifteen (15) days vacation per year at the rate of one and one quarter (1 1/4) days for each month in which they have worked at least one hundred (100) hours. Part-time employees obtaining seniority after July 31st, 2002 will need to work at least eighty (80) hours each month to accumulate the vacation day benefit as specified in section 2b.

C. Employees who have accumulated fifteen (15) years or more of service by January 1st of any year will accumulate up to twenty (20) days per year, at the rate of one and two thirds (1 2/3) days per month in which they have worked at least eighty (80) hours.

D. Employees who have accumulated twenty (20) years or more of service by January 1st of any year will accumulate up to twenty-two (22) days at the rate of 1 and ten twelve (1-10/12) per month in which they have worked at least eighty (80) hours.

Section 3 — Enjoyment of Vacation

Earned vacation will be taken each year. Only one year earned vacation can be taken in each calendar year.

Section 4 — Compensation for Vacation

A. Full-time employee's vacation will be paid at the employee's current hourly rate, times the average hours worked per day in the previous calendar month, up to a maximum of nine (9) hours. Vacation for part-time employees will be paid at employee's current hourly rate at the average daily rate worked for the previous calendar month for a minimum of four (4) and up to five (5) hours straight time. Vacations will be considered time worked for all purposes of the present Agreement, except for the calculation of overtime, and if named holiday falls within the vacation period, the employee will be paid the holiday or if they choose, will receive time off in accordance with section 1- D above.

B. The top fifty percent of full-time employees, on each center's seniority list eligible for vacation will be guaranteed a minimum of eight (8.0) hours per day for vacation pay. The bottom fifty percent of full-time employees, on each center's seniority list eligible for vacation pay, will be guaranteed a minimum of seven (7.0) hours per day for vacation pay.

C. If a holiday falls on a selected vacation week the holiday pay shall be included with the vacation pay.

Section 5 — Vacation Schedule

A. Vacation schedules by center and classification, shall be posted on November 1st and remain posted for one (1) month for selection of vacations for the following calendar year. The Company will schedule vacations in relation to expected volume.

B. The employee shall select their vacation in seniority order and by classification, subject to Article 27, Section 1 of this Agreement.

C. An employee who has less than one year employment with the Company on November 1st, and a Company seniority date falling within the months of November through June, will be allowed to select posted vacation which is available after their first employment anniversary date in the following calendar year.

D. Selection of vacation for employees in Section 5 - C above will be made assumption that the employee will have achieved eligibility for the maximum amount of vacation at the time of their anniversary date. If necessary, adjustments to reflect the actual amount of earned vacation can be calculated at the time the employee reached their anniversary date.

E. An employee who has less than one year employment with the Company on November 1st. and a Company seniority date falling within the months of July through October, will not be able to select vacation until the second November of employment. Vacation selected would occur in the second full calendar year of employment.

ARTICLE 36 - BENEFITS

Section 1 — Life Insurance

A. The Company will maintain a group life insurance policy for regular full-time and part-time seniority employees covered by this Agreement. The policy will provide a minimum amount of forty thousand (\$40,000.00) dollars, for natural death and an additional forty thousand (\$40,000.00) dollars for accidental death for regular full-time employees; and minimum amount of twenty thousand (\$20,000.00) dollars for natural death and an additional twenty (\$20,000.00) dollars for accidental death for regular part-time seniority employees. The accidental death benefit will total eighty thousand dollars (\$40,000 for regular life and \$40,000 for accidental death) for full-time employees, and forty thousand (\$40,000.00) dollars (\$20,000.00 regular life and \$20,000.00 accidental death) for regular part-time employees. The accidental death benefits will include dismemberment coverage for the loss of a hand, foot, eye or any combination thereof.

B. Life indemnity for the spouse of a regular full-time and part-time employee will be five thousand (\$5,000.00) dollars and two thousand (\$2,000.00) dollars for each child.

C. The group life insurance policy will provide a "Living Benefit" for terminal illness. If an employee is diagnosed terminally ill, they can receive an early payment of up to fifty (50%) percent of their natural death benefit, subject to customary minimums. An early payout amount will be reduced by a nominal administrative charge, not to exceed three hundred (\$300.00) dollars, and by a charge for lost interest.

