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The parties reserve the right to correct inadvertent errors and omissions. Where no reference is made to a specific Article or Section thereof, such Article and Section are to continue as in the current National Master Agreement, as applied and interpreted during the life of such Agreement. Additions and new language are **bold and underlined**.

NATIONAL MASTER UNITED PARCEL SERVICE AGREEMENT

**For the Period:
August 1, ~~2018~~ 2023 through July 31, ~~2023~~ 2028**

covering:

[No change]

ARTICLE 1. PARTIES TO THE AGREEMENT

[No change]

Section 1. Operations Covered

[No change]

Section 2. Employees Covered

[No change]

Section 3. Transfer of Company Title or Interest

[No change]

Section 4.

[No change]

ARTICLE 2. SCOPE OF THE AGREEMENT

Section 1. Single Bargaining Unit

[No change]

Section 2. Riders

[No change]

ARTICLE 3. RECOGNITION, UNION SHOP AND CHECKOFF

Section 1. Recognition

(a) The Employer recognizes and acknowledges that the National Union Committee and Local Unions affiliated with the International Brotherhood of Teamsters are the exclusive

representatives of all employees of the Employer in covered classifications. The employees and Unions covered under this Master Agreement and the various Supplements, Riders and Addenda thereto shall constitute one (1) bargaining unit.

(b) When the Employer needs additional employees, it shall give the Union equal opportunity with all other sources to provide suitable applicants, but the Employer shall not be required to hire those referred by the Union.

If employees are hired through an employment agency, the Employer shall pay the employment agency fee, if any, due from the employee. However, if the Union has been given equal opportunity to furnish employees, as provided herein, and if the employee is retained through the probationary period, this fee need not be paid until the thirty-first (31st) day of employment, except as otherwise provided in the Local Union Supplements, Riders and Addenda.

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

Section 2. Union Shop and Dues

[No change]

Section 3. Dues Checkoff and Joint Dues Committee

The Union and the Employer will establish a Joint Dues Committee to review the deduction and remittance of union dues. This Committee is charged with the responsibility of ensuring that dues are accurately deducted and remitted in a timely manner to the Local Unions. It is anticipated that this Committee shall serve as a source of continuing study regarding the most efficient, accurate, and expeditious deduction and payment of dues, including exploring electronic solutions. The Union and the Employer will establish procedures for the operation of this Committee.

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No existing bargaining unit employee currently performing work in the payroll department will be laid off or suffer a loss of their current payroll type position as a result of this Section.

The Employer agrees to deduct from the pay of all employees covered by this Agreement the initiation fees, dues and/or uniform assessments of the Local Union having jurisdiction over such employees. The Local Union will provide the Employer a weekly amount to be deducted from each employee. The Local Union will individually specify the weekly amount to be deducted for initiation fees, union dues and/or assessments. For initiation fees and assessments, the Local Union will notify the Employer the number of weeks these deductions are to be taken from the employee. Notification of deductions to be made by the Employer for the benefit of the Local Union must be received at least one (1) month prior to the date the deduction is to be made. The obligation of the Local Union to provide this information shall be satisfied by the transmission of a computer file in mutually agreeable format. The Employer shall deduct the weekly dues from each vacation week. This will be implemented within six (6) months of ratification of this Agreement.

The Employer shall make no deductions that are not listed on the Local Union's monthly or weekly checkoff statement in those locations which send a checkoff statement to the Employer. In the event the Employer improperly deducts too much dues money, the amount improperly withheld shall be remitted to the involved employee(s) on the second (2nd) scheduled workday following notification to the Employer. The Local Union(s) shall return any overpayment(s) to the Employer within one (1) week following written notification from the Employer.

The Employer will provide a remittance to the Local Union within fifteen (15) days following the check date the deduction was taken. With each remittance, the Employer shall submit a report, by center and/or sort, listing all employees alphabetically with their social security number and job classification. For those employees who had no deduction for the week, the Employer will provide a reason. In the event the Local Union does not want to receive a weekly remittance, the Employer will provide a monthly remittance by the fifteenth (15th) day of the following month. However, if this option is chosen, the Employer will still make weekly deductions as described above.

The Employer will provide a list of peak season employees to the Local Union. The Company agrees to honor the dues checkoff cards for peak season employees.

Where law requires written authorization by the employee, the same is to be furnished in the form required. **Following ratification of this Agreement, the Joint Dues Committee will meet to adopt a standard, electronic membership and dues checkoff form approved by the International Union that will be included as part of the Company's application and orientation processes. The Joint Dues Committee will also meet to adopt an acceptable digital platform and methods for the collection, storage, and distribution of the electronic membership and dues checkoff forms. Electronic membership and dues checkoff forms can only be**

implemented upon agreement of the Joint Dues Committee. No deduction shall be made which is prohibited by applicable law.

Any Local Union shall have the option of monthly deductions with monthly remittance on or before the fifteenth (15th) day of the same month.

On written request of the employee, payroll deductions will be made to purchase U.S. Savings Bonds for said employee.

The Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE. DRIVE shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from ~~his/her~~ **their** paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to DRIVE National Headquarters on a monthly basis, in one (1) check, the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's Social Security number and the amount deducted from that employee's paycheck. The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer's actual cost for the expenses incurred in administering the weekly payroll deduction plan.

The Employer agrees to deduct certain specific amounts each week from the wages of those employees who shall have given the Employer written notice to make such deductions. The Employer will remit amounts deducted to the applicable credit union once each week. The amount so deducted shall be remitted to the applicable credit union once each month or weekly. 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 deductions.

In the event the Employer has been determined to be in violation of this Article by a decision in the grievance procedure, and if such Employer subsequently is in violation thereof after receipt of seventy-two (72) hours' written notice of specific delinquencies, the Local Union may strike to enforce this Article. However, such strike shall be terminated upon the delivery thereof. Errors or inadvertent omissions relating to individual employees shall not constitute a violation.

Section 4. Work Assignments

[No change]

Section 5.

[No change]

Section 6.

[No change]

Section 7. 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. However, in the case of Acts of God, supervisors shall comply with the procedures in subsections (b) and (c) and may only perform bargaining unit work until bargaining unit employees are available. 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 are 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 employees’ 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 ~~his/her~~ 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 for the available work and double shift employees shall have seniority among themselves. No employee is allowed to work more than two (2) shifts in any twenty-four (24) hour period. 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 double time the employee’s rate of pay at the time of the incident; or (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 double time 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.

If a Supplement, Rider, or Addendum does not have a provision requiring notice to the steward when a supervisor works the following shall be incorporated: “In the event a supervisor does perform bargaining unit work, the Employer shall notify the appropriate shop steward as soon as possible.”

In the event that any individual supervisor is found to be in violation of the first paragraph of this Subsection three (3) times in any nine (9) month rolling period, the grievance shall be paid at ~~triple~~ quadruple time the employee’s rate of pay for the hours specified in the first paragraph of this subsection.

ARTICLE 4. STEWARDS

[No change]

ARTICLE 5. SANITARY CONDITIONS

[No change]

ARTICLE 6.

Section 1. Extra Contract Agreements

[No change]

Section 2. Workweek Reduction

[No change]

Section 3. New Equipment

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

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sixty (60) days after the date such equipment is put into use, the matter may shall be submitted to the National Grievance Committee for final disposition. Rates agreed upon or awarded shall be effective as of the date equipment is put to use

Section 4. Technological Change

1. Technological change shall be defined as any meaningful significant change in equipment or materials which results in a meaningful significant change in the work, wages, hours, or working conditions of any classification of employees in the bargaining unit or diminishes the number of workers in any classification of employees in the bargaining unit. Such changes could include, but are not limited to, the use of drones or driverless vehicles to transport, deliver or pick up packages, or platooning. During the term of this Agreement such changes shall not include the use of drones or driverless vehicles to transport, deliver or pick up packages, platooning or shifting but in the event the Employer desires to implement any change described in this sentence, it shall be required to notify the National Negotiating Committee six (6) months in advance of any such change and shall be required to bargain the effects of any such change. If no agreement is reached between the parties the matter shall be resolved under Article 8.

2. The Employer and the Union agree to establish a National Teamster/UPS Committee for Technological Change, consisting of an equal number of representatives from the Union and UPS. The Committee shall meet upon request, but not less than three (3) times per year, to review any planned proposed technological changes covered by this Section. As part of this meeting, the Committee shall discuss whether the planned technological change violates any provision of this Agreement. Further, the Employer will review any training required for bargaining unit employees to perform new or modified work generated as a result of the new technology or to utilize the new technology, as necessary.

3. The Employer will shall simultaneously advise the affected Local Unions and the National Teamster/UPS Committee for Technological Change of any proposed technological changes when the change has entered the field testing phase or at least six (6) months prior to the implementation of such change except where the change was later determined in which case the Employer shall provide as much notice as possible. In all cases, the Company will provide notice of any technological change covered by this Section before the technology is implemented. The Employer agrees that prior to any change, it shall notify the Package Division and the affected Local Union(s) in writing with the specific details and information then available and then meet jointly with them to inform them of the proposed changes and to resolve questions raised in connection with the effects of the proposed change. The information will be provided at least forty-five (45) days prior

to the meeting. During this joint meeting the Employer and the Union shall reduce to writing all agreed upon issues and both parties shall sign the written document in acknowledgement of such agreement. The parties shall also reduce to writing all unresolved issues, if any, and they shall be referred directly to the National Teamster/UPS Committee for Technological Change. This meeting shall be completed where practical at least forty-five (45) days prior to the implementation of the proposed change. The change may not be implemented until the forty-five (45) days' notice is provided and the meeting is completed unless the change is dictated by emergency conditions. The Union shall not unreasonably delay the scheduling or completion of the requested meeting. Any unresolved issues which have been reduced to writing, will be resolved pursuant to Article 8.

~~4. The Employer shall be required to provide the National Teamster/UPS Committee for Technological Change, any relevant information to the extent available regarding the technological changes.~~

~~5. The Employer will meet with the National Teamster/UPS Committee for Technological Change, promptly after notification to re-negotiate regarding the effects of the proposed technological changes.~~

~~The Technological Change Committee shall also have the right to raise and attempt to resolve any claim that the Company's technological change violates any provision of the National Master Agreement or the applicable Supplement, Rider or Addendum.~~

~~4. If a technological change creates new work that replaces, enhances or modifies bargaining unit work, bargaining unit employees will perform that new or modified work. The Employer shall provide bargaining unit employees with training required to utilize the new technology, if necessary.~~

~~6. In the event that the National Committee cannot reach agreement on the dispute, either party may refer all outstanding disputes to the National Grievance Committee for expedited resolution in accordance with the provisions of Article 8 in order to determine if the Employer has violated the provisions of this Section or if the change will result in a violation of any other provision of the collective bargaining agreement.~~

~~7.5. This Section shall supersede any Supplemental, Rider or Addendum provision on the same subject.~~

Section 5. Hourly Training

1. It is agreed that Teamster represented employees, on a voluntary basis, may train other employees. UPS reserves the right to choose to use or not to use Teamster represented trainers to fulfill its training needs.

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2. Trainers shall be paid a ~~fifty cents (\$.50)~~ **one dollar (\$1.00)** per hour training premium for each hour spent training.

3. Drivers training helpers, in accordance with Supplemental Agreements, and two (2) on the car rides for the purpose of route knowledge shall not be entitled to the training premium.

4. The parties shall establish a National Training Committee. The Committee shall be empowered to hear and resolve any disputes that may arise over these issues. Unresolved disputes will be subject to the National Master Grievance Committee.

5. Each Supplemental area shall meet and agree or continue existing agreements on the details of the application of this agreement in their area in accordance with Supplemental language. Other issues left for resolution at this level include, but are not limited to, the minimum qualifications for trainers, if any, the number of hours to be worked by the trainer, and the application of Supplemental language concerning compensation for work performed in higher classifications. Disputes shall be resolved in accordance with paragraph 34.

6. Trainer selection and assignments to on the job training will be done in accordance with supplemental seniority provisions, providing the trainers have the necessary qualifications and skills for the job.

7. The training records that a Teamster represented trainer can be required to complete for drivers, are those previously agreed to by the parties. If the Employer wishes to amend these forms, it will first meet and agree with the National Training Committee. Such agreement will not be unreasonably withheld. No training record or verbal report by the trainer will be relied upon to discipline any employee or to evaluate any seniority employee's performance.

8. If a trainer is removed from the qualified list by the Employer, that employee and the Local Union shall have access to the grievance procedure. If the Union establishes that the removal was not for just cause, the grievant shall be reinstated **and shall be entitled to any lost training premium the trainer would have earned.**

9. No trainer shall be required to train in any method which violates the Collective Bargaining Agreement.

10. Teamster represented trainers will not be permitted to ~~perform~~ **discipline an employee** or recommend disciplinary action.

11. Teamster represented trainers will not be required to make decisions or recommendations regarding the attainment of seniority, by their trainees. The decision as to whether a trainee attains seniority will be made solely by UPS management.

12. Employees to be retrained, after qualifying in their classification, and seniority employees scheduled for safety rides, may request that a non-bargaining unit employee perform that training, in lieu of a Teamster represented trainer. Such requests will be honored.

13. Trainers will not be held liable for auto accidents incurred by the trainee.

Section 6. Technology and Discipline

No ~~driver~~ **employee** shall be ~~discharged~~ **disciplined** based solely upon information received from GPS, telematics, or any successor system that similarly tracks or surveils ~~an driver's~~ **employee's** movements unless ~~he/she engages~~ **they engage** in dishonesty (defined for the purposes of this paragraph as any intentional act or omission by an employee where ~~he/she intends~~ **they intend** to defraud the Company). A driver's failure to accurately recall what is reflected by the technology shall not by itself be considered dishonesty. The Company must confirm by direct observation or other corroborating evidence any other violations warranting discharge. The degree of discipline dealing with off-area offenses shall not be changed because of the use of the above-mentioned systems.

No ~~driver~~ **employee** shall be issued a warning notice based solely upon the above-mentioned systems without first having a verbal counseling session on an identical infraction (e.g. two seat belt violations). Any such discipline shall also comply with applicable Supplemental disciplinary procedures and requirements.

Vehicles may not be equipped with inward-facing cameras. Forward-facing capability of cameras shall not be used for discipline. Further, there shall be no in-cab audio recording or videotaping. Any functionality included in driver-facing cameras (including their driver recording and monitoring functionality) will be disabled and rendered inoperable to prevent recording and monitoring of in-cab activities. Upon request, evidence of the disabled functionality of any driver-facing camera shall be provided to the Package Division. Driver-facing sensors will only be used for the purpose of triggering in-cab audible alerts related to distracted driving and for the purpose of identifying coaching/counseling opportunities related to the same during Integratd or the thirty (30) day driver qualification/probationary period. Driver-facing sensors will not be used for any purpose during any phase of a disciplinary process or be the sole basis for disqualifying a driver during the thirty (30) day period.

The Company acknowledges that there have been problems with the utilization of technology in the past. Therefore, at the request of the Union's Joint National Negotiating Committee Co-Chair a meeting will be scheduled with the Company Co-Chair to discuss any alleged misuse of technology for disciplinary purposes and what steps are necessary to remedy any misuse.

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ARTICLE 7. LOCAL AND AREA GRIEVANCE MACHINERY

[No change]

ARTICLE 8. NATIONAL GRIEVANCE PROCEDURE

Section 1.

All grievances and/or questions of interpretation arising under the provisions of this National Master Agreement shall be resolved in the following manner:

Deadlocked cases at an applicable first level grievance panel involving only National Master language ~~may~~ shall be submitted directly to the National Master Panel for decisions, unless mutually agreed otherwise by the Panel Co-Chairs. Those deadlocked cases which cannot be decided by a lower panel because of disagreement over the interpretation of National Master language may be submitted to the Master Panel for interpretation. Requests for interpretations with no factual case to be decided will be heard by the Master Panel by mutual agreement of the Co-Chairpersons. Interpretations rendered on factual cases by the National Grievance Committee will be sent back to the lower panel to be used to resolve the factual case.

The Committee shall be composed of an equal number of Employer and Union representatives. The National Grievance Committee shall meet upon call of the Chairman of either the Employer or Union representatives on the National Grievance Committee. The National Grievance Committee shall adopt rules of procedure which may include the reference of disputed matters to subcommittees for investigation and report with the final decision or approval, however, to be made by the National Grievance Committee. If the National Grievance Committee resolves any dispute by a majority vote of those present and voting, such decision shall be final and binding upon all parties.

When a case is docketed with the National Grievance Panel, a docketing fee will be applied as specified in the National Master UPS Agreement Rules of Procedure.

Section 2. Work Stoppages

[No change]

Section 3.

[No change]

Section 4.

[No change]

Section 5.

[No change]

Section 6.

[No change]

Section 7.

Deadlocked cases referred from the National Grievance Committee to binding arbitration pursuant to this Article, will be governed by the following procedures:

1. The arbitration process will be administered by the offices of the American Arbitration Association, as follows:

Somerset, NJ	Eastern, Central and Southern
Fresno, CA	Western

2. The current arbitrators will continue to serve, except as changed pursuant to paragraphs 4 and 7 below. Cases will be assigned to arbitrators on a rotating alphabetical basis within each Region based upon the order in which it was docketed at the National Grievance Committee.

3. The panels will consist of the following number of arbitrators who hear American Arbitration Association administered cases in each Region of the IBT:

Eastern	9
Central	3
Southern	3
Western	5 9

4. Either party shall have the right, with written notice by December 1 of any year, to require an exchange of lists of two (2) times the number of arbitrators to be assigned to each regional panel by January 1, and on January 15 will alternatively strike from the lists until the correct number of arbitrators is left for each panel. Unless the parties mutually agree otherwise, any arbitrator proposed by the Employer or Union must be a member of the National Academy of Arbitrators and reside within the geographical area covered by the panel. This provision can only be invoked by each party two (2) times during the life of this Agreement.

5. Each arbitrator shall offer one or more potential hearing date(s) within six (6) months of the assignment of the case by the AAA or within six (6) months of a cancellation by either party as outlined below. If the arbitrator fails to offer a timely date, or a timely rescheduled date after a cancellation, the case shall be reassigned to the next arbitrator to be assigned based on the rotating alphabetical list. If an arbitrator fails to offer a timely date on four (4) occasions in a twelve (12) month period, ~~he/she~~

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they shall be stricken from the panel of arbitrators at the written request of either party. The parties shall fill any vacancy pursuant to the procedures set forth in paragraph 4.

6. Once a case is assigned to an arbitrator it will remain with that arbitrator until it is concluded, except in the case of a reassignment specified in paragraph 5.

7. The parties may mutually agree in writing to remove any individual arbitrators from the panel at any time. Each party may unilaterally remove two (2) arbitrators during the month of June each year upon giving ten (10) calendar days' notice specifying the arbitrator to be removed. The other party shall have the right to remove two (2) arbitrators within ten (10) calendar days from receiving the notice. The parties shall, within forty-five (45) calendar days, exchange a list of arbitrators double the number of arbitrators stricken. The lists will be combined and struck fifteen (15) days later. This process shall also be used to fill vacancies that might occur for other reasons.

8. Except by mutual agreement arbitrations will be scheduled for 10:00 a.m. until at least 5:00 p.m.

9. There shall be no more than one (1) cancellation of arbitration dates by either party in the hearing of any single arbitration case, except as permitted by the arbitrator with good cause.

10. The parties shall share equally the American Arbitration Association's and the arbitrator's fees and expenses for the arbitration or settlement (including rental of the hearing room). The party requesting a cancellation will pay any cancellation fees.

11. The location of the arbitration will be determined by mutual agreement, taking into account the travel requirements of witnesses, counsel, and the arbitrator. In the event that the parties are unable to agree on the location, the arbitrator will decide. All hearings will be held at the American Arbitration Association offices unless the parties mutually agree on an alternate site.