LIFE INSURANCE

FULL-TIME EMPLOYEE		PART-TIME EMPLOYEE	
Life	\$40,000	Life	\$20,000
AD&D (Additional)	\$40,000	AD&D (Additional)	\$20,000
Living Benefit	\$17,500	Living Benefit	\$7,500
Dismemberment (One foot, or one hand, or one eye) Any Combination	\$17,500	Dismemberment (One foot, or one hand, or one eye) Any Combination	\$7,500

of Members	\$35,000	of Members	\$15,000
Spouse Life	\$5,000	Spouse Life	\$5,000
Child Life	\$2,000	Child Life	\$2,000

ARTICLE 37 - SUPERVISORS WORKING

A. 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. Accordingly, the Employer agrees that supervisors or other employees of the Employer who are not members of the bargaining unit shall not perform any bargaining unit work, except to train employees or demonstrate safety, or as otherwise provided in the applicable Supplement, Rider or Addendum. The Employer shall make every reasonable effort to maintain a sufficient workforce to staff its operations with bargaining unit employees.

The Employer also agrees that supervisors or other employees of the Employer who are not members of the bargaining unit 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 performed by a supervisor or other employees of the Employer who is not a member of the bargaining unit.

B. When additional employees are necessary to complete the Employer's operations on any shift or within any classification, the supervisor shall exhaust all established local practices to first use bargaining unit employees including where applicable, double shifting, early call-in, and overtime.

C. If there is no established local practice; the following shall apply with regard to inside work. Within each building, each operation will maintain appropriate list(s), by seniority, of those part-time employees requesting coverage work. It will be the employee's responsibility to sign up on the appropriate list.

The Company shall post such lists and employees who are interested in adding their names to the lists shall do so on the first working day of each month. It will be the employee's responsibility to make sure their contact information is correct. Employees who are unavailable to work on three (3) separate occasions within a calendar month shall have their names removed from the coverage list. Those employees shall be eligible to re-sign the list the following month. When coverage work is available, the Company will use the appropriate list to fill the required positions, and such employees will work as assigned. The employee must be qualified and available (cover the full duration of the double shift in addition to their primary job shift) for the available work and double shift employees shall have seniority among themselves. No employee is allowed to work more than two shifts in any twenty-four (24) hour period. It is understood that when an employee performs extra work on a second shift, they will be the first to be sent home prior to employees assigned to that shift unless employees assigned to the shift volunteer go home. Local call verification practices and procedures shall remain in place. Nothing contained in this Section shall change existing practices or procedures covering full-time work.

D. If it is determined at any step of the grievance and/or arbitration procedure that this Section, or a "supervisor working" provision in a Supplement, Rider or Addendum, has been violated, the aggrieved employee will be paid as follows: (i) if the actual hours worked by the supervisor amounts to two (2) hours or less, the aggrieved employee will be paid for the actual hours worked by the supervisor at the rate of one and

one-half times the employee's rate of pay at the time of the incident; (ii) if the supervisor works more than two (2) hours, the aggrieved employee shall be paid four (4) hours at straight time or actual hours worked at one and one-half times the employee's rate of pay at the time of the incident, whichever is greater. If no aggrieved employee can be identified, the payment will be made to the grievant. Such remedy shall be in addition to any other remedies sought by the Union in the appropriate grievance procedure.

ARTICLE 38 - APPEARANCES IN COURT

When an employee is required to appear in any court for the purpose of testifying because of any accident the employee 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. Employees shall be compensated for time spent in jail at their 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 employee is not charged and convicted of criminal negligence. This Section shall not apply to employees who are found guilty of drunken driving 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 their on-duty observations of an accident not involving a UPS vehicle, they shall be reimbursed for all time lost and expenses incurred.

ARTICLE 39 - HOURS OF WORK AND OVERTIME

Guarantees for Calls

A. Regular full-time employees shall be guaranteed four (4) hours at the time and half (1-1/2) rate and regular part-time employees shall be guaranteed two (2) hours at the time and half (1-1/2) rate when called back to work after completing their regular work day and having left the Company property.