12. Any or all of the foregoing may be modified in writing by mutual agreement of the parties at any time.

ARTICLE 9. PROTECTION OF RIGHTS

Section 1. Picket Line

[No change]

Section 2. Struck Goods

[No change]

Section 3.

[No change]

Section 4.

[No change]

Section 5. Grievances

[No change]

ARTICLE 10. LOSS AND DAMAGE

Section 1.

[No change]

Section 2.

[No change]

Section 3.

The Employer shall reimburse employees for loss of personal money or personal property in a holdup or vehicular accident while on duty up to a maximum of two hundred dollars (\$200.00) per employee, provided the employee promptly reports such holdup or vehicular accident to the Employer and the police, and cooperates in the investigation of such holdup or vehicular accident. Employees shall be paid for all time involved. However, reimbursement for cash loss shall be limited to one hundred dollars (\$100.00). **In addition, if employees experience theft or vandalism issues related to personal vehicles in designated employee-parking lots, the applicable Local Union may notify the District Labor Manager of the issues and request a meeting with Security to discuss specific concerns, as well as possible steps that can be taken to enhance security in the affected parking lot. In addition, if an employee whose personal vehicle was subject to theft or vandalism while parked in a designated Company parking lot provides immediate notice to the Company and obtains a police report, the Company will reimburse the employee up to five hundred dollars (\$500), to the extent the theft or vandalism is not covered by the employee's insurance.**

ARTICLE 11. WEEKEND WORK SCHEDULES

Effective upon ratification previously classified Article 22.4(b) drivers shall be reclassified to Regular Package Car Drivers (RPCDs), placed in seniority according to the applicable Supplement, Rider or Addendum and have their pay rate adjusted to Top Rate or applicable Article 41, Section 2.c. progression rate, effective August 1, 2023. Further, they will be covered by the Article 37 "9.5" provisions and "8 hour requests" as well as all other rights and benefits as an RPCD.

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The parties agree in those buildings where the Employer is currently utilizing or elects to utilize in the future, a six (6) day package delivery operation the following will apply:

Section 1. Process of Reclassifying

a. RPCD workweeks shall be Monday through Friday or Tuesday through Saturday. These two workweek schedules will be staffed in accordance with the applicable Supplement, Rider or Addendum except as follows:

(i) Drivers hired as a RPCD before August 1, 2019 shall not be forced to a Tuesday-Saturday workweek but shall be allowed to bid such workweek according to the applicable Supplement, Rider or Addendum.

(ii) Drivers hired as a RPCD after August 1, 2019 may bid either a Monday-Friday or Tuesday-Saturday workweek as may be determined in the applicable Supplement, Rider or Addendum.

(iii) Previously classified Article 22.4(b) drivers shall remain on a Tuesday-Saturday workweek unless the number of necessary Tuesday-Saturday workweek schedules can be covered by RPCDs described in Paragraphs (i) or (ii) above.

(iv) If the number of Tuesday-Saturday workweek schedules cannot be covered by the drivers in Paragraphs (ii) or (iii), the Company may assign the open Tuesday-Saturday workweek schedule(s) to the junior RPCD hired after August 1, 2019 according to the applicable Supplement, Rider or Addendum.

(v) In any buildings without sufficient staffing to handle Saturday delivery needs after the process set forth above, the Local Union and the Company will meet and resolve on a local basis. If not resolved within sixty (60) days of ratification, the matter may be referred to the Co-Chairs of the National Negotiating Committee or their designees for resolution.

b. No RPCD shall be forced to work any day outside of their regular scheduled workweek. RPCDs who currently qualify for 9.5 rights shall not have their rights affected due to the reclassification of 22.4s.

Section 2. Recognizing that the Employer currently only utilizes five (5) day delivery operations in some locations, at least forty-five (45) days advance written notice shall be provided to the affected Local Union(s) prior to transitioning to a six (6) day delivery operation following ratification.

ARTICLE 12. POLYGRAPH/TIMECLOCKS

No applicant for employment and no employee will be required to take any form of a lie detector test as a condition of employment.

Upon request, an employee or the Union may inspect the record of an employee's time recorded on the DIAD or other device for previous days' work. An employee will be permitted to examine the operation record for the current pay period for the purpose of ascertaining ~~his/her~~ **their** hours worked. If an employee has an issue with ~~his/her~~ **their** hours worked for a particular day, the Employer will provide the employee, upon request, with a ~~print out~~ **printout** of ~~his/her~~ **their** hours worked.

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

Employees will not be responsible for any work performed by another employee using any electronic device under their name.

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

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

By January 1, 2026 the Employer shall implement an employee accessible payroll system that provides access to start and finish times, pay codes, pay amounts and scheduled time off. This system will also provide the time, date and the nature of any alterations made by any member of management. The information in the system shall be updated on, at least, a daily basis.

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

ARTICLE 13. PASSENGERS

[No change]

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ARTICLE 14. COMPENSATION CLAIMS

Section 1.

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

The Employer agrees to cooperate and make a reasonable effort to provide the disposition of employee on-the-job injury claims within ten (10) business days. No employee will be disciplined or threatened with discipline or retaliated against as a result of filing an on-the-job injury report. The Employer or its designee shall not visit an injured worker at ~~his/her~~ **their** home.

The Employer shall provide the Union Co-chair of the National Safety and Health Committee with current summaries of the essential functions of all positions covered by this Agreement. The Union shall have the right to challenge any such summary through the applicable grievance procedure. Any employee who is adversely affected by any such summary shall have the right to challenge such summary through the applicable grievance procedure.

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

The Employer shall provide Worker's Compensation protection for all employees even though not required by state law or the equivalent thereof if the injury arose out of or in the course of employment.

An employee who is injured on the job, and is sent home, or to a hospital, or who must obtain medical attention, shall receive pay at the applicable hourly rate for the balance of ~~his/her~~ **their** regular shift on that day. Upon receiving an employee's timely report of injury, the Employer shall not pressure an employee to continue to work, nor shall the Employer interfere with an employee seeking medical attention. When, because of such pressure, an employee spends time in a clinic after ~~his or her~~ **their** normal finish time, the time spent shall be the subject of a pay claim through the grievance procedure.

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

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

An employee that has a change in ~~his/her~~ **their** medical duty status shall report that change to the Employer.

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

Section 2. Temporary Alternate Work

[No change]

Section 3. Permanently Disabled Employees

[No change]

Section 3.1

[No change]

ARTICLE 15. MILITARY CLAUSE

Section 1. USERRA Rights

[No change]

Section 2. Vacation Restoration

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

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

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

For the next contractual vacation period, the employee shall be credited with the vacation ~~he~~ **they** would have accrued while ~~he~~ **was they were** on military leave. In no event shall the employee have less than ~~he is~~ **they are** entitled to based on total years of service under the applicable Supplement.

Any time off provided by a Supplement, Rider or Addendum other than vacation (e.g. option weeks or sick days) similarly shall continue to accrue while on approved military leave and will be restored on a pro-rata basis in the same manner as vacation for eligible employees, depending on the quarter in which the employee returns to work. Any fractional day will rounded up to the next whole number.

The treatment of unused vacation and the scheduling of the vacation, **as well as the treatment and scheduling of time off other than vacation,** shall be in accordance with the applicable Supplemental **Supplement,** Rider or Addendum.

Section 3. Notification of Leave

[No change]

Section 4. Spousal Transfer Rights

[No change]

ARTICLE 16. LEAVE OF ABSENCE

Section 1.

[No change]

Section 2.

[No change]

Section 3. Loss of License

Section 3.1 Leave of Absence

[No change]

Section 3.2 Alternate Work (Other than Alcohol/Controlled Substance)

[No change]

Section 3.3 Alternative Work (Alcohol/Controlled Substance)

When an employee, in any job classification requiring driving, has lost ~~his/her~~ **their** license for driving under the influence of alcohol or a controlled substance ~~he/she~~ **they** will be offered available inside work of one (1) full-time or two (2) part-time openings, not to exceed two (2) years provided that the employee is assessed by a Substance Abuse Professional (SAP) and is released to return to work by the SAP. The SAP shall establish the terms upon which the employee may return to work. The employee must also enter a rehabilitation program, if required by the SAP, within one (1) month of the SAP's assessment. The employee shall be returned to driving once ~~he/she~~ **they** successfully ~~completes~~ **complete** the rehabilitation program, provided ~~his/her~~ **their** driving privileges have been restored. The employee shall receive the appropriate rate of pay for the job performed based on ~~his/her~~ **their** seniority. Coverage for benefits shall continue for the length of the leave of absence or for the job duration, up to two (2) years.

Any driver cited for Driving Under the Influence who does not have ~~his/her~~ **their** license suspended, or who has limited driving privileges, shall be assessed by a SAP within five (5) working days of the citation. If the SAP determines the driver does not require rehabilitation, then ~~he/she~~ **they** shall be allowed to return to driving. Until the assessment is completed, the driver shall be allowed to work at ~~his~~ **their** hourly wage and guarantee. If rehabilitation is required, the above paragraph shall also be applicable. The right to rehabilitation provided in Article 35, Section 4.11 shall not be applicable to a driver who completes a rehabilitation program under this paragraph, unless, as a result of the DUI citation, the driver is convicted or loses ~~his/her~~ **their** license for driving. **If a citation later results in a non-conviction, the SAP will determine whether the employee needs to complete or immediately be released from the rehabilitation and/or aftercare treatment program.**

This Section does not apply to the employee that has lost ~~his/her~~ **their** license for being disqualified for testing positive for controlled substances.

Section 3.4 CDL Qualification

[No change]

Section 4. Maternity and Paternity Leave

It is understood that maternity leave for ~~female~~ employees shall be granted with no loss of seniority for such period of time as ~~her~~ **their** doctor shall determine that ~~she is~~ **they are** physically or

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mentally unable to return to ~~her~~ **their** normal duties and maternity leave must comply with applicable state and federal laws.

The Employer shall provide a place, other than a bathroom, that is shielded from view and free from intrusion from coworkers and the public, which may be used by an employee to express breast milk. A reasonable break time for an employee to express breast milk for such employee's nursing child shall be considered hours worked if the employee is not completely relieved from duty during the entirety of such break.

A light duty request, certified in writing by a physician, shall be granted in compliance with state or federal laws, if applicable. Light duty requests shall also be made through the Employer's "Light Duty for Pregnant Workers" program.

Paternity leave shall be granted in accordance with Section 6 of this Article with the exception of employees not able to meet the qualifications set out in Section 6, who shall be granted leave not to exceed one (1) week.

Notwithstanding any provision to the contrary in any Supplement, Rider, or Addenda, an employee shall be allowed to designate in any vacation year paid time off up to twenty (20) days, to be used in the next vacation year, in accordance with this paragraph. Any paid time off that is provided on a weekly basis can only be banked in weekly increments. The accrued paid time off may be used in the next vacation year to cover any period of time that (1) the employee is determined to be unable to perform ~~her~~ **their** job due to pregnancy (for the father, time off is requested due to the birth) and (2) is not covered by the FMLA, existing disability plans or other paid time off. If the accrued time off is not used in that year, it will be paid to the employee within two (2) weeks of the request. If the vacation is not used as part of the leave, and it would have originally been taken in that vacation year, the employee shall also have the option of rescheduling the unused vacation as time off in accordance with local practice.

Section 5. Rehabilitation Program—Leave of Absence

[No change]

Section 6. Family and Medical Leave Act (FMLA)

All employees who have worked for the Company for a minimum of twelve (12) months and worked at least 1250 hours during the past twelve (12) months are eligible for unpaid leave as set forth in the Family and Medical Leave Act of 1993.

Additionally, any employee not covered above, that has worked for the Company for a minimum of thirty-six (36) months and accrued at least 625 paid hours during the past twelve (12) months is eligible for unpaid leave as set forth below, except that the

amount of leave allowed will be computed at one half (1/2) of the time provided by the FMLA.

Eligible employees are entitled up to a total of 12/6 weeks of unpaid leave during any twelve (12) month period for the following reasons:

1. Birth of a child;
2. Adoption or placement for foster care;
3. To care for a spouse, child, or parent of the employee due to a serious health condition;
4. A serious health condition of the employee.

The employee's seniority rights shall continue as if the employee had not taken leave under this section, and the Employer will maintain health insurance coverage during the period of the leave.

The Employer may require the employee to substitute accrued paid vacation or other paid leave for part of the 12/6 week leave period. **Employees shall be allowed to retain up to two (2) weeks of accrued paid vacation that will not be substituted for part of the 12/6 week leave period.**

The employee is required to provide the Employer with at least thirty (30) days advance notice before FMLA leave begins if the need for leave is foreseeable. If the leave is not foreseeable, the employee is required to give notice as soon as practicable. The Employer has the right to require medical certification of a need for leave under this Act. In addition, the Employer has the right to require a second (2nd) opinion at the Employer's expense.

The provisions of this section are in response to the Federal Act and shall not supersede any state or local law, which provides for greater employee rights.

Section 7. Disability

[No change]

ARTICLE 17. PAID FOR TIME

All employees covered by this Agreement shall be paid for all time spent in service of the Employer. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work and registers in and until the employee is effectively released from duty. All time lost due to delays as a result of overloads or certificate violations involving federal, state or city regulations, which occur through no fault of the driver, shall be paid for by the Employer.

The Employer will not allow employees to work prior to their start time without appropriate compensation.

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Wages for ~~properly~~ selected vacations, in all instances, will be paid to the employees no later than the workday prior to their vacation. If the employee does not receive ~~his/her~~ **their** vacation check, the Employer will make all reasonable efforts to provide the check the following day including delivery by Saturday or Next Day Air. If the employee requests to see ~~his~~ **their** vacation check on the Monday as permitted below and the Employer fails to make the vacation payment available by Saturday following the employee's regular scheduled pay day, the employee shall be paid an additional amount equal to one-half (1/2) of ~~his or her~~ **their** daily guarantee at ~~his or her~~ **their** regular hourly rate of pay for every subsequent pay period until the shortage is corrected. Other shortages involving more than fifty (\$50.00) dollars for full-time employees, and twenty-five (\$25.00) dollars for part-time employees, will be corrected and the payment will be made available to the employee at ~~his/her~~ **their** reporting location on ~~his/her~~ **their** second scheduled workday after reporting the shortage. If the Employer fails to make the payment available on the **a full-time** employee's second scheduled workday and the shortage was the result of the Employer's error, the **full-time** employee will be paid an additional amount equal to one-half (1/2) of ~~his/her~~ **their** daily guarantee at ~~his/her~~ **their** regular hourly rate for every full pay period in which the shortage is not paid after the second (2nd) scheduled work day, until corrected. **If the payroll error for a full-time employee is not corrected within two (2) pay periods, the payroll error penalty described above shall be increased to the full-time employee's full daily guarantee.**

If the payroll error involves a part-time employee, the penalty paid for shortages described above which are not paid on the second (2nd) scheduled work day shall be equal to four (4) hours times the part-time employee's regular hourly rate. The four (4) hour payroll error penalty for a part-time employee shall continue to be paid for every full pay period in which the shortage is not corrected.

Within thirty (30) days of the implementation of the Employer's new payroll processing system, but no later than January 1, 2026, the following shall apply: The payroll error penalty described above for full-time employees shall be increased to the employee's full daily guarantee for every full pay period in which the shortage is not paid after the second (2nd) scheduled work day, until corrected. For part-time employees, the payroll error penalty shall remain at four (4) hours pay. If the payroll error is not corrected for a part-time employee within two (2) pay periods, the penalty shall be increased to five (5) hours.

Errors of less than fifty (\$50.00) dollars for full-time employees or twenty-five (\$25.00) dollars for part-time employees and overages will be corrected in the following weekly paycheck. The Union and Employer shall have the authority at any level of the

grievance procedure to award a penalty up to the amount specified in the prior paragraph for any violation of the provision.

If an employee works in different classifications during a shift that are paid at different rates, the different hours and rates shall be available for review electronically by an employee on a Company maintained website. Any grievance payments included on a paycheck will also be available for review by affected employees electronically with the applicable identifying grievance number on a website maintained by the Employer. Nothing in this paragraph is intended to eliminate any local practices regarding availability of data regarding grievance settlements.

Any grievance settlement not paid within ten (10) working days of the settlement shall entitle the grievant(s) to a penalty payment as outlined above. The ten (10) working day period shall begin to run when the **management Labor Department** representative agrees to the settlement, ~~or is notified by the Union or management team of the settlement.~~ The Employer shall pay a maximum of one penalty payment for a multi-grievant grievance, which shall be subject to the additional penalties set forth above for untimely payment, until corrected.

When an employee notifies the Employer in writing of any ongoing overpayment, the employee's ~~increasing~~ liability will cease five (5) working days after the date of the written notification. The notification shall be provided to the employee's immediate supervisor or manager.

All employees must receive their vacation pay in a separate check before taking vacation. Vacation checks for an employee, who is taking a ~~properly~~ scheduled vacation in accordance with the applicable Supplement, Rider or Addendum, will be at the operating center on Monday of the week prior to the employee's vacation week(s). This is to ensure that the employee receives ~~his/her~~ **their** pay prior to taking ~~his/her~~ **their** vacation. The employee will be shown ~~his/her~~ **their** check upon request, but will not receive the check until the regular scheduled pay day.

All green checks will be taxed at the employee's regular withholding tax rate.

Paycheck stubs will show the year-to-date vacation, sick and personal leave balances.

ARTICLE 18. SAFETY AND HEALTH EQUIPMENT, ACCIDENTS AND REPORTS

Preamble

[No change]

Section 1. Employees' Rights—Equipment, Vehicles and Conditions

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[No change]

Section 2. Out of Service Equipment and Vehicle Reports

[No change]

Section 3. Accidents and Reports

[No change]

Section 4. Seats

[No change]

Section 5. Sun Visors

[No change]

Section 6. Building Heat

[No change]

Section 6.1 Indoor Air Pollution

[No change]

Section 7. Trailer Configuration

The Employer will make every effort to have the heaviest loaded trailer as the lead trailer. If the percent of load in one (1) trailer exceeds the other by twenty-five percent (25%) or more, such trailer shall be the lead trailer, except when state or federal regulations require otherwise. However, if the driver feels the percentage exceeds twenty-five percent (25%) in the rear trailer or the unit does not handle properly, ~~he/she~~ they may contact management and will be authorized to switch the unit and be paid for such time. If there is a dispute over the load(s) the Company will remove the seal(s) to confirm the percentage(s) while on UPS property. Air Container loads are excluded.

Section 8. Radios

[No change]

Section 8.1 Distracted Drivers

[No change]

Section 8.2 Non-Driving Employees

The use of handheld devices by non-driving employees will be allowed with the approval of the Employer. in accordance with the facility's current security practice.

Section 9. Tires

[No change]

Section 10. Shocks

[No change]

Section 11. Mirrors

All vehicles shall be equipped with regular mirrors and a convex mirror.

New feeder road equipment shall be equipped with heated mirrors. Any feeder road equipment not presently equipped shall be equipped with heated ~~mirrors~~ mirrors when the mirrors require replacement.

The Employer shall continue to install and maintain the agreed to camera monitor backing system devices in all package cars for the furtherance of safety while backing. If technological advances would allow a more effective system or enhancements in the current system, the Employer shall meet with the Union to discuss and review any potential changes. Where available, the Employer will lease or rent vehicles with camera monitor backing system devices or a cross view back up mirror.

Upon request, cab-over tractors with a lower window on the right side door will be equipped with a convex mirror on the door.

Section 12. Dollies

[No change]

Section 13. Exhaust System

All new diesel tractors added to the fleet after January 1, 1994, shall be equipped with a vertical exhaust stack. ~~Recognizing the advances made in the reduction of diesel emissions, the chairmen of the National UPS/IBT Safety and Health Committee shall meet to discuss a pilot program involving alternative tractor exhaust systems. Recognizing the advances made in the reduction of diesel emissions, the Company may introduce alternate exhaust systems in all new tractors acquired after January 1, 2024.~~ Package car exhaust systems, when replaced, shall exit to the side of the vehicle.