B. Employees who have completed their regular work day and punched out, but have not left the property when called back to work, shall be paid continually from their original start time. Over time shall be calculated on the basis as having worked from the original start time including the time between punch-out and punch back in.

C. Regular full-time seniority employees and regular part-time seniority employees may be required to report to work before their regular start time and, if notified on the day of the event, shall be paid at the rate of one and one-half (1-1/2) time their straight time hourly rate for all hours worked before their regular starting time.

ARTICLE 40 – POSTING

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 official letterhead or TITANS. In each package center there shall be a covered bulletin board. delegates shall have a key for the Union bulletin boards. The Employer shall not remove, tamper with alter any notice posted by the Union unless such notice is harmful to the Employer. Any such notice removed by the Employer shall be reposted if the Union' position is sustained through the grievance procedures.

ARTICLE 41 - DURATION


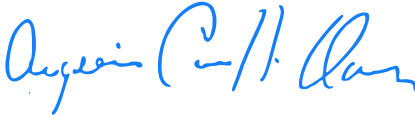
This agreement should be in full force and effect during the term of the National Master Agreement and shall continue from year to year unless written notice of desire to cancel or terminate the agreement is served by either party upon the other at least sixty days prior to the date of expiration.

For The Company

For The Union

Lance Laurent

Argenis Carrillo

Signature	Date	Signature	Date
	7/28/2023		7/28/2023

Signature	Date	Signature	Date
------------------	-------------	------------------	-------------

A N E X O I

POLICY TO MAINTAIN THE COMPANY DRUG FREE

A. This policy has been established pursuant to the Drug Free Workplace Act of 1988 and to comply with Act 59 of August 8, 1997, known as the Act to Regulate Controlled Substances Detection Tests in the Private Work Sector. This policy will become effective on August 1, 2002 and it shall apply to all the employees of the Company. It is the policy of United Parcel Service that the manufacture, distribution, sale, dispatch, importation, possession, transportation, purchase or illegal or non-authorized use of a controlled substance by an employee is prohibited on or outside the Company premises, in or outside the workplace, in or out of work hours. Likewise, it is prohibited to be under the influence of controlled substances, on or outside the Company premises, in or outside the workplace, in or out of work hours.

B. Drugs or controlled substance means any substance which manufacture, distribution, sale, dispatch, importation, possession, transportation, purchase or use is prohibited or regulated by the United States Controlled Substances Act or by the Puerto Rico Controlled Substances Act or any other present or future law of the United States or the Commonwealth of Puerto Rico. For example, controlled substances include, but are not limited to: opium and its derivatives, such as heroine and morphine; cocaine; hallucinogens; marijuana; amphetamines or barbiturates.

C. Any employee who violates this policy on Company premises or in the workplace or during work hours will be dismissed from employment. In those cases, in which the violation of this policy constitutes having tested positive for the first time in a drug test, the Company shall give the employee an opportunity for rehabilitation, in accordance to the terms and conditions set forth hereinafter. If the violation occurs outside the workplace or not during work hours, and there is no intervention of the pertinent authorities, the Company shall evaluate the case, and at its discretion, may dismiss the employee or impose disciplinary sanction as long as the employee agrees in writing to satisfactorily participate in a drug rehabilitation program, subscribes an Agreement for Rehabilitation with the Company and strictly complies with what is provided in Section 1 of this policy.

D. An employee accused of violating a criminal law or statute which prohibits conduct related to controlled substances, on or outside the Company premises, in or outside the workplace or in or out of work hours, the employee will be suspended of employment and salary pending the outcome of the criminal case.

E. If they are convicted of a crime for manufacture, distribution, sale, dispatch, importation, possession, transportation, purchase or illegal or non-authorized use of controlled substances, or related in another manner to controlled substances, on or outside the Company premises, in or outside of the workplace, or in or out of work hours, the employee shall be dismissed.

A conviction means that the employee is found guilty (including an allegation of nolo contendere) or the entry of a judgment, or both by any Court of Justice before which a violation is decided, of a federal or state statute which prohibits or regulates the manufacture, distribution, sale, dispatch, importation, possession, transportation, purchase or illegal use of any controlled substance or that prohibits any other activity related to controlled substances.

F. If the verdict is not guilty, depending on the circumstances of each case in particular, the Company may or may not reinstate the employee in their employment, with or without pay for the period of the

suspension.

G. As a condition to remain employed by the Company, every employee shall: comply with the Policy of Maintaining the Company Drug Free established herein and notify the Company when they are convicted of a violation of a criminal statute or law which prohibits conduct related to controlled substances, not later than five (5) days after said conviction.

H. The Company will implement a program to make the employees aware of its intention to maintain the Company free of drugs, informing the employees of: the hazards that the use and abuse of them involve; the policy of the Company to maintain the Company free of drugs; the programs available for rehabilitation, counseling, or employee assistance (the cost of the program will be paid by the employee); and the sanctions that will be imposed upon the employees who violate the Policy to Maintain the Company Drug Free.

The Company's Department of Human Resources will have the responsibility of carrying out all the investigations that are necessary.

I. When an employee voluntarily informs the Department of Human Resources that they have a drug use problem, the Company will give them the opportunity to remain as an employee, if they agree in writing to: submit to an adequate rehabilitation program and remain in said program until their rehabilitation; not violate the Policy to Maintain the Company Drug Free; submit to all the tests for detection of controlled substances that the Company requires, without prior notice, during the period of one (1) year; comply with all the standards, rules and policies of the Company; accept that a violation of any of the afore mentioned conditions, or the terms and conditions of a rehabilitation program, will be justified cause for their dismissal.

The Company may, at its own discretion, transfer an employee to another position if it understands that keeping them in the present one constitutes a risk. The information obtained from the employee and the fact that they are submitting to a rehabilitation program, will be restricted to those members of the Human Resources Department and Company Management on a need to know basis.

J. It is the responsibility of every employee, of every level, to make sure that this Policy is complied with.

A N E X O I I

REGULATION FOR THE ADMINISTRATION OF TESTS FOR THE DETECTION OF CONTROLLED SUBSTANCES

A. EMPLOYMENT CANDIDATES

The Company will require that all employment candidates, regardless of the position applied for, submit to a test for the detection of controlled substances as part of a general physical examination.

B. VOLUNTARY TESTS

The Company, from time to time and as part of a campaign to make employees aware of its intention to maintain the Company free of drugs, will offer tests for the detection of controlled substances to all of its employees. These tests are completely voluntary.

C. EMPLOYEES WHO OCCUPY SENSITIVE POSITIONS

The Company may require employees who occupy sensitive positions to mandatory submit to tests for the detection of controlled substances at any time, and without prior notice. This is regardless of the fact that an individualized reasonable suspicion exists, that an accident has occurred or because of a random testing program. It will be considered that an employee occupies a sensitive position, if their functions involve the control or operation of a motor vehicle that is used to transport cargo on any public road, or whose functions involve the handling or control of drugs and controlled substances, explosives, gases, hazardous, inflammable, radioactive, toxic, high voltage materials or similar substances.

D. ALL EMPLOYEES

The Company will require its employees to submit to tests for the detection of controlled substances for the following circumstances:

1. When a work accident occurs. The accident should be: attributable to the employee, related to their functions and during work hours.
2. When an individualized reasonable suspicion exists that an employee is using controlled substances. Individualized reasonable suspicion is the moral conviction that a person is under the effects, influence or is a user of controlled substances, whether said fact is established or not later on. Said suspicion should be based on observable and objective factors, such as: direct observation of use and possession of controlled substances; physical symptoms which indicate being under the influence of controlled substances; a persistent pattern of abnormal conduct or erratic behavior in the workplace.
3. The Company may establish a program of testing for the detection of controlled substances to promote the good health and well-being of its employees, according to methods of random selection or drawing that the Company chooses in an objective manner.
Random selection or a drawing will consist of the placing of the employee's numbers in order to select by lottery casting lots, or any other method, those employees that shall have to take the test by mere chance.