Section 14. Package Cars And Other Vehicles

All new package cars, P-32 and larger, added to the fleet shall be equipped with package compartment venting. Upon ratification of this Agreement, the Climatic Conditions Committee shall meet to evaluate and, if needed, recommend appropriate method(s) for venting the package compartments. The installation of cab ~~com~~ compartment fans will be determined by individual districts. P-

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200 through P-470 vans purchased after January 1, 2024 shall be equipped with in-cab air conditioning systems. In addition, pushbacks and fuel trucks purchased after January 1, 2024 shall be equipped with in-cab air conditioning. All new package cars, P-500 and larger, shifting units, and twenty-four (24) foot box vans purchased after January 1, 2024 shall be equipped with in-cab air conditioning systems. All air conditioning systems will be repaired as needed. A single fan will be installed in the cab of every existing package car, P-500 and larger, no later than thirty (30) days following ratification of this Agreement. A second fan will be installed in the cab of every existing package car, P-500 to P-1200, by no later than June 1, 2024.

In order to expedite the replacement of existing vehicles with new vehicles equipped with air conditioning, the Employer shall make reasonable efforts to prioritize the allocation of package cars purchased after January 1, 2024 to Zone 1 until such time as all package cars in Zone 1 are equipped with air conditioning. The Company then shall use reasonable efforts to prioritize Zone 2 and then Zone 3. The allocation of package cars may take into account factors that include, but are not limited to, state emissions and efficiency standards, existing vehicle retirement schedules, and business growth levels. The Employer may, if it so desires, redistribute displaced vehicles for use in other Zones until such time as they are replaced by new vehicles equipped with air conditioning.

All new non-electric package cars and vans that are model year 2023 and later shall be delivered with factory installed exhaust heat shields. P-500 to P-1200 package cars model year 2023 and later also shall be equipped with air induction vents for the package compartment. With eighteen (18) months following ratification of this Agreement, all non-electric package cars P-500 and larger shall be retrofitted with exhaust heat shields. Within eighteen (18) months following ratification of this Agreement, package cars P-500 to P-1200 shall be retrofitted with an air induction vent scoop.

Within ten (10) days of ratification of this Agreement, an IBT/UPS Package Car Heat Committee will be created, consisting of three (3) individuals appointed by the Union and three (3) individuals appointed by the Employer, and shall meet to begin discussing appropriate methods for venting and insulating the package car cargo compartments. The Committee also shall identify potential venting and insulation solutions for evaluation and field testing, including, but not limited to, the installation of an insulation product on the floor of package car cargo compartments. By October 1, 2024, the Committee shall issue its determination as to an additional appropriate venting and/or insulation solution(s) to reduce the temperature in package car cargo compartments. Should the Committee be unable to agree by that date, the matter shall immediately be referred to the

Union and Employer Chairs of the National Negotiating Committee for resolution. If they are unable to reach agreement, the matter shall be resolved pursuant to Article 8, Section 6.

All requests for door handle shields coverings will be complied with in a timely manner.

When requested, package cars larger than a P-32 will have grab handles located on the curb side of the package car and mounted on the inside, and will be equipped with mounting brackets to secure hand carts. The Employer will make every effort to require all new package car designs to have lower cab entry steps. All new package cars shall be equipped with step tread plates on both the driver and passenger sides. All package cars added to the fleet prior to January 1, 2009, shall have traction tape installed on the floor upon request.

Gear shift extensions shall be addressed on a case-by-case basis. All new package cars placed into service shall be equipped with power steering.

The Employer will replace at least 28,000 package cars and vans during the life of this Agreement, at a rate no less than the percent replaced over the duration of the prior contract that expired July 31, 2018. The Union will be notified if the Employer cannot meet this schedule because of volume downturns.

A package car will be equipped with a hand cart at the driver's request.

Section 14.1 Driver Safety and Security

[No change]

Section 15. Heaters and Defrosters

[No change]

Section 16. Noise Abatement

All new package cars and feeders, will be ordered to comply with Federal Motor Carrier Safety Regulations (FMCSR), regarding in cab noise levels.

Occupational noise assessment shall be conducted to evaluate employee noise exposure in all new or retrofitted automated facilities.

Section 17. Vehicle Integrity

[No change]

Section 18. Vehicle and Personal Safety Equipment

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All automotive vehicles shall be equipped with a manufacturer certified seat belt restraint system. Jump seats shall be equipped with a safety belt. Three-point shoulder harness safety belts shall be provided on the driver's side of all new vehicles, and on the jump seat for all new P-32 through P-120 vehicles and all new 24-foot vans. It shall be required that the driver's seat belt and the jump seat safety belt be worn at all times when the vehicle is moving. Feeder tractor door locks, where provided as original equipment, shall be maintained in working order.

Golf cart usage will comply with applicable federal, state and local regulations.

Within one-hundred and twenty (120) days of ratification of this Agreement, the IBT/UPS National Safety and Health Committee shall meet to create an educational program and develop a solution for preventing dog bites.

Section 19. Qualification on Equipment

[No change]

Section 19.1. Clerical Areas

[No change]

Section 20. National UPS/IBT Safety and Health Committee

Section 20.1 National UPS/IBT Safety and Health Committee—Safety, Health and Equipment Issues

[No change]

Section 20.2—National UPS/IBT Safety and Health Grievance Committee

[No change]

Section 20.3 Climatic Conditions Committee

[No change]

Section 20.4 Safety and Health Committees

[No change]

Section 21. Hazardous Materials Handling Program

[No change]

Section 22. Incompatible Package Handling

The Employer agrees that all irregular or incompatible packages such as bars, buckets, exposed metal parts, tire rims, etc., shall be given special handling in accordance with UPS handling methods

and local conditions. **Under no circumstances shall irregular, incompatible, or over 70lb packages be comingled with regular packages on a moving belt or slide.**

Section 23. Union Liability

[No change]

Section 24. Egress

The Employer **and Union** shall monitor conditions in and around all work areas including but not limited to sort aisles and areas where vehicles are loaded or unloaded to ensure that temporary impediments created by placed or fallen packages are minimized. The Employer shall not permit packages, materials, or equipment to be placed permanently or temporarily within the 28in wide exit access in front of an exit door or at the top or bottom of a stairway that is part of an exit access point.

Section 25. Building Security

[No change]

Section 26. Recording Devices

[No change]

Section 27. Heat-related Injury and Illness Prevention

The employer shall establish and implement a heat illness prevention plan. The plan shall be made available for viewing by employees and the Union. Employees shall be trained on the contents of the Employer's heat illness prevention plan.

The Employer shall monitor environmental conditions as close to the individual worksite as possible, including a daily check of the US National Weather Service or use of the OSHA.gov or similar source of temperature data.

The Employer shall:

- 1. Provide each building with an adequate amount of potable drinking water sufficient for the number of employees working on each shift.**
- 2. Provide, on a one-time basis, to each regular package car driver a one-gallon durable insulated container, who has not received an insulated water jug from the Company.**
- 3. Provide each building with an adequate number of ice machines sufficient for the number of employees working on each shift, which are maintained in good working order, clean, and in sanitary condition or have ice delivered and available.**
- 4. Train employees to report heat-related symptoms and request emergency assistance.**

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5. Designate one or more employees in each building per shift, who are dedicated to heat-related injury and illness prevention and who are authorized to call for emergency medical services. Other employees shall be able to call for emergency services when no designated employee is available.
6. Provide a graduated workload to new Employees for purposes of acclimatization for the first five (5) to seven (7) working days and monitor for signs and symptoms of heat injury and illness.
7. Install additional (minimum of 18,000) fans to improve air circulation throughout the buildings during the 2023-2028 CBA.
8. Install additional (minimum of 2,500) water fountains throughout the buildings during the 2023-2028 CBA.
9. Allow overhead doors to be opened, where security and weather conditions allow, to induce cross ventilation.
10. Monitor employees for heat-related illness and injury.
11. Communicate heat related injury and illness events during the pre-shift communication (PCM) meetings to review prevention steps.
12. Identify areas that can be used for shade or cool zones.
13. Employees shall be allowed to follow best practices as outlined in the employer's heat stress training.

ARTICLE 19. POSTING

[No change]

ARTICLE 20. EXAMINATION AND IDENTIFICATION FEES

Section 1. Required Examination

[No change]

Section 2. Return to Work Examination

[No change]

Section 3. Third Doctor Procedure

[No change]

Section 4. Disqualified Driver—Alternative Work

[No change]

Section 5. Identification

Should the Employer find it necessary to require employees to carry or record full personal identification, such requirements shall be complied with by the employees. The cost of such personal identification shall be borne by the Employer. Employees, other than applicants, shall be paid up to two (2) hours at their current straight time hourly rate of pay for their time in the process of obtaining an airport badge. This includes obtaining the initial badge and any recertification badge. Provisions in Supplements, Riders or Addenda that are superior shall prevail.

All management personnel shall wear an ID badge or nametag identifying them as supervision while on duty and shall provide their name upon request.

ARTICLE 21. UNION ACTIVITY

[No change]

ARTICLE 22. FULL-TIME COMBINATION AND PART-TIME EMPLOYEES

Section 1.

[No change]

Section 2.

[No change]

Section 3.

The parties agree that providing part-time employees the opportunity to become full-time employees is a priority of this Agreement. Accordingly, the Employer commits that during the life of this Agreement, it will offer part-time employees the opportunity to fill at least twenty-~~two~~ **two thousand five hundred (22,500)** ~~(20,000)~~ permanent full-time job openings throughout its operations covered by this Agreement.

This commitment shall include the obligation to create at least ~~seventy-five hundred (7500)~~ ~~five thousand (5000)~~ **seventy-five hundred (7500)** new full-time jobs from existing part-time jobs during the last ~~three~~ ~~four~~ **three** years of this Agreement throughout its operations covered by this Agreement; **one thousand (1000) in the third year of the contract; three thousand (3000) in the fourth year; and thirty-five hundred (3500) in the fifth year of this Agreement.** ~~five hundred (500) in the second contract year and fifteen hundred (1500) in each of the last three years of this Agreement.~~ In creating these jobs, the Company shall be allowed up to one and one half (1.5) hour gap between jobs in a workday notwithstanding any provision in any Supplement, Rider or Addendum that is more limiting. Any disagreements will be referred to the Chairs of the National Negotiating Committee for resolution.

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The number of full-time jobs created under Article 22, Section 3 of the 1997-2002, the 2002-2008, and the 2013-2018 and the 2018-2023 Agreements shall not be reduced. Within sixty (60) days of the ratification of this Agreement the Employer shall provide the International Teamsters Union a report detailing and identifying the full-time jobs which will need to be maintained pursuant to this paragraph.

Section 4.

Section 4. (a)

Part-time employees shall be given the opportunity to fill full-time jobs before hiring from the outside on a six-for-one basis (six (6) part-time to every one (1) outside hire).

The following will be incorporated into the job selection procedures in the applicable Supplement, Rider or Addendum:

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

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

Part-time employees with less than six (6) months seniority shall have the right to bid a preferred job prior to the Employer hiring from off-the-street.

A maximum of twenty-five percent (25%) of the employees on a shift shall be allowed to change shifts in any one (1) calendar year. The employee obtaining the new position shall remain on that shift for at least six (6) months.

Section 4. (b). Full Time Combination Drivers

All existing regular full-time package car drivers (RPCD) shall be considered RPCD drivers for the purpose of this Section. The Union and Company commit to protect existing RPCDs from being scheduled or forced to perform weekend delivery work and increasing the number of full-time opportunities for part-time employees. To achieve these objectives, the Company may create full-time 22.4 combination driving jobs. Such jobs may include inside work. In the event the Company utilizes this classification, the following shall apply only to those buildings that include Saturday or Sunday delivery.

1. The number of RPCDs working a Monday through Friday schedule in each building, shall be verified and agreed to by each

Local Union and the Company Labor Representative, as of August 1, 2018 and shall be protected jobs. "Protected jobs" shall include RPCDs that will continue to be replaced by employees covered under Article 41, Section 2. In the event the Company does not begin Saturday or Sunday delivery at a building until after August 1, 2018, the number of RPCD jobs in existence at the time of implementation shall be included as "protected jobs." A copy of the verification shall be given to the Package Division and to Corporate Labor. Any disputes shall be determined no later than the October 2018 National Grievance Panel by the Director of the IBT Package Division and the President of Corporate Labor or their designee(s).

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

Those RPCDs currently working Tuesday through Saturday shall be red circled by name and shall continue to be covered under Article 41, Section 2.

2. It is the commitment of the parties that RPCDs work a Monday through Friday schedule. To that end the parties agree that all RPCDs currently working a Tuesday through Saturday schedule will transition to a Monday through Friday schedule as soon as practicable, within eighteen (18) months of ratification. The Company shall have an additional six (6) months for drivers hired directly into a Tuesday through Saturday schedule.

3. The number of protected RPCD jobs in each building as outlined in this Article 22.4 (1) above, shall be guaranteed from replacement by 22.4 combination drivers or from any part-time drivers as allowed by any Supplement, Rider or Addendum. In the event a protected job moves to another building or jurisdiction as a result of a change of operations or otherwise, the protected status shall follow the job. The number of 22.4 combination drivers shall not exceed twenty-five (25%) of the total number of RPCDs in the building. If the amount of regular Saturday or Sunday volume in a building consistently requires RPCD drivers to work Saturday or Sunday because of the twenty-five percent (25%) limit, the Package Division Director and UPS President of Labor Relations shall be allowed to adjust the limit based on demonstrated service need.

4. No RPCD shall be laid off or displaced from the classification while 22.4 combination drivers are working in the building.

5. All 22.4 combination drivers shall be guaranteed eight (8) consecutive hours of straight time pay per day, if reporting as scheduled. All 22.4 combination drivers shall work a five (5) consecutive day schedule of Tuesday through Saturday or Wednesday through Sunday. This paragraph shall supersede any Supplement, Rider, or Addendum on the same subject.

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6. When the new job includes inside work, the Company shall be entitled to establish up to a one and one-half hour (1.5) gap, to include the meal period, between jobs in a workday. All other working conditions not set forth herein, including, but not limited to, the work available for combination with driving, bidding procedures, holidays, vacations, etc. shall be set forth in the Supplements, Riders and Addenda.

7. 22.4 Combination drivers shall be paid in accordance with Article 41.4.

8. In the event the Company needs additional staffing to cover Saturday or Sunday ground deliveries, such work shall first be offered to RPCDs as set forth above, then to Article 22.4 combination drivers on their scheduled off day, then to part time utility/cover/casual employees as permitted in the Supplement, Rider or Addendum. If sufficient volunteers are not obtained, the Company may force in reverse order in accordance with the applicable Supplement, Rider or Addendum.

9. No 22.4 combination driver shall be required to complete more than one (1) qualification period or progression. Any 22.4 combination driver in progression who successfully bids any other full time position shall slot in at the appropriate rate for the classification.

10. In the event a protected RPCD position becomes available, it shall be filled in accordance with the Supplement, Rider or Addendum, provided, however that no RPCD position shall be filled by an outside hire unless the job remains unfilled after exhaustion of the applicable bidding procedure.

11. Newly created 22.4 combination driver positions shall count toward the newly created 22.3 jobs required by this Agreement.

12. Article 37, Section 1 (b) and (c) shall not apply to 22.4 combination drivers. In those buildings in which the Company creates 22.4 combination jobs to cover weekend deliveries, Article 37 Section 1 (c) 9.5 protections shall apply to all seniority RPCDs regardless of the route they hold or number of years of seniority.

Sections 5. Wages

(a) Part time Employees

(1) All part-time employees who have attained seniority as of August 1, 2023~~18~~ will receive the following general wage increases for each contract year. ~~but will in no case receive less than the hourly start rate specified on August 1st 2018-2022 as set forth in b. below.~~ The total wage increase for each year will be as follows:

2018 — seventy cents (\$0.70)

2019 — seventy five (\$0.75)
2020 — eighty cents (\$0.80)
2021 — ninety cents (\$0.90)
2022 — one dollar (\$1.00)

2023 two dollars and seventy-five (\$2.75)
2024 seventy-five cents (\$0.75)
2025 seventy-five cents (\$0.75)
2026 one dollar (\$1.00)
2027 two dollars and twenty-five cents (\$2.25)

(2) Any seniority part-time employee below twenty-one dollars (\$21.00) after the application of the general wage increase shall be raised to the minimum of twenty-one dollars (\$21.00) and shall thereafter be eligible for the above general wage increases and the one-time longevity increase below.

(3) After application of the GWI and the minimum twenty-one dollar (\$21.00) rate, the following one-time longevity increases shall become a part of the applicable employee's base wage rate, based on their original hire date:

Five (5) up to ten (10) years of service (YOS)-fifty cents (\$0.50) per hour
Ten (10) up to fifteen (15) YOS—one dollar (\$1.00) per hour
Over fifteen (15) YOS—one dollar and fifty cents (\$1.50) per hour.

The applicable longevity increase will be applied for each eligible employee on August 1, 2023.

For example, if an employee's date of hire is August 1, 2002, effective August 1, 2023 the employee will receive the two dollar and seventy-five cent (\$2.75) general wage increase and the one dollar and fifty cent (\$1.50) per hour longevity wage increase based on the accrued twenty-two (22) years of service.

(b) Newly hired part-time employees

In recognition of the fact that all of the Company's part-time jobs require skills and to eliminate the two (2) tier progression existing in prior contracts, the parties have agreed to establish one uniform hourly rate for part-time employees who would have been subject to a progression. As such, ~~a~~All part-time employees, who are hired or reach seniority after August 1, 2023~~18~~ will be paid according to the following progression wage schedules:

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

Start \$21.00
Twelve (12) months \$21.50
Twenty-four (24) months \$22.00

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<u>Thirty-six (36) months</u>	<u>\$22.50</u>
<u>Forty-eight (48) months</u>	<u>\$23.00</u>

The start rate for part-time employees hired after August 1, 2027 shall be increased to twenty-three dollars (\$23.00). Employees already in progression shall be raised to twenty-three dollars (\$23.00) on August 1, 2027.

(c) The wage rates and increases provided in (a) and (b) shall be a minimum.

(d) All part-time employees governed by this Article shall be provided a minimum daily three and one-half (3-1/2) hour guarantee.

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

Section 6. Part-Time Employee Transfer

Part-time employees who wish to transfer to another location for educational purposes may submit a written request to the Employer. In addition, part-time employees who wish to transfer to another location for non-educational purposes may submit a written request to the Employer provided the facilities in question are more than fifty (50) miles apart. If approved the transfer shall be allowed subject to the following conditions:

- A. A part-time opening exists at the desired location.
- B. Employees must have attained seniority and been employed by the Employer for at least one (1) year.
- C. Job Classification Seniority shall be end-tailed.
- D. Company seniority shall be retained for the purpose of number of weeks of vacation, and number of holidays in accordance with the applicable Supplement at the new location.
- E. Any expenses, including moving expenses associated with an approved transfer, shall be the responsibility of the employee.

F. It is the Employee's responsibility to verify all benefits including, but not limited to, medical, dental, vision, retiree's medical coverages and pensions at the requested transfer location.

G. The Employer shall be required to notify the Local Union that has jurisdiction over the requested transfer location that the employee has been transferred to that location.

Section 7. Benefit Entitlements

[No change]

Section 8. Part-Time UPS Cartage Services, Inc. (CSI) Employees

[No change]

ARTICLE 23. SEPARATION OF EMPLOYMENT

[No change]

ARTICLE 24. INSPECTION PRIVILEGES

[No change]

ARTICLE 25. SEPARABILITY AND SAVINGS

[No change]

ARTICLE 26. COMPETITION

Section 1.

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 Agreement to the contrary notwithstanding, the Employer:

(a) may use substitute means of transportation (such as airplane, helicopter, ship or T.O.F.C.) in its operations; provided, however, that no feeder driver with more than three (3) years of seniority in the feeder driver classification will be laid off or displaced from a feeder classification as a result of a run being placed on the rail. However, the Employer shall not be required to remove loads from the rail to provide work for employees whose ground loads were eliminated or temporarily discontinued. Any claimed abuse of this Section by any of the Local Unions shall be subject to immediate review by the National Grievance Committee.