E. STANDARDS

1. The tests will be carried out in a laboratory mutually selected by the Company and the Union.
2. The sample obtained will be processed using the test known as (name of the test and/or controlled substance that it detects). This test will be paid for by the Company.
3. Every sample which tests positive will be submitted to a chromatography spectrometer test of gases. This test will be paid for by the Company.
4. If the positive result is confirmed by the chromatography test, the medical review officer (medical review officer and/or MRO) contracted by the Company, will ask the person who tested positive if they are

taking any medication that could have an effect over the results.

5. The employee has a right to contract another laboratory to obtain a second result of the same sample. This test will be paid for by the employee.

6. If the test performed at employee's request is negative, the Company can suggest three laboratories, of which the employee may choose one to perform a third test. This third test will be paid for by the Company and the result will be binding to all the parties.

7. The time necessary to submit to the testing will be considered time worked and the employee will be duly compensated.

8. All the information related to the results of the tests will be considered confidential. This information will only be revealed to the following persons: To the employee who gave the sample; to any representative authorized in writing by the employee; to employees designated by the Company; to wit: General Manager, Human Resources Manager and Manager of the Department in which the employee works; and the providers of treatment and rehabilitation programs, when the employee submits to a rehabilitation and treatment program.

9. The employee shall give their consent in writing in submitting to the test, as well as having the result of the same being made known to the members of the Human Resources Department and Company Management, on a need to know basis. The refusal of the employee to give their consent in writing shall be considered as a refusal to submit to the test and consequently the employee will be dismissed.

10. The unjustified refusal of an employee to submit a test, when they are so required, shall constitute prima facie evidence that the result would have been positive, and shall result in the employee's dismissal. Unjustified refusal constitutes the refusal to submit to tests for the detection of controlled substances or cooperating so that they can be carried out, such as, without excluding others: not arriving at the place where the sample will be taken without justification; abandoning the place where the sample will be taken; the refusal of the person, clearly stating that they refused to submit to the proceeding; not obeying orders or following the instructions of the laboratory or official in charge, so that they can produce the sample in an adequate manner; or when the sample is altered.

11. If the test is positive on the first occasion, the Company will give the employee an opportunity to remain in their employment, as long as the employee agrees, in writing, to participate in a rehabilitation program under the terms and conditions stipulated therein, which include, among others, the employee's agreement to submit to all the tests to detect controlled substances that the Company requires them to, without prior notice, and their acceptance that if they test positive again, it will be sufficient and just cause for their dismissal. The Company may, at its sole discretion, transfer an employee to another position, if it understands that maintaining them in the present one constitutes a risk. The cost of the rehabilitation program will be paid for by the employee.

12. The absences of an employee to attend a rehabilitation program will be first charged to sick leave and then vacation leave that they have accumulated. Once the accumulated sick and vacation leave is exhausted, the employee shall have the right to a leave without pay up to a maximum of thirty (30) days. Concurrently with sick and vacation leave and the thirty (30) days without pay mentioned above, the employee will be exhausting the twelve (12) weeks of leave without pay under the FMLA, if applicable. If during the rehabilitation program, the employee tests positive in a drug test, they could be dismissed.

13. If the employee refuses to participate in an appropriate rehabilitation program, the Company shall dismiss them.

14. Every employee who submits to an assistance and rehabilitation program will have the obligation of complying and collaborating with all the requisites of the program for the purpose of achieving their rehabilitation within the least period of time possible.

15. The noncompliance of any of the obligations imposed by the program constitutes conduct that shall result in the employee's, dismissal. Any difference between the parties regarding the interpretation or application of "United Parcel Service Policy to Maintain the Company Drug Free" and the "Regulation for the Administration of Tests for the Detection of Controlled Substances" will be submitted to the grievance and arbitration procedure of the Collective Bargaining Agreement in effect between United Parcel Services and the Teamsters, Local 901.