Merchandise that has been tendered by United Parcel Service to the railroad and moved by T.O.F.C. will not subsequently be moved by the railroad, on the ground, to its final destination. Any exception to the above language will be in cases of an emergency or cases where the railroad must ground the merchandise early to meet the company's service commitment. In these cases, every effort will be made to use UPS employees. The destination Local Union will be notified if UPS employees cannot be used.

In order to expand the work opportunities for members of the bargaining unit, the Employer will consider removing additional loads from the railroad or the other substitute means of transportation specified in this Article. When the Employer

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removes loads on other than a temporary basis, it shall notify the Union of the number of new runs to be created as a result of moving such loads on the ground. After ratification of this agreement, the Company may bring service enhancement projects to the Premium Services Committee for review and approval. The Company may not implement any proposed enhancements without the approval of the Premium Services Committee. Agreement on plans shall not be unreasonably withheld.

Temporary shall be limited to ~~one (1) year~~ six (6) months unless there are circumstances beyond the Company's control. The ~~one (1) year~~ six (6) month period will not be exceeded unless the UPS President of Labor Relations and Package Division Director mutually agree. Agreement will not be unreasonably withheld. The Employer and the Union shall agree on the most expeditious method to obtain additional personnel and/or equipment, if necessary, for the new runs to be operated by bargaining unit members. If the equipment or employees are not available, the Employer may use subcontractors for a reasonable start-up period, not to exceed thirty (30) days. The subcontracting can exceed thirty (30) days with the Union's agreement if there are problems obtaining additional personnel or equipment. Agreement under this paragraph will not be unreasonably denied by the Union. All feeder positions created as a result of returning loads to the ground shall be counted toward the Employer's obligation to create full-time jobs under Article 22.3 of this Agreement.

Bargaining unit employees will move scheduled T.O.F.C. loads from the rail yards to UPS locations except during peak season.

During peak season, the Employer will make every reasonable effort, in accordance with the appropriate Supplement, Rider or Addendum, to use current UPS employees and hire a sufficient number of employees to handle peak volume. After doing so, the Employer may use alternate means of transporting packages during peak season and will utilize union carriers whenever possible. Plans to utilize outside carriers will be reviewed and agreed with the Local Union. Such agreement will not be unreasonably withheld.

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

UPS shall provide its plan to the affected Local Union by October 15th of each year. This shall not preclude UPS from making subsequent alterations to the plan which shall also be reviewed with the Union.

The Company will establish designated areas year-round for outside carriers to drop-off and pick-up their designated loads and shall review those areas with the Local Union.

Outside carriers shall only remain on property in the designated areas for a reasonable amount of time, not to exceed one (1) hour after their arrival time. From the Monday prior to Thanksgiving until December 30th, outside carriers shall not exceed four (4) hours on property. If a contractor exceeds the timelines, they must leave the UPS property. All outside carriers shall adhere to UPS safety regulations and local yard rules. Any violations of these regulations and rules will be addressed immediately by management. This language will not supersede any superior benefit or agreement in any Supplement, Rider or Addendum.

No package car driver shall be forced to use ~~his or her~~ their personal vehicle to deliver packages.

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

(c) All loading and unloading of dropped shipments at UPS locations will be done by UPS bargaining unit employees.

(d) The Employer may not subcontract work within a local union's feeder jurisdiction for the purpose of avoiding overtime. The Employer may not subcontract work in the feeder classification if any employee on the applicable feeder board who is qualified to perform such work is available to cover the work, is displaced from the classification, or is on layoff.

(e) The Employer may transition to a seven (7) day delivery operation at locations that currently only utilize five (5) or six (6) day operations. The Employer agrees that prior to any transition to a seven (7) day operation, it shall notify the Package Division and the affected Local Union(s) in writing with the specific details and information then available and then meet jointly with them to inform them of the proposed change and to resolve questions raised in connection with the effects of the proposed change. During the joint meeting, the Employer and the Union shall reduce to writing all agreed upon issues and both parties shall sign the written document in acknowledgment of such agreement. The parties shall also reduce to writing all unresolved issues, if any. This meeting shall be completed where practical at least forty-five (45) days prior to the implementation of the seven (7) day operation. The seven (7) day operation may not be implemented until the forty five (45) days' notice is provided and the meeting is completed. The Package Division and the affected Local Union(s) shall not unreasonably delay the scheduling or completion of the requested meeting. Any unresolved issues which have been reduced to writing, will be resolved pursuant to Article 8.

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(f) Notwithstanding any Supplement, Rider or Addendum, the provisions in this Section 1(f) shall apply to Peak delivery operations where employees utilize their personal vehicles.

Existing part-time employees shall be allowed to sign an interest list between August 15th and September 15th each year to perform this work between November 1st and the end of the seasonal period in the applicable Supplement, Rider or Addendum. Existing part-time employees who have signed the intent list shall perform work covered by this Section before the new hires referenced below. Existing part-time employees who have signed the intent list shall be offered the work opportunities in accordance with the provisions of the applicable Supplement, Rider or Addendum.

Part-time employees shall be paid their inside rate or the RPCD start rate, whichever is higher. Part-time employees performing their inside job and seasonal package deliveries using their own vehicle shall have an eight (8) hour daily guarantee, but shall be obligated to complete their inside job in addition to performing seasonal support work. Prior to offering the work covered by this Section, existing Temporary Cover drivers and other similar part-time cover classifications (e.g., regular, temporary or utility drivers) shall, however, maintain the first right to perform this delivery work in accordance with the terms of the applicable Supplement, Rider or Addendum.

If Peak delivery needs are not met by existing part-time employees or cover drivers, the Employer may hire seasonal support drivers who use their personal vehicles to deliver packages between November 15th and December 26th each year. Seasonal support drivers will be part-time seasonal hires, W-2 employees and Union members in accordance with Article 3, Section 2. The Union shall be provided access to these employees for the purpose of encouraging them to join the Union. These employees will receive a three (3) hour daily guarantee. Such employees shall be entitled to all privileges and benefits that may be provided in the applicable Supplement, Rider or Addendum.

Both existing and Seasonal Support Drivers covered by this Section shall be reimbursed at the applicable IRS rate for all miles driven to perform deliveries and be provided insurance coverage for their vehicle while performing work.

In no event shall the implementation of this Section serve to diminish the overtime opportunities for RPCDs not using the protections of Article 37, Section 1(c) as of September 1st of that year, or alter bid delivery area routes for RPCDs.

Section 2.

A Joint UPS/IBT Competition Committee shall be created with an equal number of Employer and Union representatives. The

Committee shall meet upon written request by either party for the purpose of discussing and evaluating proposals which, if adopted by the Committee, could create additional bargaining unit jobs, enable the Employer to more effectively compete with other companies, implement new services and products, or change existing services. Nothing within this provision or Agreement shall require the Employer to offer or maintain any particular service or product.

~~In addition, the Joint UPS/IBT Competition Committee shall have the authority to review line haul runs that may be proposed by UPS Freight to create a two-way run. UPS and the Union also agree to review and approve proposed runs that may be inclusive of runs currently being performed by vendors. In the event the parties do not agree, the runs shall not be implemented.~~

Section 3.

[No change]

Section 4. Surepost

1) In order to retain existing commercial customers that are solicited by a competitor offering services similar to those described herein, or to attract new commercial customers, the Company may offer service contracts that include the delivery of packages by the USPS. Packages eligible for such delivery will normally be less than ten (10) pounds in weight and less than **two (2) three (3)** cubic feet in size, in accordance with paragraph (2) below. The Company shall employ technology, prior to the applicable preload operation, which identifies packages in excess of ten (10) pounds or two (2) cubic feet shipped via Surepost, so that they are redirected to bargaining unit drivers. Further, UPS agrees that the Surepost will not be presented as a general service offering except at UPS stores. This service will only be offered for shipping from a business to a residential customer. The Company agrees that it will not use Surepost as a basis to diminish the size of the bargaining unit. Notwithstanding any provision to the contrary, UPS agrees that it will increase, as provided below, the number of Surepost packages redirected to the bargaining unit on a contract year basis as measured by the national average daily volume (ADV). The redirected volume will be increased by two (2) percent as compared to the national ADV for calendar year 2022 (i.e. 42%) for the contract year beginning August 1, 2023. For each of the following contract year ending dates the percentage of volume redirected shall be as follows: 8-1-2024 (44%); 8-1-25 (45%); 8-1-26 (46%); 8-1-27 (48%); and 8-1-28 (50%).

2) The Company will continue to use technology that identifies two or more Surepost packages to be delivered to the same address and/or any combination of Surepost package(s) and ground package(s) to be delivered to the same address. In such circumstances, all of the Surepost package(s) and ground

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package(s) will be delivered by package drivers. The Company will maintain and update the technology that identifies multiple addresses in close proximity, defined as within one hundred (100) feet, to which any combination of Surepost and ground packages are to be delivered. The Company will monitor and test the technology used for redirect to ensure it is operating in accordance with the parameters of this Section not less frequently than annually and shall provide evidence of the testing to the Union's Director of the Package Division. The Company shall meet with the Competition Committee to review any potential expansion of the volume to be redirected and determine if it is economically feasible to handle in UPS' operations.

The Company shall not deactivate or interfere with the operation of the technology that redirects Surepost volume to the Company unless volume is being rolled in a building due to delivery constraints. In such event, redirect will only be deactivated for the affected building(s). The redirect technology shall be maintained to ensure that it is impossible for any local Employer operations representative to suspend its operation. The UPS President of Labor Relations, or ~~his~~ their designee, will provide written notice to notify the Union's Director of the Package Division of ~~any~~ the building in which the deactivation is taking place.

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

(4) If a driver or inside employee identifies a package designated for Surepost that is clearly more than ten (10) pounds and/or larger than ~~three~~ two (2) cubic feet, the package shall can be removed from the system and redirected for delivery by a package driver unless the Employer cannot deliver to the specified address. The Employer shall ensure its employees are made aware of the opportunity to redirect packages in excess of the limits set forth in this Section. The Company will maintain an Exception Resolution Application to ensure that, once a package is identified, a clerk shall redirect the package(s) to the appropriate package driver. No employee shall be disciplined for redirecting a package pursuant to this paragraph.

Section 5. DOT Hours of Service

The Company shall not change the DOT sixty (60) hours in seven (7) days to the seventy (70) hours in eight (8) days rule for

package drivers except at Peak. With prior approval of the Company's President of Labor Relations and the Teamster's Package Division Director, the DOT standard may also be changed if required due to Acts of God or emergencies creating service disruptions. When the Company changes the sixty (60) hour rule it shall first solicit volunteers to work in excess of sixty (60) hours from all package car drivers in the center. If sufficient volunteers cannot be obtained to cover the over sixty (60) work hours, the Company will first force seasonal package car drivers, non-seniority package car drivers, and then part-time cover driver classifications ~~and, then Article 22.4(b) drivers.~~ Seniority package car drivers will only be forced after exhausting the seasonal, non-probationary drivers force process, part-time cover driver classifications and Article 22.4(b) drivers. ~~No regular package car driver red circled under Article 22.4(b) will be forced to work on a day off and exceed sixty (60) hours unless he has a full eight (8) hours of duty available.~~ Any regular ~~or Article 22.4~~ package car driver who volunteers ~~or is forced~~ to work over sixty (60) hours in a week pursuant to this paragraph will be compensated at double-time for those hours. This paragraph supersedes any provision in any Supplement, Rider or Addendum which addresses this subject. This Section is not intended to give the Company the right to force seniority package car drivers to work on a weekend unless permitted by the applicable Supplement, Rider or Addendum.

Section 6. Removal of Loads from Rails

~~In order to enhance employees' opportunities to obtain a full-time job and improve the Company's ability to reduce time in transit and improve service, the following provisions will apply:~~

~~1. The Company commits that the number of new drivers needed to remove loads from the rail shall be, at least, two thousand (2000), over the life of the current contract. The Company shall be required to train or hire, at least two hundred (200) drivers by December 31, 2019 and twenty five percent (25%) of the remaining needed drivers each calendar year thereafter. As long as the Company satisfies these hiring/training obligations, it shall have the right to cover these runs with substitute means of transportation. The Employer shall provide the Union a report identifying the loads covered by this Section. The Company shall meet with the Union to resolve any issues which may arise if circumstances beyond the Company's control preclude the Company from training or hiring needed drivers in any area. The Company shall train or hire a sufficient number of drivers to cover these runs by the end of the current labor agreement.~~

~~2. The Company shall provide the Package Division Director its initial plans to remove and cover these loads. In addition, upon request, the Company will review with the Package Division Director, or his designee, the Company's progress in implementing this Section. The review shall include the Company's hiring and training of drivers to ensure that reasonable efforts are being made to staff the runs with~~

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~~bargaining unit employees and eliminate the vendors, as soon as practical. If the Company is not making reasonable progress in training the drivers necessary to replace vendors in any area, UPS' President of Labor Relations and the IBT Package Division Director shall have the authority to determine how and where training will be accomplished.~~

~~3. Article 43 shall apply to these runs except for the approval process.~~

~~4. No seniority employee in the feeder driver classification as of August 1, 2018 shall be displaced from the classification or laid off as result of the use of substitute transportation pursuant to this Section.~~

ARTICLE 27. EMERGENCY REOPENING

1. In the event of war, declaration of emergency, imposition of mandatory economic controls, the adoption of a National Health Program or any Congressional or Federal Agency action which has a significantly adverse effect on the financial structure of the Employer, during the life of this Agreement, either party may reopen the same upon sixty (60) days' written notice and request renegotiation of the provisions of this Agreement directly affected by such action. There shall be no limitation of time for such written notice. Upon the failure of the parties to agree in such negotiations, within sixty (60) days thereafter, either party shall be permitted all lawful economic recourse to support its request for revisions. If governmental approval of revisions should become necessary, all parties will cooperate to the utmost to attain such approval. The parties agree that the notice provided herein shall be accepted by all parties as compliance with the notice requirements of applicable law, so as to permit economic action at the expiration thereof.

2. In the event of the declaration of a National Emergency due to a Pandemic, either the Union through its Package Division, or the Company through its President of Labor Relations, may serve notice to engage in bargaining on a national basis over the effects of the Pandemic. The parties shall meet within five (5) business days of either party serving notice under this section. However, there shall be no modifications of this Agreement under this provision without approval of the Teamsters UPS National Negotiating Committee.

ARTICLE 28. SYMPATHETIC ACTION

[No change]

ARTICLE 29.

Section 1. Jury Duty

[No change]

Section 2. Funeral Leave

[No change]

Section 3. Tax Deferred Savings Plan 401(k)

[No change]

Section 4. Martin Luther King Jr. Holiday

The Martin Luther King Jr. holiday will be added as a named holiday in the Supplements, Riders or Addenda, effective upon ratification of this Agreement.

ARTICLE 30. JURISDICTIONAL DISPUTES

[No change]

ARTICLE 31. GARNISHMENTS

[No change]

ARTICLE 32. SUBCONTRACTING

[No change]

ARTICLE 33. COST-OF-LIVING (COLA)

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

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

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

Effective August 1, 2019 ~~2024~~ and every August 1, thereafter during the life of the Agreement, a cost-of-living allowance will be calculated on the basis of the difference between the Index for May ~~2024~~ (published June ~~2024~~) and every May thereafter, and the base Index for May ~~2023~~ (published June ~~2023~~) and every May thereafter, as follows:

For every two tenths (0.2) point increase in the Index, over and above the base (prior year's) Index plus three percent (3.00%) there will be a one (1) cent increase in the hourly wage rates payable on August 1, ~~2024~~ and every August 1 thereafter. These increases shall only be payable if they equal five cents (\$.05) in a year.

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

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

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

In the event that the Index shall be revised or discontinued and in the event the Bureau of Labor Statistics, U.S. Department of Labor, does not issue information which would enable the Employer and the Union to know what the Index would have been had it not been revised or discontinued, then the Employer and the Union will meet, negotiate, and agree upon an appropriate substitute for the Index. Upon the failure of the parties to agree within sixty (60) days, thereafter, the issue of an appropriate substitute shall be submitted to an arbitrator for determination. The arbitrator's decision shall be final and binding.

ARTICLE 34. HEALTH & WELFARE AND PENSION

Section 1.

(a)(i) Except as set forth in this Section 1(a), Health & Welfare and/or pension contributions shall be increased by forty dollars (\$40.00) per week on August 1, ~~2018~~ **2023** and on each subsequent August 1st during the life of the contract. Where the employees are covered by both Teamster Health & Welfare and Pension Funds in a Supplement, Rider or Addendum, the weekly health & welfare and pension contributions shall be allocated by the respective Joint Supplemental Area Negotiating Committees, subject to the approval of the Joint National Negotiating Committee.

(ii) **1** In those Supplements, Riders or Addenda, where the full-time or part-time employees are covered by TeamCare and a pension plan sponsored by the Employer, the hourly increase to be allocated for Health & Welfare for these full-time employees as follows:

August 1, 2023 2018	(\$0.50)
August 1, 2024 2019	(\$0.50)
August 1, 2025 2020	(\$0.50)
August 1, 2026 2021	(\$0.50) TBD based on TeamCare costs not to exceed \$0.70)
August 1, 2027 2022	(\$0.50) TBD based on TeamCare costs, not to exceed \$0.70)

The rates shall be as follows for covered part-time employees:

August 1, 2023 2018	(not to exceed \$0.50 30)
August 1, 2024 2019	(not to exceed \$0.50 30)

August 1, 2025 2020	(not to exceed \$0.50 30)
August 1, 2026 2021	(TBD based on TeamCare costs, not to exceed \$0.50)
August 1, 2027 2022	(TBD based on TeamCare costs, not to exceed \$0.50)

~~2) For years 2018 through 2021, the remaining fifty cents (\$0.50) will be allocated to the applicable Taft Hartley Pension Plan or the UPS/IBT Pension Plan, as applicable. Part-time employees in the Teamsters Western Region & Local 177 Health Care Plan who are covered by the UPS Pension Plan shall be treated the same as a part-time employee in TeamCare and the UPS Pension Plan. The health and welfare contribution increases in 2021 and 2022 will be based on Team Care's actual costs. In those two years, the applicable Taft Hartley Pension Plan or the UPS/IBT Pension Plan, as applicable, will receive for a pension allocation the differential between the increase to TeamCare and one dollar (\$1.00). This paragraph shall be applied to the part time employee contributions in the same manner except in the first three (3) years the remaining amount shall be seventy cents (\$0.70). For part-time employees the differential in the last two (2) years will be determined based on the fifty cent (\$0.50) maximum.~~

(iii) [Reserved]

(iv) The increases accrued under this Article on August 1st, of each year, can only be allocated to health & welfare and/or pension except as provided within this Article. Any dispute concerning the allocation of health & welfare and pension money shall be determined and/or resolved by the Joint National Negotiating Committee.

(v) **1** If, in accordance with a duly adopted funding improvement plan or rehabilitation plan, an IBT Pension Fund is required to issue a schedule pursuant to ERISA Section 305 (added by the Pension Protection Act of 2006) that requires contributions in excess of those contained within this Article, the Union and the Employer shall promptly meet to negotiate changes in the Agreement to generate sufficient savings to cover the cost of the increased contributions. Agreement shall not be unreasonably withheld. Once completed, the applicable Fund shall be obligated to accept the schedule as if it was the beginning of the term of a new labor agreement.

2) In those areas with IBT Pension Funds that do not have a duly adopted funding improvement plan or rehabilitation plan that requires contribution rate increases, the maximum amount available under (a)(i) above for August 1 of 2023, 2024, 2025, 2026 and 2027 shall be twenty dollars (\$20.00). This amount shall be available first for use on H&W, with any remaining amount being available for pension only, notwithstanding Section 4 below. The additional twenty dollars (\$20.00) referenced in (a)(i) above on August 1 of each of these years may only be used to satisfy the requirements of a duly adopted funding improvement plan or rehabilitation plan in those areas with such IBT Pension Plans.

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(b) Monthly, daily and hourly health & welfare and pension contributions shall be converted from the weekly rate increases in accordance with past practice.

(c) During the life of this Agreement, the Employer will continue to make applicable contributions to all IBT Health and Welfare Funds and all IBT Pension Funds (or the successor funds in case of merger of funds) for full-time and/or part-time employees in all Supplements, Riders and Addenda where the Employer was making contributions for full-time and/or part-time employees on May 1, 1982, unless stated to the contrary in this Article or changes placing these employees in UPS plans are negotiated and agreed to by the National Negotiating Committee.

(d) In those Supplements, Riders and Addenda where the Employer was providing health & welfare and/or pension benefit coverage to employees (either full-time or part-time) on May 1, 1982, the Employer will continue to provide health & welfare and/or pension benefit coverage under the Company plan(s), with funding under the related trust(s) established by the Employer for this purpose, for the life of this Agreement unless specified otherwise in the applicable Supplemental Agreement, Rider, Addendum or this Article. However, this paragraph will only apply through December 31, 2013, as it relates to health & welfare coverage.

(e) All contractual provisions relating to pensions shall be provided in the respective Supplemental Agreements, Riders and Addenda. References to Company provided health & welfare are being deleted from the Supplements, Riders and Addenda because the Company will no longer be providing medical coverage after December 31, 2013.

(f) The agreements on Maintenance of Benefits for Teamster Health and Welfare Plans in the Western Region of Teamsters Supplemental Agreement and in the Northern California Supplement Agreement shall continue in full force and effect during the life of this Agreement. The increase in any Supplement, Rider or addendum as a result of a Maintenance of Benefit increases shall be allocated as follows: the hourly increase in Health and Welfare in each year of the contract necessary to maintain benefits will be determined by the Trustees of each individual Health & Welfare Plan. The remainder of the contribution increase set forth in Section 1.(a), if any, will be paid into pension. The Employer's total annual increase in contributions to the Taft-Hartley Pension and/or Pension Fund equal at least the amount set forth in Section 1(a) above.

The portion of the increased amount set forth in paragraph 1(a) above to be allocated to the Teamsters Western Region & Local 177 Health Care Plan each year will be determined by the Trustees of that Plan. The remainder of the annual contribution increase set forth in Section 1(a), if any, shall be paid into pension. This paragraph shall not apply if the Western Conference of Teamsters Pension Fund becomes subject to a funding improvement or rehabilitation plan.

(g) The Employer shall not be required to contribute to any jointly trusteed health and welfare plan, consistent with the

practices and rules and regulations of such plan in effect as of August 1, ~~2018~~ **2023** an amount greater than the amount it contributed on July 31, ~~2018~~ **2023** plus the increases required by this Master Agreement, except as may be required by law notwithstanding any language to the contrary in any Trust Agreement, Participation Agreement or similar document. The only exception to the above is the Maintenance of Benefits provision in paragraph (f) above.

(h) In the event that there is any change in the existing national health care legislation or if new legislation is enacted, the parties agree to meet and discuss any ramifications of that legislation on the provisions of this Article. **In the event an IBT Pension Plan is unable to maintain its current zone status under ERISA Section 305 (added by the Pension Protection Act of 2006) during the term of this Agreement at existing contribution rates because of the limits described in (a)(v)(2) above, the parties similarly agree to meet and discuss those circumstances and any ramifications on the provisions of this Article.**

(i) UPS Part-time Pension Plan

(1) The UPS Pension Plan will be improved to provide monthly benefits for part-time employees not covered by Teamster Pension Plans as follows: The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants will be increased effective August 1, 2004 to fifty-five dollars (\$55.00) for each year of past and future Credited Service to a maximum of thirty-five (35) years of Credited Service. The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants will be increased solely for purposes of the monthly accrued benefit, effective August 1, 2008 to sixty dollars (\$60.00) for each year of future Credited Service to a maximum of 35 years of Credited Service. If a participant is in Covered Employment on August 1, 2008, ~~he~~ **they** shall receive the sixty dollars (\$60.00) benefit formula for the entire 2008 plan year.

Effective August 1, 2023 the benefit formula in the UPS Pension Plan for current or future employees will be increased to sixty-five dollars (\$65.00) for each year of future Credited Service to a maximum of 35 years of Credited Service. If a participant is in Covered Employment on August 1, 2023, they shall receive the sixty-five dollars (\$65.00) benefit formula for the entire 2023 plan year.

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

~~\$2275~~ **\$2450** for retirement at any age after 35 years of part-time Credited Service
~~\$1950~~ **\$2100** for retirement at any age after 30 years of part-time Credited Service
~~\$1625~~ **\$1750** for retirement at age 60 with 25 years of part-time Credited Service

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\$~~1325~~ **\$1450** for retirement at any age with 25 years of part-time Credited Service (based on \$58.00 ~~\$53.00~~ per year of Credited Service)

(2) Part-time employees will receive one (1) year of Credited Service for seven hundred fifty (750) or more paid hours. (Six (6) months of part-time Credited Service will be granted for three hundred seventy-five (375) to five hundred (500) hours worked in a calendar year, and nine (9) months of part-time Credited Service will be granted for five hundred one (501) to seven hundred forty-nine (749) hours worked in a calendar year.) This paragraph will also be applied to determine Credited Service for all full-time employees on the payroll on August 1, 2002 who were formerly participants in the UPS Pension Plan.

(3) The Employer will be responsible for funding the UPS Pension Plan as required to provide the benefits described above and will be responsible for maintaining the plan.

(4) The UPS Pension Plan will be governed by the terms of the Plan document.

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

(6) For those multi-employer pension plans with which the UPS Pension Plan does not have reciprocity, the UPS Pension Plan will execute a mutually agreeable reciprocity agreement with those plans.

(7) The Company will amend the UPS Pension Plan to allow an employee with an hour of service in covered employment on or after August 1, 2013 to become a participant on the January 1 or July 1 (whichever is earlier), after reaching age 21 and completing a 12 month period of employment beginning on their hire date, or any subsequent calendar year, in which they earned at least 375 hours of service. In addition, in order to receive any retroactive benefit service as a result of the change, the employee's primary job as of August 1, 2013 must be a part-time position. The Pension Plan will also be amended to reduce the number of hours of service required to earn a vesting year from 750 to 375. This paragraph does not change how benefit service is accrued.

(j) Long-Term Disability

(1) Full-time seniority employees will become eligible for long-term disability (LTD) after six (6) months of employment for non-occupational illnesses or injuries that last longer than twenty-six (26) weeks.

(2) Long-term disability benefits will equal sixty percent (60%) of the employee's base weekly pay to a maximum of eight hundred dollars (\$800) per week for up to five (5) years. Long-

term disability benefits begin when short-term disability coverage ends or after twenty-six (26) weeks from date of disability, whichever is later.

(3) Average weekly base pay is computed by averaging paid hours (maximum of forty (40) hours per week) each week during the last full calendar quarter the employee worked and multiplying that by the hourly rate of their base job. Weeks of unemployment in the prior quarter will not be counted in the calculation. If there were substantial weeks of unemployment, the prior full calendar quarter may be used for the calculation.

(4) The definition of disability, termination of eligibility, offsets, exclusions, limitations, claim procedures and any other related issues will be controlled by the Summary Plan Description.

(5) The long-term disability coverage will become effective on August 1, 2004 for eligible employees who become disabled after that date. However, pre-existing conditions will not affect the employee's eligibility for LTD.

(6) In those situations where a Teamster Health and Welfare Fund provides a short term disability benefit, the employee receiving such benefit shall provide the UPS National LTD Plan sixty (60) days advance notice of the estimated termination date of the short term disability. If such notice is not provided, the UPS National LTD Plan shall have the right to delay the commencement of LTD payments.

(7) Any employee receiving LTD benefits pursuant to this Plan shall be entitled to receive health care coverage in accordance with the SPD for up to twelve (12) months only. **An employee will not be denied LTD benefits under this Section based on a failure to qualify for Social Security Disability Benefits.**

(8) Notwithstanding any Supplement, Rider or Addendum all full-time UPS CSI employees will be provided long term disability benefits through this Section.

(k) Part-time Retiree Coverage

(1) Effective August 1, 2002 the Employer began providing health insurance coverage to all part-time employees, not covered by a Union plan, who retire on or after that date. This section will not apply to any employee who retires on or after January 1, 2014. To the extent coverage would have been available under this section 1(k), the employee instead shall be eligible for retiree coverage through the Central States Health & Welfare Plan.

(2) To be eligible for the coverage, the part-time employee must (i) not be eligible for Medicare; (ii) meet the same age and service requirements as that of a full-time employee in the same Supplement, Rider or Addendum and at a minimum, be at least fifty-five (55) years of age with a minimum of twenty-five (25) years of part-time service as defined in the UPS Pension Plan; (iii) be covered as an active employee by a UPS-administered health care plan for part-time employees at the time of retirement and; (iv) not a part-time employee because of a voluntary bid to part-time status in the five (5) years prior to retirement.

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(3) A retiree's legal spouse is also eligible for coverage if ~~he or she is~~ **they are** not eligible for Medicare and is under age sixty-five (65).

(4) Coverage and benefit levels shall be as specified in the Summary Plan Description.

(5) Eligibility for coverage for retiree and spouse begins on the first (1st) day after the employee's active coverage ends.

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

(1) Jointly Trusteed UPS/IBT Full-Time Pension Fund
The following provisions pertain to the UPS/IBT Full-Time Employee Pension Plan (hereinafter "UPS/IBT Plan") was created for employees who participated in the Central States Southeast and Southwest Areas Pension Fund ("CS Plan") and for future employees who would have participated in the CS Plan absent this agreement who have one hour of service in Covered Employment on or after January 1, 2008.

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

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

Calendar Year Beginning	Monthly Benefit
January 1, 2019 2024	\$175.00 185.00
January 1, 2020 2025	\$175.00 185.00
January 1, 2021 2026	\$175.00 185.00
January 1, 2022 2027	\$175.00 185.00
January 1, 2023 2028	\$175.00 185.00

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

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

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

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

(6) In addition to the normal benefit provided in paragraph (2) above, there shall be a service benefit payable after twenty (20), twenty-five (25), thirty (30) and thirty-five (35) years of full-time service. There is a twenty (20) year benefit for anyone who has reached age 50 and the amount will vary based on the person's age. There is a twenty-five (25) year service retirement benefit for anyone who has twenty-five years of service regardless of age, which shall be \$2,000 per month if less than age 57 when benefits commence and \$2,500 per month if at least 57 when benefits commence. The benefit for the thirty (30) year service retirement shall be \$3,400 per month regardless of the age of the retiring employee. The benefit for thirty-five (35) years' service retirement shall be \$3,900 per month regardless of the age of the retiring employee. The plan document shall specify the amounts for the 20 year service pension, eligibility criteria and how the benefits are calculated.

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

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Effective January 1, ~~2024~~ 2020, the following enhancements will be implemented:

35 years, any age—~~\$4,700~~ 4,300

30 or more years, any age—~~\$4,200~~ 3,800 plus \$100/yr of service for years over 30 up to ~~\$4,700~~ 4,300

25 years, any age up to age 57—\$2,400

25 years, age 57 or older—\$2,900 plus \$100/yr of service for years over 25 up to \$4,700

For employees who reach the following age and years of service milestones on or before July 31, 2028, the following additional enhancements shall apply. These additional enhancements shall become part of the employee's vested benefit and shall apply even if the employee retires after July 31, 2028:

35 years, age 55 or older—\$5,300

30 or more years, age 55 or older—\$4,800 plus \$100/yr of service for years over 30 up to \$5,300

25 years, any age up to age 57—\$3,000

25 years, age 57 or older—\$3,500 plus \$100/yr of service for years over 25 up to \$5,300

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

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

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

(9) All applicable Local Unions will be provided with a competent and knowledgeable Company contact person with a working phone number to assist employees with questions and concerns related to the UPS/IBT Pension Plan.

Section 2. TeamCare

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

(b) Notwithstanding any provision in any Supplement, Rider or Addendum, effective January 1, 2014 all full-time and part-time employees on the payroll at that time and those hired thereafter who would have had health and welfare coverage provided by an Employer signatory to this Agreement will instead be provided coverage through TeamCare regardless of the employee's work

location. Weekly payments for the covered employees shall be in accordance with the rules set forth in the applicable Supplement, Rider or Addendum. If there are none then the rules set forth in the Central States Supplement shall apply. UPS will be responsible for making the weekly payments to TeamCare to provide the medical coverage.

(c) This Section shall supersede any provisions on the same subject in any Supplement, Rider, or Addendum, including those Supplemental provisions which require part-time benefits to be equal to or the same as full-time medical benefits.

(d) Notwithstanding any contrary provision in any Supplement, Rider, or Addendum, (i) individual and dependent/spousal health coverage will be made available to part-time employees on the payroll as of or hired after August 1, 2018 after nine (9) months of active employment.

(e) Any eligible employee covered by this Section who retires effective January 1, 2014 or thereafter shall be provided retiree medical benefits through TeamCare.

(i) Any full-time or part-time CSI employee who is a participant in a Company sponsored health & welfare plan shall be covered by TeamCare set forth in Section 2 above, effective January 1, 2014.

(ii) The UPS Pension Plan shall be modified to provide a one hundred and ten dollar (\$110.00) accrual effective January 1, 2019 for all years accrued under the UPS Pension Plan.

Section 3. CSI Health and Pension Coverage

(i) Any full-time or part-time CSI employee who is a participant in a Company sponsored health & welfare plan shall be covered by TeamCare set forth in Section 2 above, effective January 1, 2014.

(ii) The UPS Pension Plan shall be modified to provide a one hundred and ~~ten~~ **twenty-five** dollar (~~\$125~~**125**.00) accrual effective January 1, ~~2024~~ 2019 for all years accrued under the UPS Pension Plan.

Section 4. Re-allocations of Contributions/Wages

The Teamsters UPS National Negotiating Committee may reallocate designated increases in Health & Welfare and /or pension contributions (HWPC) and/or general wage increases (GWI) provided in this Agreement in accordance with the following rules:

1. Any portion of any GWI may be re-allocated as an increased contribution to a Teamster Pension or Health & Welfare Fund. The re-allocation shall apply to all employees in a Supplement, Rider or Addendum, as applicable, provided all of the affected employees (full or part-time, if applicable) are covered by the same Pension or Health & Welfare Fund.

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2. Twenty-five cents (\$0.25) of a PC may be re-allocated as a GWI. The re-allocation shall apply to all employees in a Supplement, Rider or Addendum, as applicable, provided all of the affected employees (full or part-time, if applicable) are covered by the same Pension or Health & Welfare Fund.

3. Once a re-allocation becomes effective, it may not be changed.

4. A specified HWPC cannot be re-allocated to a GWI if the pension fund has been certified as being in endangered or critical status (as defined in ERISA section 305 (b)(1) or (b)(2).

5. The Employer must be notified of any re-allocation, in writing, at least thirty (30) days prior to the effective date of the GWI or HWPC.

Section 5. Substitute Health Plan

In the event the Central States Southeast and Southwest Areas Health and Welfare Fund does not maintain the benefit coverage and retiree contribution rate for retiree insurance (including spousal coverage) in effect on the date of ratification of this Agreement or in the event requested in writing by either party to the Agreement, the Union and Employer shall meet to determine and agree if there is a substitute multiemployer plan which will provide comparable coverage. If mutual agreement is reached to provide a substitute plan, the contribution payable by the Employer pursuant to Article 34 Section 1 (a) shall be paid to the new plan.

ARTICLE 35. EMPLOYEE'S BAIL, LICENSE, SUBSTANCE AND ALCOHOL TESTING

Section 1. Employee's Bail And/Or Court Appearance

[No change]

Section 2. Suspension or Revocation of License

[No change]

Section 3. Controlled Substances Testing

[No change]

Section 3.1 Employees Who Must Be Tested

[No change]

Section 3.2 Testing

[No change]

Section 3.3 Screening Test

[No change]

Section 3.4 Confirmatory Test

[No change]

Section 3.5 Laboratory Testing

[No change]

Section 3.6 Types of Testing Required

[No change]

Section 3.7 Pre-Qualification Testing

[No change]

Section 3.8 Reasonable Cause Testing

[No change]

Section 3.9 Post-Accident Drug Testing

[No change]

Section 3.10 Random Testing

[No change]

Section 3.11 Notification

[No change]

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

A positive test specimen as a result of a DOT pre-qualification or random test will result in a rehabilitation opportunity. An employee whose test results are reported to the Medical Review Officer by the HHS certified laboratory and who has been contacted by the Medical Review Officer or ~~his/her~~ their designee has seventy two (72) hours to contact the Medical Review Officer to review the test results. If the review time schedule is not met, then the Medical Review Officer (MRO) may report to UPS Management that the test is verified as positive. If neither UPS nor the MRO, after making all reasonable efforts, as required by the DOT regulations, is able to contact the employee within ten (10) days from receiving the laboratory results, the test will be considered an uncontested positive test result. If the Medical Review Officer determines a specimen is positive, then the employee will have five (5) calendar days to evaluate ~~his/her~~ their situation with an approved Substance Abuse Professional and then up to fifteen (15) calendar days to enter the rehabilitation treatment center after approval of a leave of absence as outlined in Article 16, Section 5 of the National Master UPS Agreement. UPS will follow the final recommendations of the Substance

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Abuse Professional as to the appropriate after-care protocol and post rehabilitation unannounced drug testing.

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

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

Substance Abuse Professional (SAP)

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

The SAP is responsible for performing the following functions:

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

Follow-up testing shall consist of at least six (6) tests in the first (1st) twelve (12) months following the employee's return to duty.

The one (1) year period may be extended as necessary by written verification of the Substance Abuse Professional. **The affected employee and Local Union shall be notified in writing within ten (10) days of any extension required by the SAP beyond the required one (1) year follow-up testing period.** Tests shall be conducted under direct observation.

Employer Responsibilities

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

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

Section 3.13 Disciplinary Action

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

1. Reasonable Cause Testing

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

c. Non-Driving Reasonable Cause

- i. **1st offense – A positive test for cannabis/marijuana shall result in a warning letter (subject to successful completion of rehabilitation).**
- ii. **2nd offense – A positive test for cannabis/marijuana five (5) or more years after the first offense shall result in a warning letter (subject to successful completion of rehabilitation).**

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iii. 3rd offense – A positive test for cannabis/marijuana is a dischargeable offense.

2. Post-Accident Testing

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

3. Random Testing

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

4. Pre-qualification

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

5. Other Dischargeable Offenses:

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

Section 3.14 Preparation for Testing

[No change]

Section 3.15 Specimen Collection Procedures

[No change]

Section 3.16 Specimen Shipping Preparations

[No change]

Section 3.17 Medical Review Officer

[No change]

Section 3.18 MRO Determination

[No change]

Section 3.19 Record Retention

[No change]

Section 3.20 Release of Drug Testing Information

[No change]

Section 3.21 Paid For Time

[No change]

Section 4. Alcohol Testing

[No change]

Section 4.1 Employees Who Must Be Tested

[No change]

Section 4.2 Testing

[No change]

Section 4.3 Screening Test

[No change]

Section 4.4 Confirmatory Test

[No change]

Section 4.5 Types of Testing Required

[No change]

Section 4.6 Reasonable Cause Testing

[No change]

Section 4.7 Post-Accident Alcohol Testing

[No change]

Section 4.8 Random Testing—Random Employee Selection

[No change]

Section 4.9 Notification

[No change]

Section 4.10 Rehabilitation and Testing after Return to Duty

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[No change]

Section 4.11 Discipline

[No change]

Section 4.12 Preparation for Testing

[No change]

Section 4.13 Specimen Testing Procedures

[No change]

Section 4.14 Substance Abuse Professional (SAP)

[No change]

Section 4.15 Record Retention

[No change]

Section 4.16 Release of Alcohol Testing Information

[No change]

Section 4.17 Paid for Time

[No change]

ARTICLE 36. NONDISCRIMINATION

The Employer and the Union agree not to discriminate against any individual with respect to hiring, compensation, terms or conditions of employment because of such individual's race, color, religion, sex, gender identity, sexual orientation, national origin, physical disability, veteran status, ~~or~~ age, or any other class protected by 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 employ-ees of employment opportunities because of race, color, religion, sex, gender identity, sexual orientation, national origin, physical disability, veteran status, ~~or~~ age or any other class protected by in violation of any federal or state law, or engage in any other discriminatory acts prohibited by law. This Article also covers employees with a quali-fied disability under the Americans with Disabilities Act.