LETTER OF UNDERSTANDING AND AGREEMENT ARTICLE 10

DELEGATES, GENERAL DELEGATE, AND DELGATE COMPENSATION

1. The Company recognizes the Union position of one General Delegate appointed by the Secretary Treasures from among existing Delegates.
2. Such appointment shall not result in any additional cost to the Company than existed under the previous Letter of Understanding dated November 4, 1993.
3. The General Delegate shall function and be compensated in accordance with this Letter of Agreement and Articles ten (10) and eleven (11) of the Supplemental Agreement. In addition. the General Delegate will be recognized for performing the Union duties as outlined below:
 - a. Coordinator of regular Delegate activities.
 - b. Function as the communication point person between the Company and the Union.
 - c. When necessary, function as the replacement for the regular Delegate at hearings and in the processing of grievance.
4. It is agreed and understood that there will be a maximum of one Delegate or General Delegate per operating Center. Such individuals shall be permitted reasonable time to investigate, present and process grievances on the property of the Employer in accordance with this Letter of Agreement and Articles ten (10) and eleven (11) of the Supplemental Bargaining Unit Agreement between the parties.
5. Time spent in handling grievances during the Delegate's regular working hours shall be considered working hours in computing daily overtime if within the regular schedule of the Delegate.

6. The Company agrees to compensate Delegates at their regular average earnings for time spent during local hearing which occur on Company premises, and which have been initiated, scheduled, or agreed to by the Company. The Company will not compensate Delegates for hearing or grievance processing conducted away from Company premises, with the exception of rare instances where the Company elects to compensate a Delegate because it is mutually convenient to meet at other than the Company's facilities.
7. It is agreed and understood that hearings will be scheduled so as not to interfere with a normal operation of the Company's business, and in such a manner that both the grievant, if active, and the Delegate can complete their normal assigned duties. The Union agrees that its Officers and Delegates will cooperate fully with the Company so that hearings and related matters are conducted in an expedient, efficient, and businesslike manner with no interference to the normal operation of the Company's business. The Union further agrees to monitor Delegates so that there are no meaningless, frivolous, or numerous actions filed for the purpose of creating compensation of Delegates, intimidating Management, disrupting normal operations, or otherwise abusing the compensation privilege.
8. The Company will compensate Delegates excepting Mayaguez and Ponce Centers, a maximum of one (1) day per month and up to maximum of six (6) days per year, at the average earning rate, for participation and attendance at Delegate meetings conducted by officers of Local 901. Delegates from the Mayaguez and Ponce Center will grant a maximum of seven (7) days per year, under the herein stated conditions.
9. In order to receive compensation, the Delegate must physically attend the scheduled meeting and the General Delegate must actually perform Union assigned duties, and the Company must have been notified in writing on Union letterhead stationery and under the signature of the local Secretary-Treasurer, of all such scheduled meetings and duties as soon as the schedule for such meetings and duties is known.
10. The Company further agrees to compensate a maximum of one (1) Delegate per arbitration hearing, at their average earning rate, for participation in arbitration hearings involving issues directly related to the Company-Union Agreement. It is agreed and understood that if the proceedings are concluded in four (4) hours or less, the Delegate will make themselves available for work for the remainder of their shift.
11. It is agreed and understood that if any disagreement arises relative to Delegate compensation as referred to above, such issues should be referred to the Company's Division Manager and Local Union 901 Business Agent for resolution. Failing to agree, such issues will be referred to the Company' District Manager and Local Union Secretary- Treasures. Failing to agree, either party may submit the issue to arbitration.
12. It is agreed and understood that the Company will grant fourteen (14) discretionary delegate days to be administered by the Union Secretary-Treasurer at their discretion for the sole purpose of a Delegate attending meetings held by union officials away from Company premises, and/ or to be assigned for use by the designated General delegate. There discretionary days will be preceded by a minimum forty-eight (48) hour notice to the Company Division Manager by the Secretary-Treasurer and will be utilized by no more than one (1) delegate at any given time.

13. This understanding and agreement shall replace and supersede any previous agreements between the Parties on this subject matter and shall become effective upon ratification of the National Master and Puerto Rico Supplemental Agreement between the Parties which commence August 1, 2023 and shall remain in effect until July 31, 2028.