ARTICLE 37. MANAGEMENT EMPLOYEE RELATIONS

Section 1.

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

The following language is applicable to grievances arising from Article 37 Section 1(a) which allege intimidation, harassment, coercion or over supervision:

1. Grievances not resolved by the Local or Area grievance procedure shall be forwarded to the National Article 37 Grievance Committee. Such Committee shall be comprised of an equal number of Union and Employer representatives and a sitting arbitrator who shall decide the merits and penalty of each case in the event of a deadlock by the Committee. Cases will be presented and decided in accordance with Article 8 and the National Grievance Committee Rules of Procedure.

2. The Article 37 Committee shall be empowered to provide a monetary penalty for each proven violation of this Section up to a maximum penalty of five (5) ~~three (3)~~ times the employee's daily guarantee depending on the severity of the offense.

3. Any individual member of management deemed by the Committee to have committed two (2) or more violations of this Section within a two (2) year period shall be required to appear in person before the Committee for any subsequent grievance(s). Failure of the management person to appear, absent a legitimate excuse, shall result in a negative inference.

(b) It is the policy of the Employer to cooperate with a package car driver who desires to be relieved of overtime, subject to the understanding that such package car driver will complete ~~his/her~~ their assignment, and subject to the provisions below.

The Center Manager and the Steward shall process such requests based on seniority. The Employer shall allow a minimum of ten percent (10%) of the package car drivers worked in any Center off on a daily basis. No package car driver's dispatch will be adjusted more than two (2) times per month. It is understood that to accomplish the above the Employer may need to provide an earlier start time. This subsection applies regardless of whether the driver has opted in or out pursuant to the provisions of

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subsection (c) below. Such requests shall not be submitted during the months of November and December.

An employee who desires to be relieved from overtime on a particular day must make a written request on a form furnished by the Employer. Such a request must be submitted no later than the start of his/her **their** shift on the **third (3rd) fifth (5th) calendar workday** day preceding the day being requested. A signed copy of the request form stating approval or disapproval shall be returned to the employee by the end of the employee's next working day. Such request shall be granted or denied in accordance with the terms of this subsection. If a request is denied on the above referenced form, the employee shall receive a two (2) hour penalty payment at his/her **their double straight** time rate if the request should have been granted at this time based on the criteria set forth in this sub-section. This two (2) hour payment shall also apply if the Employer approves the request and later informs the employee ~~he/she~~ **they** cannot be relieved of overtime, provided the request continues to meet the criteria set forth in this sub-section.

In addition, if an employee's request is granted but the Employer fails to adjust the driver's dispatch **prior to, but no later than, their scheduled start time** so as to provide an amount of work that can reasonably be completed within eight (8) hours which then causes the driver to work in excess of eight and one-half (8.5) hours to complete his/her **their** route, the driver shall be entitled to a two (2) hour penalty payment at his/her **their straight double** time rate and the driver will retain the eight (8) hour request for later use. No penalty shall be due if the employee exceeds the eight and one-half (8.5) hour threshold as a result of events beyond the Employer's control.

~~The Center Manager and the Steward shall process such requests based on seniority. The Employer shall allow a minimum of ten percent (10%) of the package car drivers worked in any Center off on a daily basis. No package car driver's dispatch will be adjusted more than two (2) times per month. It is understood that to accomplish the above the Employer may need to provide an earlier start time. This subsection applies regardless of whether the driver has opted in or out pursuant to the provisions of subsection (c) below. Such requests shall not be submitted during the months of November and December.~~

Any employee whose request is granted shall not be required to work more than eight (8) hours on the approved day. If the driver's dispatch for whatever reason was not adjusted, the work will be removed prior to departing the building. While on the route, if the driver determines that they will not be able to finish within eight (8) hours, the driver will notify management who shall have the responsibility to make the necessary arrangement to ensure the driver is off in the requested eight (8) hours. Drivers shall notify management no later than 1:00 P.M. if they cannot complete their assigned work within eight (8) hours. No employee shall be threatened,

harassed, or disciplined by management in the exercising of this right.

(c) The Union shall circulate and collect the names of **eligible** package drivers who wish to be covered by the provisions of this Section ~~twice~~ **once** each year. ~~These lists~~ **This list** shall be provided to the Company by January 5th ~~and June 5th~~ of each year. The Employer shall make a reasonable effort to reduce package car drivers' workdays below nine and one half (9.5) hours per day for those on the list. If a review indicates that progress is not being made in the reduction of assigned hours of work, (i.e the package driver has worked more than 9.5 hours on three (3) days in a work-week), the following language shall apply, except for the period from November 15th through January 15th of the following year:

Employees within the full-time driver classification shall be eligible for the protection of this Section provided: (1) the employee covers a route for a full week; (2) the employee bids or is assigned to cover a route for a full week but is prevented from completing that bid or assignment due to reassignment by the Employer; or (3) an employee with four (4) years of seniority as a full-time package driver.

Drivers who choose to opt-in on the 9.5 list shall have the right to file a grievance if the Employer has continually worked a driver more than nine and one half (9.5) hours per day for any three (3) days in a workweek. The Company will not assign excessive over-time on the two (2) remaining days within the workweek in order to retaliate against a driver for opting onto the 9.5 List. **If the employer is found to have assigned excessive overtime for the remaining two days in violation of this provision, the Co-Chairs shall have the discretion to award a penalty at triple time as outlined in this section.**

The "opt-in" lists provided by the Union shall become effective on January 15th ~~and June 15th~~. A driver may add or delete his/her **their** name from the list at any time, with one week's notice to the Employer.

If a driver is paid a penalty under this subsection more than four (4) times in a calendar year a meeting shall be scheduled with the District Labor Manager, Business Agent and the Co-Chairs, **or their chosen designee** of the applicable Supplemental panel **within forty-five (45) days of the filing** to determine what actions are necessary to ensure compliance.

If a grievance under this provision (or a grievance under any excessive overtime provision of a Supplement, Rider or Addendum) cannot be resolved at the local level, including Supplemental Panels, where applicable, the Union may docket the grievance to be heard by the "9.5 Committee." This Committee shall be composed of two (2) Union and two (2) Employer representatives. The 9.5 Committee shall have the authority to direct the Employer to adjust the driver's work

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schedule. Deadlocked cases shall be referred to the Employer's Vice President of Labor Relations and the Co-Chair of the Teamsters United Parcel Service Negotiating Committee for final and binding resolution.

The Employer's Vice President and the Union's Co-Chair shall have the discretion to grant the grievant triple time pay for hours worked in excess of nine and one half (9.5) hours per day and/or to order the Employer to adjust the driver's work schedule. **After the forty-five (45) day Supplemental Co-Chair meeting, if there are continued violations the Co-Chairs shall have the discretion to grant quadruple time penalties as outlined in this section.** In the event the Employer's Vice President and the Union's Co-Chair cannot resolve a grievance, either party may refer the matter to arbitration in accordance with Article 8. In the event the position of the Union is sustained, the arbitrator shall have the authority to impose any remedy set forth in this Section.

If there is a deadlocked grievance by the "9.5 committee" the Co-Chairs of the National Negotiating Committee may require a review of the adequacy of the Company's staffing in the center in which the grievance was filed. In the event the parties cannot resolve a dispute over whether excessive overtime in violation of this Section resulted from inadequate staffing in the center or other causes, such as the temporary unavailability of drivers, either may refer the matter to arbitration in accordance with Article 8. If the position of the Union is sustained, the arbitrator shall have the authority to award any remedy set forth in this Section including back wages at the appropriate rate of pay to the employee(s) adversely affected, as well as appropriate progression credit. The back wages shall be equal to what the employee(s) would have earned as a package driver at the applicable daily guarantee versus what ~~he~~ **they** actually earned.

In addition, the Union Chair of the National Negotiating Committee may, at any time, request a meeting with the Employer's President of Labor Relations to review the adequacy of the Company's staffing in any center having excessive 9.5 grievances deadlocked at the local level panel. If the dispute cannot be resolved, either party may refer the matter to arbitration in accordance with Article 8, Section 7. The next arbitrator in rotation on the eastern Panel shall be assigned the case. The arbitrator shall have the authority to award any remedy specified in the paragraph above.

The 9.5 committee shall also have the authority to ensure that this Section is implemented in such a way as to balance the Employer's need to protect the integrity of its operations with an employee's legitimate need to avoid excessive overtime.

The provisions of this Section 1(c) shall supersede any language on "9.5" in the Central Region Supplement.

(d) No employee shall be disciplined for exceeding personal time based on data received from the DIAD/IVIS or other information technology.

Section 2.

Not more than one (1) member of management will ride with a driver at any time except for the purpose of training management personnel. No driver will be scheduled for more than one (1) day's ride per year with more than one (1) member of management on the car. Such day will not be used for disciplinary purposes. The sole reason for two (2) management employees on the car is for supervisory training. If a supervisor assists a driver during an O.J.S., that day will not be used in determining a fair day's work.

During scheduled safety training for feeder drivers the supervisor will only drive for demonstration purposes and this will not exceed ~~one (1)~~ **three (3)** hours per workday.

Section 3.

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

The Employer will give no less than twenty-four (24) hours notice to a seniority driver prior to any ride, except in cases of post-accident/injury rides. Such notification will include the reason for the ride. The results of any ride will be reviewed with the employee and steward. A copy of the documentation related to the ride shall be provided to the employee and steward upon request. The twenty-four (24) hours notice may be waived by mutual agreement.

ARTICLE 38. CHANGE OF OPERATIONS

Section 1.

(a) The Employer agrees that prior to any change in its operation that will result in a change of domicile and/or possible layoff of seniority employees, it shall notify the affected Local Union(s) in writing with the specific details and information then available and then meet jointly with them to inform them of the proposed changes and to resolve questions raised in connection with the proposed change. The information will be provided at least seven (7) days prior to the meeting. During this joint meeting the Employer and the Union shall reduce to writing all agreed upon issues and both parties shall sign the written document in

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acknowledgement of such agreement. The parties shall also reduce to writing all unresolved issues, if any, and they shall be referred directly to the appropriate Regional Change of Operations Committee. This meeting shall be completed where practical at least forty-five (45) days prior to the proposed change. The change may not be implemented until the forty-five (45) days' notice is provided and the meeting is completed unless the operational change is dictated by emergency conditions. The Union shall not unreasonably delay the scheduling or completion of the requested meeting. Any unresolved issues reflected in Section (c) below, which have been reduced to writing, will be resolved pursuant to that Section.

(b) Any agreed to change of operations reached by the Local Union(s) and the Employer shall be reduced to writing and filed with the Joint National Change of Operations Committee. It is understood that a regional area representative of the affected region(s) shall sit on the Joint National Change of Operations Committee.

(c) A Joint Change of Operations Committee will be established in each Regional area and will resolve issues arising out of the proposed change of operations. The Committee will resolve issues involving seniority application, health and welfare, and pension coverage and layoff questions for employees who are involved in the change. All affected parties will convene and attend the Regional Joint Change of Operations Committee meeting prior to the scheduled implementation date to resolve these issues.

If the Regional Joint Change of Operations Committee is unable to resolve the issues, such issues shall be referred to the Joint National Change of Operations Committee for resolution. If the issues reflected in this Section are not resolved by the Joint National Change of Operations Committee, they shall be submitted to an expedited arbitration using the arbitrators on the National Panel for that area.

The Committee which decides the issues, as described above, shall retain jurisdiction for a period of twelve (12) months following the change of operations decision. The decision of the Committee shall be final and binding.

Unless specifically covered in individual Supplements, Riders or Addenda, the following shall apply:

1. 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.

2. Whenever a center or hub is partially closed and the work of package drivers and all other regular employees, part-time and full-time, excluding feeder drivers, 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. If any of the employees whose work is transferred elects not to follow ~~his/her~~ **their** work, then ~~he or she~~ **they** shall have the same rights as the remaining employees on the seniority list from which the work was transferred to bid the work being transferred. Those employees who follow the work shall have their seniority dovetailed in the new center.

3. In a Change of Operations affecting feeder drivers, the following language will apply: Whenever a center is partially closed and the feeder work is transferred to or absorbed by another center, all feeder drivers, in seniority order, will have the option of following the available work and have their seniority dovetailed in the new center or be allowed to exercise their seniority in their present center, and take whatever jobs become open as a result of other employees following the work or taking a layoff. If a senior feeder driver elects to take a job which has been transferred out, the displaced employee(s) will fill the vacated job(s) by seniority until the next bid. **If there are still vacancies in the feeder classification, these jobs will be offered to other facilities within the jurisdiction of the destination Local Union before hiring off the street. To be eligible to transfer and fill these vacancies, the employee must be qualified at the time the job is offered. Any employees transferring from another facility pursuant to this paragraph shall be eligible for moving expenses under Section 2 and the employee's seniority shall be determined by the applicable Supplement, Rider or Addendum. The employee shall retain benefits (e.g. vacation, sick leave, holidays, etc.) based on the employee's length of service.**

(d) The language contained in Section 1(a) shall be applicable to the Employer's implementation of "satellite" facilities, provided, however: (1) the issues subject to discussion shall not be limited by paragraph (c) of this Section and, (2) in the event the issues cannot be resolved by the Employer and the Local Union, or, subsequently, in accordance with the established local area practice, the open issues may be referred to the Vice-President of Labor Relations and the Parcel and Small Package Division Director, or their designees. If no resolution is reached, all outstanding disputes shall be submitted to an expedited arbitration to determine if the Employer has violated any provisions of this Section or if the change will result in a violation of any other provision of the collective bargaining agreement. The expedited arbitration will be handled by one of the arbitrators on the National Panel for that area.

Section 2.

As a result of the Employer moving an operation more than ~~seventy five (75)~~ **fifty (50)** miles, all full-time employees in accordance with classification seniority who choose to move, will have their moving expenses paid.

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The expense shall include the reasonable cost of packing and the moving of household goods or house-trailer including dismounting and mounting. The employee(s) who transfer will have one (1) year from the date of the change to move.

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

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

ARTICLE 39. TRAILER REPAIR SHOP

[No change]

Section 1. Recognition

[No change]

Section 2. Employee Classifications

[No change]

Section 3. Wage Rates By Classification

[No change]

Section 4. Health and Welfare

[No change]

Section 5. Pension

[No change]

Section 6. Seniority

[No change]

Section 7. General

[No change]

Section 8. Movement of Equipment

[No change]

Section 9. Amendments

[No change]

Section 10. Paint and Body Facilities

[No change]

Section 11. Training Program

[No change]

Section 12.

[No change]

Section 13. Trailer Conditioners, Inc.

(1) The Agreement between Southern Region of Teamsters and Trailer Conditioners, Inc. ("TCI Agreement") became a supplement to the National Master United Parcel Service Agreement (NMA) in 2007. Article 1, Section 2 and Article 2, Section 1 shall apply to the job classifications described in Article 1 of the TCI Agreement. No other provision of the existing or any future NMA shall apply to the employees covered by the TCI Agreement except as provided in Paragraph 3 below or as otherwise mutually agreed in writing by the parties.

(2) The TCI Agreement became a Supplement to the NMA upon ratification of the 2007 Agreement. This Supplement shall remain in full force and effect for the duration of this NMA. This Supplement to the successor NMA will be subject to cancellation or termination in accordance with Article 45 on July 31, 2018 provided that the notice provisions of the NMA are followed.

(3) Full-Time employees of Trailer Conditioners, Inc. (TCI) who were participants in the Central States Southeast and Southwest Areas Pension Fund (CS Plan) as of December 26, 2007, and all future full-time employees who would have been covered by the CS Plan absent this agreement, shall be covered by the UPS/IBT Full-Time Pension Fund as set forth in Article 34, Section 1(l) of the National Master Agreement (effective January 1, 2008) and the related Plan Documents and Trust Agreement except the benefit formula set forth in Article 34, Section 1 (l)(2) and (l)(6). The benefit formula and monthly benefit for TCI employees will continue at the level set forth in the TCI Agreement. As of December 26, 2007, TCI ceased to have an obligation to contribute to the CS Plan and will have no other obligation to provide such employees with future benefit accruals under the CS Plan. The provisions of Article 21, Section 1 of the TCI Agreement became null and void upon ratification of the 2007 Agreement.

(4) All provisions in the TCI agreement shall remain in effect through the expiration of this Agreement, as set forth in Article 45 July 31, 2023.

ARTICLE 40. AIR OPERATION

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Preamble

[No change]

Section 1—Air Drivers

(a) Air driver work shall consist of delivery and pickup of air packages which, because of time and customer commitments, cannot be reasonably performed by regular package drivers. Such work may include:

- (1) Delivery of air packages which the regular delivery drivers cannot deliver within guaranteed time commitments.
- (2) Delivery of air packages arriving at the facility after regular drivers have been dispatched.
- (3) Delivery and pick up of air packages on weekends and holidays.
- (4) On Call Air pickups.
- (5) Pick up at air counters and drop boxes.

The Company shall not expand the utilization of part-time employees to pick up drop boxes, including those containing ground packages. The Company shall provide the International Teamsters Union with a report no later than March 1, 2013 and, thereafter, an annual report by August 15th of each year for the prior contract year identifying for each Local Union the total number of drop boxes being picked up by regular full-time package drivers, full-time air/combo drivers, and part-time air drivers. The ratio of drop boxes picked up by regular full-time package drivers, full-time air/combo drivers and part-time air drivers shall be maintained (within two (2) percentage points) during the term of this Agreement. Additional drop boxes will be picked up by the same ratio of regular full-time drivers, full-time air/combo drivers and part-time air drivers as established by the March 1, 2013 report. The Company shall, when feasible, use full-time employees to pickup drop boxes. The size and dimensions of drop boxes existing on February 1, 2013, and those added thereafter, shall not be increased, without the consent of the Union. Upon ratification of this agreement the size of future drop boxes shall not exceed twenty-two (22) cubic feet without the mutual agreement of the Co-chairs of the Joint National Air Committee.

- (6) Additional late air pickups.
- (7) Air drivers may, on an exception basis, be used to make service on packages which are not air packages.

An exception package is intended to be when an Air Driver is making a pick up, as outlined above, after the regular driver has been at the customer's premises, and the customer has an

exception ground package(s) for shipment, the air driver may make service on this package(s). Air drivers may continue to pick up Automatic Return Service packages but the features of this service will not be expanded.

Any violation of Section 1(a) (7), shall obligate the Employer to pay the Air Driver involved the difference between ~~his/her~~ their rate of pay and the top regular package car driver wage rate existing at that building. Grievances concerning violation or abuse of this shall be referred directly to the National Air Committee.

- (8) Delivery of early AM Packages.
- (9) Movement of air packages to airports and other locations such as service centers, UPS buildings and driver meet points. Shuttle work currently performed by regular full-time drivers shall be excluded. Should a regular full-time driver vacate a position which includes air shuttle work, that job shall either be rebid as it previously existed and continue to be paid at the regular driver rate or the air shuttle work may be combined with other air work to create one (1) or more full-time air or full-time combination job(s) paid in accordance with Section 6 below. In no event shall such shuttle work be assigned to a part-time air driver.

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

(b) The workday for Air Drivers shall be as follows:

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

(c) Air Driver Work Week

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

(d) Air Driver Guarantee and Overtime

(1) Full-time air drivers shall have the same daily and weekly guarantees as provided for regular drivers in the applicable Supplement, Rider or Addendum. They shall receive overtime pay for hours worked in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week. **Full-time air drivers who work a sixth or seventh report shall receive time and one half (1 ½) for all hours worked.**

(2) Less than eight (8) hour air drivers (part-time air drivers) who have a regular scheduled start time shall have a ~~three (3)~~ **three and one-half (3-1/2)** hour daily guarantee. They shall receive overtime pay for hours worked in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week.

(3) Any less than eight (8) hour combination air driver (part-time combination air drivers) who works their three (3) hour guarantee shall be guaranteed four (4) hours. They shall be paid overtime for work in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week.

(4) The provisions above do not apply to an air exception driver who performs extra work under Sections 1 (h), (j) or (k) below.

(5) Employees in paragraphs (2) and (3) above shall be entitled to all other provisions in their Supplement, Rider or Addendum (such as rest periods, shift differential, bidding to full-time jobs and layoff provisions, etc.).

(e) Start Times

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

(f) Break Periods

(1) Full-time air drivers shall receive the same provisions for lunch and/or breaks as regular drivers receive in their Local Supplement, Rider or Addendum.

(2) This provision is not intended to give less than eight (8) hour air drivers or less than eight (8) hour combination air drivers more than one (1) break unless specifically stated otherwise in the Local Supplement, Rider or Addendum. However, any less than

eight (8) hour air driver (part-time air driver) or less than eight (8) hour combination air driver (part-time combination air driver) who is dispatched with eight (8) or more hours will be provided the same break or lunch period as that provided to full-time drivers under the applicable Supplement, Rider or Addendum.

(g) Bidding Procedure

Air driver jobs shall be subject to the appropriate bidding procedures in the applicable Supplement, Rider or Addendum.

(h) Exception Air Drivers

(1) The Employer and the Union recognize that there may be air packages that cannot be delivered by the regular full-time package car driver or the scheduled air drivers listed in this Section. Therefore, the parties agree to continue the practice of allowing the use of part-time employees who have signed the exception qualified list or who have expressed in writing their desire to be on the list and who have been certified to deliver these exception air packages.

(2) Employees certified on the Exception Air Driver list who have not worked over forty (40) hours in the current work week shall be offered this work by seniority.

(3) Exception air drivers shall have no guarantee and will be paid only for the time worked making air deliveries. In the event a part-time employee works over eight (8) hours in any one (1) twenty-four (24) hour period, ~~he or she~~ **they** shall be compensated at the rate of time and one-half (1-1/2) for all hours worked over eight (8) hours at the rate of pay specified in Section 6 below.

(4) No exception air driver shall be required by the Employer to wait at a center for packages off the clock.

(i) Personal Vehicles

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

(j) Holiday Work

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

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(1) The Employer shall offer this work in seniority order to full-time air drivers who have worked at least one (1) day that week before offering it to part-time air drivers.

(2) When the scheduling needs cannot be met using the above provision, the Employer shall have the right to force part-time air drivers and then full-time air drivers to work starting in reverse order of seniority. If after exhausting the above steps scheduling needs are still not met, the Employer shall offer the work in seniority order within the package driver classification. If more drivers are still needed the reverse seniority order concept will be used for package drivers. Package car drivers who work on a holiday may make a written request for an eight (8) hour guarantee. Such written request shall be made the last work day prior to the holiday. All time worked by these drivers on a holiday will be paid at the Supplemental holiday rate.

(3) The scheduling of the support work will be reviewed with the Local Union prior to the holiday. If the Local Union believes that the Employer has scheduled an excessive number of support employees, it shall have the right to appeal directly to the National Air Committee. The National Air Committee will review the schedule and determine whether the Employer has scheduled an excessive number of support employees. If it is determined by the National Air Committee that the Employer worked excessive support employees, the excessive employees worked shall be paid double-time for hours worked in addition to their holiday pay.

(4) Air drivers and support employees scheduled on a holiday to ensure air service to the customer, including time performing incidental work, shall receive straight-time for all hours worked up to eight (8) hours in addition to the holiday pay. Overtime provisions shall apply if the employee works over eight (8) hours.

(5) All part-time bid air drivers who work on a holiday will be provided a three and one half (3 ½) hour guarantee.

(k) Saturday or Sunday Air Work

(1) To perform Saturday or Sunday air work the Employer and the Union recognize the need for air drivers other than those regularly scheduled. Qualified part-time employees who are interested in performing this work will so notify the Employer, be certified and be placed in seniority order on a posted qualified air driver list. Such work will be first offered in seniority order to employees on the qualified list who have not worked more than thirty-seven (37) hours in the current week. This work shall then be offered in seniority order to qualified part-time employees regardless of hours worked. If the scheduling needs still cannot be met, and additional employees are needed, the Employer may force qualified part-time employees in reverse seniority order.

(2) These employees shall be paid at the air driver's straight-time rate of pay in accordance with Section 6 below. Time and one-

half (1-1/2) will be paid after eight (8) hours per day or after forty (40) hours per week.

(3) All employees working as an air driver on Saturday or Sunday under this Section shall have a three (3) hour guarantee.

(l) References in this Article to an air driver, part-time or full-time, include employees who on a scheduled basis, perform (1) only air driving work, or, (2) air driving work in combination with other bargaining unit work.

Section 2. Air Walkers

[No change]

Section 3. Air Hub and Gateway Operations

[No change]

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

[No change]

Section 5. Grievance Procedure

[No change]

Section 6. Wages

All hourly wages for employees covered under Article 40 will be determined in accordance with this Section, Article 22 and Article 41 where specified.

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

Start	\$15.00 <u>\$23.00</u>
Twelve (12) months	\$16.00 <u>\$24.00</u>
Twenty-four (24) months	\$17.00 <u>\$25.00</u>
Thirty-six (36) months	\$21.00 <u>\$29.00</u>
Forty-eight (48) months	Top Rate

(l) Effective August 1, ~~2018~~ **2023** the prior ~~\$33.94~~ **\$28.64** forty-eight month (top) rate will change on August 1st of each year of the Agreement to reflect the agreed upon general wage increases.

(2) Seniority part-time employees entering a part-time air driver job after the effective date of this Agreement will begin at the seniority rate. ~~Part Time air drivers in progression as of the ratification of this Agreement will maintain a two (2) year progression to Top Rate as set forth in Article 40, Section 6(a) of the 2013-2018 NMA but will be paid the applicable hourly rates as set forth above.~~

Part-time employees who are awarded a scheduled part time air driver job shall receive progression credit in accordance with the

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following: for each four (4) days on which exception air work was performed in the two (2) years immediately prior to the bid award, one (1) month of progression credit shall be granted. In addition, if a bid part-time air driver is displaced, ~~he/she~~ **they** will retain ~~his/her~~ **their** progression credit under paragraph (a.) for any air exception work.

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

Start	\$17.00 \$23.00
Twelve (12) months	\$18.00 \$24.00
Twenty-four (24) months	\$19.00 \$25.00
Thirty-six (36) months	\$23.00 \$29.00
Forty-eight (48) months	Top Rate

1. Effective August 1, ~~2023~~ ~~2018~~ the prior ~~\$35.94~~ ~~\$30.64~~ (top) rate will change on August 1st of each years of the Agreement to reflect the agreed upon general wage increases.

2. Seniority full-time employees entering a full-time air driver job will be slotted based on their Company seniority. ~~Full-time air drivers in progression as of the ratification of this Agreement will maintain a two (2) year progression to Top Rate as set forth in Article 40, Section 6(b) of the 2013-2018 NMA but will be paid the applicable hourly rates as set forth above.~~

(c) All new hire full-time or part-time air drivers will be placed in the applicable progression in paragraphs (a.) or (b.) above. **All existing full-time or part-time air drivers in progression on August 1, 2023 shall be slotted into the new progressions in paragraphs (a) or (b) above, as applicable.** Part-time employees who bid into a full-time air driver job covered by this Section will be red-circled at their current wage rate until such time as the calculated progression rate set forth above exceeds that rate. The transfer date will become ~~his/her~~ **their** full-time start date for the purposes of applying the progression set forth above. A part-time employee shall not lose the red-circle protection provided by this paragraph as a result of transferring from one full-time air driver job to another full-time air driver job.

(d) All current full-time or part-time air drivers who are out of the progression in the prior agreement shall receive the general wage increases provided for in accordance with Articles 22 or 41, as applicable.

(e) Employees in existing or newly created less-than-eight hour combination jobs shall be paid the part-time air rate in accordance with paragraph (a.) above for air driver work and their normal part-time wages for the hours worked in other classifications in accordance with Article 22.

(f) Employees who are in existing full-time combination jobs or who hereafter enter a full-time combination job shall be paid the appropriate full-time air rate for air driver work and appropriate inside part-time rate for the hours worked in other classifications.

If an employee has no established inside rate, that employee will be paid the appropriate part-time rate in accordance with ~~his~~ **their** Company seniority.

(g) Employees on the exception air driver list shall continue to be slotted into the part-time air driver progression in paragraph (a.) above based upon the length of time the employee has been performing air exception work. Seniority employees who begin performing air exception work will start at the seniority rate. New part-time employees signing up to perform air exception work will receive the start rate in paragraph (a.) above until they gain seniority.

(h) Part-time air hub and gateway employees and air walkers shall be paid the applicable part-time rate of pay as set forth in Article 22, Section 5(a) or (b). However, if a part-time employee is awarded an air walker job ~~he/she~~ **they** shall continue to receive ~~his/her~~ **their** inside rate in accordance with Article 22. Full-time air hub and gateway jobs shall be paid in accordance with Article 41, Section 3 unless there is an existing agreement under Article 40, Section 3 expressly providing a pay rate for such a classification.

(i) Air operation employees who are covered by a daily guarantee shall receive the same rest period provisions as outlined in the appropriate Supplement, Rider or Addendum.

(j) Upon ratification of this agreement, employees performing deice and pushback duties in air hubs and gateways shall be paid an hourly premium for the duration of the shift in which such duties are performed. For deice duties the premium shall be one dollar (\$1.00) per hour, for pushback the premium shall be seventy-five cents (\$0.75) per hour.

Within thirty (30) days of the implementation of the Employer's new payroll processing system, but no later than January 1, 2026, the following shall apply:

Employees performing k-loading duties, on aircraft only, shall receive a premium of fifty cents (\$0.50) per hour for the duration of the shift in which such duties are performed.

ARTICLE 41. FULL-TIME EMPLOYEES

Section 1. Full-time Wage Increases

All full-time employees who have attained seniority as of August 1, ~~2023~~ ~~18~~ will receive the following general wage increases for each contract year. The total wage increase for the year will be as follows:

2018 seventy cents	(\$0.70)
2019 seventy-five cents	(\$0.75)
2020 eighty cents	(\$0.80)
2021 ninety cents	(\$0.90)

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~~2022 one dollar (\$1.00)~~

2023 two dollars and seventy-five cents (\$2.75)

2024 seventy-five cents (\$0.75)

2025 seventy-five cents (\$0.75)

2026 one dollar (\$1.00)

2027 two dollars and twenty-five cents (\$2.25)

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

Section 2. Full-time Wage Progression

(a) Notwithstanding any provision in any Supplements, Riders or Addendum the progressions set forth in Sections 2(c) and 3 below will be controlling with regard to any employee entering a full-time job after August 1, ~~2023~~ covered by those Sections.

(b) No employee shall be required to complete a full-time progression more than one (1) time even if ~~he or she transfers~~ they transfer between full-time jobs except as set forth in this paragraph. The sole exception is when an employee is awarded a package car or feeder driver job and has not previously held a full-time job which includes driving duties. In such event, the employee will have a break-in rate equal to the employee's current wage rate until six (6) months from the date the employee entered the job. The employee will then go to the prevailing top rate. A part-time air driver who has completed the Article 40 progression, bids a full-time inside job and then a driver job within two (2) years shall have the same break-in period.

(c) The progression for employees entering a package car driving, feeder or other full-time job (other than an air, Article 43 jobs, or a job covered by Sections 3 or 5, ~~4 or 6~~ below) after August 1, ~~2023~~ shall be as follows:

Start	\$21.00 <u>\$23.00</u>
Twelve (12) months	\$23.00 <u>\$24.00</u>
Twenty-four (24) months	\$24.00 <u>\$25.00</u>
Thirty-six (36) months	\$28.75 <u>\$30.75</u>
Forty-eight (48) months	Top Rate

Part-time employees on the payroll as of July 31, ~~2023~~ who subsequently are promoted to full-time employment under this paragraph will be red circled until such time as the calculated progression rate exceeds that rate. The transfer date will become ~~his/her~~ their full-time start date for purposes of applying the above progression.

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

This Sub-section shall supersede any provision to the contrary in any Supplement, Rider or Addendum.

The progressions in this sub-section shall apply to full-time employees who may have had separate progressions in their Supplements, Riders or Addenda including, but not limited to, UPS CSI.

Employees in the Article 41 Section 2(c) progression in the prior Agreement as of the date of ratification shall be slotted into the new progression above.

Section 3. Full-time Inside Wages

The rates in this Section shall not apply to any full-time inside jobs guaranteed in Article 22, Section 2 created prior to August 1, 1997. Rather, for employees entering those jobs, Article 41, Section 2 (c) above shall apply.

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

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

Start	\$16.00 <u>\$23.00</u>
Twelve (12) months	\$17.00 <u>\$24.00</u>
Twenty-four (24) months	\$18.00 <u>\$25.00</u>
Thirty-six (36) months	\$21.00 <u>\$28.00</u>
Forty-eight (48) months	Top Rate

The Top Rate shall be ~~\$30.64~~ \$35.94 plus the general wage increases provided in Section 1 above.

Employees who are in progression as of the date of ratification, will be slotted into the above progression. When the progression is completed for these employees, the employee shall be placed at the then current top rate and shall thereafter be eligible to receive the general wage increases beginning on the next date specified in Article 41, Section 1.

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

The above progression shall also apply to full-time inside jobs within UPS CSI notwithstanding any applicable Addendum.

Section 4. Full-time Wages For Article 22.4(b) Jobs

~~Part-time employees whose rates are higher than those set forth below who bid into a full-time 22.4(b) job covered by this Section~~

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shall be paid their current inside wage rate plus the general wage increases.

Other part-time employees who bid into a full-time 22.4(b) job covered by this Section will be red circled at their current wage rate until such time as the calculated progression rate set forth below exceeds that rate. The transfer date will become his/her full-time start date for purposes of applying the progression set forth below. A part-time employee shall not lose the red circle protection provided by this paragraph as a result of transferring from one full-time inside job to another full-time inside job.

Start	\$20.50
Twelve (12) months	\$21.25
Twenty Four (24) months	\$22.75
Thirty Six (36) months	\$25.00
Forty Eight (48) months	Top Rate

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

Any part-time employee performing package car cover type work in a Supplement, Rider or Addendum who bids into a 22.4 driver job will be treated the same as if he entered into a regular package car driver job under Article 41, Section 2 (c) for progression credit and red circle purposes.

Full-time employees who bid into a full-time 22.4(b) job covered by this Section will be paid in accordance with their full-time seniority date. Full-time employees with four (4) or more years of full-time seniority who bid into a full-time inside job will be paid the top current rate of the classification.

Section 4 5 – Full-time UPS CSI TCI and Challenge Air Cargo Employees

Full-time UPS CSI, TCI and Challenge Air Cargo employees shall receive the general wage increase on the dates set forth in Article 41, Section 1.

Section 5 6-Mechanic Progression

The progression for employees entering a mechanic job after August 1, ~~2018~~ **2023** shall be as follows:

Current Top Rate	
Start:	85%
Twelve (12) months	90% Top Rate
Twenty Four (24) months	Top rate

Mechanics in progression on August 1, ~~2021~~ **2023** shall be slotted into the above progression.

ARTICLE 42. UNIFORMS

[No change]

ARTICLE 43. PREMIUM SERVICES

Section 1. Job Protection

[No change]

Section 2. Sleeper Team Operations

The Employer may use subcontractors for new custom contracts for reasonable start-up periods. In no event shall such start-up period exceed thirty (30) days. Any use of this provision shall be reviewed and approved by the Union Chair of the Premium Services Committee.

(1) Bidding and Mileage

(a) Sleeper cab runs approved pursuant to the provisions of Article 43 will be posted and employees may bid for such runs in accordance with the bidding procedures set forth in the applicable Supplement, Rider or Addendum. No seniority employee shall be forced to drive in a sleeper cab run unless otherwise provided in their Feeder Work Rules or Local Union practice. If after the bidding process is exhausted, the new jobs/vacancies have not been filled, the following procedure shall apply. These jobs will be offered to other facilities within the jurisdiction of the local union which have qualified feeder drivers on lay-off, displaced, or otherwise not holding a bid within the feeder classification, before hiring off the street. To be eligible to transfer and fill these new jobs/vacancies, the employee must be qualified at the time the job is offered. Any employees transferring from another facility pursuant to this paragraph will have their seniority determined by the applicable Supplement, Rider, Addendum, or Local Union agreements/practice. The employee shall retain benefits (e.g. vacation, sick leave, holidays, etc.) based on the employee's length of service. If no employee fills these new jobs/vacancies, the Company will hire off the street. Drivers hired off the street to cover open sleeper jobs will not be eligible to bid on new/vacated jobs for a period of eighteen (18) months. A senior driver who successfully bids a sleeper cab run shall be permitted to select his/her their respective sleeper cab team partner without regard to seniority, provided that the driver selected as a partner has, prior to such bid, acknowledged his/her their agreement, in writing, to accept such permanent sleeper cab run driving assignment and provided further that the selected partner possesses the required qualifications.

(b) There shall be no two (2) person operations on runs with loads of less than five hundred fifty (550) outbound miles on the first leg and one thousand one hundred (1,100) miles round trip. All bids and cover drivers will receive reasonable time off at their home center. Every team driver shall be guaranteed at least forty (40) hours of pay per week.

(2) Driver Team

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Once driver teams are established it is understood that they are not to be separated unless mutually agreed to by the Employer, the Local Union, and the driver team involved, except in case of emergency or reduction in force. Only two (2) drivers shall be permitted in sleeper cab equipment at any one (1) time except in case of emergency, an Act of God, or where a new type of equipment is put into operation.

(3) Furnished Transportation and Lodging

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

Under unusual circumstances in which the Employer is unable to furnish satisfactory lodging, the employee shall be paid ~~forty one hundred~~ **fifty one hundred** dollars (~~\$50.00~~) (**\$100.00**) for each rest period; except where accommodation is unavailable at such figure and it is necessary for the driver to pay in excess of ~~forty one hundred~~ **fifty one hundred** dollars (~~\$50.00~~) (**\$100.00**), ~~he~~ **they** shall receive reimbursement of the actual cost of the room.

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

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

(4) Safety and Health Committee

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

(5) Sleeper Equipment

Newly purchased equipment will meet the following specifications:

(a) Minimum interior dimensions of the sleeper berths shall be:

Length—79/80 inches;
Width—36 inches; and
Height—24 inches.

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

(b) Sleeper berths shall be equipped with individual heat and air conditioning controls and units. Automatic idle shut offs will not be activated unless required by law. If this occurs, the affected local union may on a case-by-case basis appeal to the chairs of the Article 43 Committee for resolution.

(c) Bunk restraint strap/net buckles on sleeper equipment shall be mounted on the entrance side of the sleeper berth.

(d) Sleeper equipment shall be equipped with a power window on the passenger’s side of the cab that is operable from the driver’s side of the cab.

Leased equipment should be consistent with the above specifications and comply with all DOT Regulations. Any variations shall be reviewed with the Article 43 Union Chair.

(6) Subsistence Allowance

Each employee shall be allowed road expenses in the amount of ~~forty-five dollars (\$45.00)~~ **thirty-five (\$35.00)** for each one thousand (1000) miles traveled.

(7) Delay Time

It is the intent of the parties to make the driver whole for all justified delay time, such as waiting for late loads, unscheduled on property work, accident delay or on road equipment breakdown. Any disputes will be referred to the Joint Premium Service Review Committee.

(8) Solo Driving

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

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necessary, the driver, in addition, shall be provided the cost of lodging for such rest period.

(9) Layover Pay

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

(10) Mileage Determination

Sleeper drivers shall be paid for the scheduled miles that they drive, on a point-to-point basis over the routes driven. The method of measurement for mileage under this provision will be Microsoft Streets and Trips mapping or similar successor software.

(11) All employees entering after August 1, ~~2023~~ 2018, a job classification paid on a mileage rate, who have not yet completed a full-time progression, shall be paid a progression rate equal to the following:

	Single	Double	Triple
Start	.5816	.5939	.6062
Twelve (12) Months	.6203	.6335	.6466
Twenty-Four (24) Months	.6591	.6731	.6871
Thirty-Six (36) Months	.6979	.7127	.7275
Forty-Eight (48) Months	TOP RATE		

Progression	Single	Double	Triple
Start	0.6370	0.6504	0.6639
12 months	0.6473	0.6611	0.6747
24 months	0.6866	0.7012	0.7158
36 months	0.7465	0.7623	0.7781
48 months	TOP RATE		

Those drivers in progression as of the ratification of this Agreement will maintain a ~~three (3)~~ **the four (4)** year progression to Top Rate **and be slotted into the above progression rates** as set forth in Article 43, Section 2 (11) of the 2013-2018 NMA but will be paid the applicable mileage rates as set forth above.

Those drivers in progression as of the ratification of this Agreement will maintain a ~~three (3)~~ **the four (4)** year progression to Top Rate **and be slotted into the above progression rates** as set forth in Article 43, Section 2 (11) of the 2013-2018 NMA but will be paid the applicable mileage rates as set forth above.

(12) Hourly work performed at the beginning or end of a mileage run shall be paid at the applicable hourly feeder one and one-half (1 1/2) rate of pay or the applicable premium rate of pay in the driver's Supplemental Agreement.

(13) All tractors shall have PrePass technology installed as soon as practicable, and it shall be maintained in proper working order.

Section 3. Mileage Rates

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

The mileage rates set forth below shall be effective on August 1 for each of the specified contract years. The total increases for each year will result in the following mileage rates:

	Single	Double	Triple
August 2018	0.8442	0.8626	0.8810
August 2019	0.8613	0.8800	0.8988
August 2020	0.8796	0.8987	0.9179
August 2021	0.9001	0.9196	0.9393
August 2022	0.9229	0.9429	0.9631

Top Rate	Single	Double	Triple
2023	1.0148	1.0348	1.0550
2024	1.0320	1.0520	1.0722
2025	1.0492	1.0692	1.0894
2026	1.0721	1.0921	1.1123
2027	1.1237	1.1437	1.1639

Section 4. Joint Premium Service Review Committee

The Employer and the Union agree to establish a Joint Premium Service Review Committee consisting of four (4) Union representatives and four (4) Employer representatives. This Committee shall meet at least quarterly or upon the call of either the Union Chair (who shall be appointed by the Union General President) or the Employer Chair.

In the event the Employer proposes to implement ~~either~~ a mileage layover run, or sleeper team run **or a city pair (mileage turn)** in accordance with the provisions of Section 1 above, the run must first be reviewed and approved by the ~~affected Local Union(s)~~ **Joint Premium Service Review Committee**. Such approval shall not be unreasonably denied. ~~After approval by the Local Union(s), the accommodation shall be submitted to the Joint Premium Service~~

~~Review Committee for review. The Employer may also submit the accommodation to the Committee for review in the event approval is denied by the Local Union(s). No such accommodation shall be implemented without the approval of the Parcel & Small Package Division Director or the General President's designee. Approval shall not be unreasonably denied.~~

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The Committee shall also review the Employer's compliance with the provisions of this Article and shall report and recommend improvements or alterations in the implementation and operation of premium service and sleeper team drivers.

**Article 43
Premium Services**

**Guidelines UPS Mileage
Layover, City Pair and
Sleeper Team Drivers**

TEAMSTERS/UNITED PARCEL SERVICE

ARTICLE 43 – PREMIUM SERVICES COMMITTEE

**Guidelines for UPS Mileage Layover, City Pair,
and Sleeper Team Drivers**

1. No Feeder Driver will be laid off or displaced from the Feeder Classification as a direct result of the implementation of a Premium Service Job.
2. If the Employer's existing Feeder Network can meet the Employer's time and service needs, that network will be used first.

In the event the Employer proposes to implement ~~either~~ a mileage layover run, ~~or~~ sleeper team run or a city pair (mileage turn) in accordance with the provisions of section 1 above, the run must first be reviewed and approved by the ~~affected Local Union(s)~~ Joint Premium Service Review Committee. Such approval shall not be unreasonably denied.

~~After approval by the Local Union(s), the accommodation shall be submitted to the Joint Premium Service Review Committee for review.~~

~~The Employer may also submit the accommodation to the Committee for review in the event approval is denied by the Local Union(s).~~

No such accommodation shall be implemented without the approval of the Package Division Director or the General President's designee.

Approval shall not be unreasonably denied.

Any run that has been approved and is changed such change must be reviewed ~~with the Local Union(s)~~ involved and approved pursuant to the above process. Upon the re-optimization of the network, the Committee shall review the Employer's compliance

with the provisions of this Article and shall report and recommend improvements or alterations in the implementation and operation of all mileage runs, premium service and sleeper team runs.

City Pair (mileage turn) drivers will be paid by the actual miles driven between selected UPS locations which are more than 250 miles apart.

City Pair (mileage turn) drivers shall be scheduled for 5 working days as outlined in the applicable supplement, rider or addendum.

Layover drivers will be paid by the actual miles driven between selected UPS locations, which are typically more than 500 miles apart.

Mileage jobs not scheduled to equal ten (10) hours of pay will be filled in with local hourly feeder work in the following order:

1. Local feeder or CPU/TDP work at origin hub or center.
2. Shifter work at origin work location.
3. Layover jobs not scheduled to equal ten (10) hours per day, may be supplemented with an additional day of work at the regular hourly rate in an effort to provide forty (40) hours of work weekly. When this occurs, the layover job will not be subjected to the requirement of providing hourly work to equal ten (10) hours of pay.
4. Destination local work will be the last consideration.

Holidays, personal holiday, paid sick days, funeral leave and jury duty for city pair (mileage turn), layover and sleeper team drivers will be paid in accordance with the applicable supplement, rider or addendum. The layover and sleeper team drivers will be compensated for no less than forty (40) hours of work in a holiday workweek.

These holidays will be paid at ten (10) hours straight time pay for mileage drivers who are scheduled four (4) days a week, ten (10) hours a day if the holiday falls on a day the employee is normally scheduled to work. When the holiday falls on a non-scheduled day, the employee will be paid in accordance with the applicable supplement, rider or addendum.

When the city pair (mileage turn), layover and sleeper team drivers are required to work on a holiday, the driver will be paid at the appropriate holiday rate under the applicable supplement, rider or addendum.

City pair (mileage turn), layover and sleeper team jobs will be bid among regular origin feeder jobs as per local procedures and work rules.

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Jobs not selected in normal top down seniority order will be assigned from the bottom up as per normal local work rules. As per Article 43, Section 2(1)(a).

Efforts to pre-connect city pair (mileage turn), layover and sleeper team driver's tractor/trailer units at the local origin will be made at both the start and the finish of the run in a regular location on the lot.

Pre-trip, post-trip inspection, start and finish shall be part of the applicable mileage rate.

"It is the intent of the parties to make the driver whole for all justified delay time, such as waiting for late loads, unscheduled on-property work, accident delay or on-road equipment breakdown. Any disputes will be referred to the Joint Premium Service Committee." **Unless authorized otherwise by management, delays will commence at the scheduled departure time.**

~~Unless authorized otherwise by management, delays will commence at the scheduled departure time.~~

Mileage drivers are not paid for traffic delays when mileage is recorded within the delay except as follows:

On major highways, traffic delays will commence when a mileage driver's speed is reduced to a complete stop and then the driver continues to move at a speed less than fifteen (15) miles per hour. The delay would continue until the tractor reaches a speed of fifteen (15) miles per hour for at least one (1) consecutive minute. Traffic delays must be fifteen (15) minutes or greater and will be paid back to the first minute.

It is understood in extreme traffic delay cases, delay pay will not be unreasonably denied.

While this section clearly entitles the Team Drivers to be made whole for all justified delay time such as waiting for late loads this language applies only to sleeper cab planned runs that have been awarded through the appropriate applicable supplemental, rider or addendum provision.

When sleeper team runs require waiting time at the furthest point, such waiting time may be non-paid, but not to exceed ~~one~~ **two** (~~2~~**1**) hours.

The driver will be paid from the actual arrival time to the extent that an early arrival is not the fault of the driver. Each arrival at the home domicile will reset the furthest point, **but in no instance will a team have more than one (1) unpaid hour total at furthest points in any one week, except as provided below.**

Upon arrival at the furthest point, the Company will have the option of providing suitable lodging for the duration of any wait

time. Drivers who are provided with lodging will be in a non-pay status not to exceed eight (8) hours or until placed back on duty by the Company.

The Company may schedule a maximum of ten percent (10%) of the total approved network sleeper teams nationwide up to ten (10) hours in non-pay status at the furthest point. The Company will not un-necessarily create these types of runs or excessively schedule these runs in any one (1) Local Union. Also, the Company must have a specific business purpose to schedule such a run as well as follow the approval process set forth in the Article 43 Guidelines on any newly created runs as of March 27, 2013.

Waiting time at intermediate stops will be handled in accordance with the applicable local supplement, rider or addendum.

Delays of fifteen minutes or more will be paid back to the first minute, at the applicable local hourly feeder rate for both team drivers and a single person driver that is on a layover run.

"Chain-up" time will be paid to both team drivers and a single person driver that is on a layover run in the States where it is required.

City pair (mileage turn), layover and sleeper team drivers will be paid the applicable feeder hourly rate after a diversion occurs from the point of leaving the main highway to the facility and returning to the main highway. Any such re-dispatch will not displace any bid feeder work.

Mileage Determination:

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

Fuel and Wash will be handled in the following manner:

There shall be a set fuel/wash allowance of thirty (30) minutes when a fueling event is scheduled at a non UPS facility or required in an emergency situation.

However, when sleeper teams are scheduled to fuel/wash at UPS facilities other than those designated as an intermediate stop, those stops which utilize a staging area outside of the facility the fuel/wash delay will start at the point of uncoupling and finish when re-coupling is completed. If uncoupling and re-coupling is necessary within a facility, a team will commence being paid upon entering the facility and finish upon exiting. If uncoupling is not necessary, teams will be paid a set fuel/wash allowance of forty (40) minutes.

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Re-route;

A re-route occurs when a sleeper team is taken off their scheduled path due to weather, road closure, accident, etc. When a team is re-routed to other comparable roadways, the team's additional miles will be compensated at the applicable mileage rate of pay. If a mileage driver is re-routed to a non-comparable main highway, he will be paid at the applicable hourly rate of pay.

Extension:

An extension occurs when an exception such as inclement weather, breakdown, traffic delay, etc. requires a sleeper team to be extended beyond their furthest point. These miles will be paid at the regular mileage rate of pay.

Shuttle service to a sanitary hotel and lodging expenses will be paid for, or provided by, the Employer.

It is understood that supplemental language, regarding impassable highways, shall continue to apply. If a mileage driver pulls doubles any part of his/her day, he/she will be paid the doubles rate for the entire day. Double forty (40) foot trailers will be categorized the same as triples.

For Sleeper Team Drivers, the greatest number of trailers actually pulled will be used for compensating all legs from domicile to return to domicile. Each turn at domicile will reset the trailer compensation rate.

Applicable wage rates are listed under Article 43 and apply to all drivers. ~~There is no wage progression for full-time package car and feeder drivers hired on or prior to August 1st, 1997.~~

In the event city pair (mileage turn), layover and sleeper team mileage drivers are offered work on a regular scheduled day off from his/her workweek, the following shall apply:

1. Mileage drivers who work on their days off shall be paid the applicable feeder premium rate of pay in his/her Supplemental Agreement.
2. Mileage drivers scheduled for four (4) runs at ten (10) hours a day – When the drivers work on the fifth (5th) punch, such drivers shall be paid the applicable premium rate of pay in his/her Supplemental Agreement for the sixth (6th) day of work.
3. Mileage drivers scheduled for four (4) runs at ten (10) hours a day – When the drivers work on the sixth (6th) punch, such drivers shall be paid the applicable premium rate of pay in his/her Supplemental Agreement for the seventh (7th) day of work.
4. Sleeper team drivers who work on their first (1st) scheduled day off will be paid at the applicable premium rate of pay as a sixth (6th) day of work in accordance

with his/her Supplemental Agreement. Any subsequent days worked thereafter within their scheduled workweek will be paid as a seventh (7th) day of work in accordance with his/her Supplemental Agreement.

A premium service layover and sleeper team driver equals in four (4) days the same benefits as a five (5) day hourly driver.

Hourly work performed at the beginning or end of a mileage run shall be paid at the applicable hourly feeder one and one-half (1 ½) rate of pay or the applicable premium rate of pay in the driver's Supplemental Agreement. This would include mileage runs that may have multiple beginnings and endings at the home domicile.

Subsistence allowance shall cover the cost of showers; however, where practical and when possible, UPS may provide a shower at the destination facility.

The cost of fees for bridges, turnpikes, expressways and weigh stations shall be paid by the Employer.

Each driver will be issued two (2) sheets, two (2) pillow cases, and one (1) blanket each year, provided however, that if a driver requests a replacement set of sheets, pillow cases, and blankets because of the material being worn out prior to one (1) year, such request will not be unreasonably denied by UPS. Laundry service shall be paid by the drivers.

Planned mileage runs must be bid with designated work days and days off (i.e. four-day runs and five-day runs).

Mileage drivers shall be paid the applicable mileage rate of pay for all miles driven.

Each sleeper team driver will receive subsistence allowance of ~~thirty five dollars (\$35.00)~~ **forty-five dollars (\$45.00)** for every one-thousand (1000) miles driven. Miles driven under one-thousand (1000) each work week shall be adjusted within a thirty (30) day period. For example, three-thousand five-hundred (3,500) miles in a week, five-hundred (500) miles of the total miles driven will be prorated.

In areas where Sleeper Team jobs are currently running or implemented in the future, the parties will meet to develop Sleeper Team Work Rules to address topics not already covered by the NMA or the Premium Services Guidelines. Neither party will unreasonably delay the addressing of Sleeper Team Work Rules.

VACATED SLEEPER POSITION SELECTION

Each Local Union may elect to follow this procedure for the replacement of the senior driver work assignment or continue the practice that presently exists in their Local Union area. In the

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event the senior driver (A driver), of a bid team permanently vacates the team for any reason, the junior driver (B driver), will become the senior (A driver), for that team for the purpose of selection of his/her replacement. The selection will be in accordance with Article 43, Section 2 (1) (a) of the National Master Agreement.

ARTICLE 44. OVER 70 POUND SERVICE PACKAGE HANDLING

[No change]

Section 1. On Area Package Handling

No employee shall be required to handle any over 70 pound packages alone if it is the employee's good faith belief that such handling would be a safety hazard to ~~herself or himself~~ **themselves**. In such cases, the Employer shall provide whichever of the following is requested in good faith by the employee in handling over 70 pound packages:

1. Another bargaining unit employee for assistance, or
2. Appropriate lifting/handling devices, or
3. Another bargaining unit employee and an appropriate lifting/handling device for handling, pick-up or delivery circumstances that require both bargaining unit help and an appropriate lifting/handling device.
4. Smalls bags over 70 pounds will be handled in accordance with 1 through 3 above. When discovered in the small sort the bag will be split into two bags.

In all such instances involving package car drivers, where assistance from another bargaining unit employee has been requested in good faith, both employees will be full-time employees of the bargaining unit except that air drivers or helpers, where permitted by the applicable Supplement, may be used to assist the full-time driver in the delivery and/or pickup of such overweight packages. On Saturdays, air drivers may be assisted by another air driver in the delivery and/or pickup of overweight packages. A helper may be used to assist a driver in the handling of overweight packages when a helper is already on the package car in accordance with the terms of the Supplement, Rider or Addendum.

No employee will be required to solicit or accept customer assistance if it is the employee's good faith belief that the customer is not qualified to help or that such assistance would be a safety hazard to themselves or the customer.

All new and existing employees who handle packages shall be provided with periodic training in the recognition and proper handling of over 70 pound packages.

Items 1 and 2 above will also apply to automotive mechanics when handling equipment over 70 pounds.

No employee shall be disciplined as a result of following the provisions of this section.

Section 2. Package Identification

[No change]

Section 3. Inside Package Handling Procedures

[No change]

ARTICLE 45. DURATION

Section 1.

This Agreement shall be in full force and effect from August 1, ~~2023~~ to and including July 31, ~~2023~~ and shall continue from year to year thereafter unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.

Section 2.

Where no such cancellation or termination notice is served and the parties desire to continue said Agreement but also desire to negotiate changes or revisions in this Agreement, either party may serve upon the other a notice at least sixty (60) days prior to July 31, ~~2023~~ or July 31st of any subsequent contract year, advising that such party desires to revise or change terms or conditions of such Agreement.

Section 3.

Revisions agreed upon or ordered shall be effective as of August 1, ~~2023~~ unless otherwise specifically provided. The Employer or the National Negotiating Committee shall be permitted all legal or economic recourse to support their requests for revisions if the parties fail to agree therein.

Section 4.

In the event of an inadvertent failure by either party to give notice set forth in Sections 1 and 2 of the Article, such party may give such notice at any time prior to the termination or automatic renewal date of this Agreement. If a notice is given in accordance with the provisions of this Section, the expiration date of this Agreement shall be the sixty-first (61st) day following such notice.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this _____ day of __, ~~2023~~ to be effective as of

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ratification of this Agreement except as to those areas where it has been otherwise agreed between the parties:

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

Memorandum of Understanding

[No change]

Memorandum of Understanding

[No change]

Memorandum of Understanding

[No change]

Memorandum of Understanding

[No change]

LETTER OF AGREEMENT

[No change]

Memorandum of Understanding

[No change]

~~Memorandum of Understanding National Master Negotiations~~

~~The parties agree that a package car driver requesting a fan in the cab of their vehicle shall make such request through the local Safety and Health Committee for approval. Any disputes over installation of a fan shall be referred directly to the Co-Chairs of the National Safety and Health Committee for resolution. Such request will not unreasonably be denied.~~

LETTER OF AGREEMENT

~~United Parcel Service Inc. ("UPS" or "Company") and the Teamsters National UPS Negotiating Committee (Union) agree to the following in connection with the implementation of Article 34 of the 2018-2023 National Master UPS Agreement (NMA):~~

~~The hourly increase in full-time contribution for TeamCare set forth in Article 34 for 2018, 2019 and 2020 shall be forty two cents (\$0.42); forty three cents (\$0.43); and forty five cents (\$0.45), instead of fifty cents (\$0.50) if TeamCare does not adjust its dental, life insurance and short-term disability benefits for full-~~

~~time employees in the C6 Plan to match these benefits in TeamCare. This adjustment shall be applied on the effective date of the NMA.~~

LETTER OF AGREEMENT

United Parcel Service, Inc. ("UPS" or "Company") and the Teamsters UPS National Negotiating Committee ("Union") agree to the following in conjunction with the negotiation of the current National Master Agreement.

1. Part-time employees employed in the Anchorage, Alaska air gateway shall be entitled to overtime for hours worked in excess of five (5) hours per day.

2. Employees certified as hazmat responders in accordance with Article 18, Section 21 shall receive a minimum hourly premium for all compensated hours of one dollar per hour (\$1.00).

