To: UPS Local Unions

From: Ken Hall, Co-Chair UPS National Negotiating Committee

**Re:** Contract Extension

**Date:** June 28, 2013

UPS and the Union have agreed to an extension of the current UPS National Master Agreement and all Supplements, Riders and Addenda. The extension does not have a specific end date, but can be terminated by either side with a 30 day notice.

This means that all of the current Agreements will remain in place until the Supplements that did not receive a majority of votes have been re-voted and agreed to. Any increases in wages, pensions and health and welfare contributions that were agreed to in the new National Master Agreement will be made retroactively to August 1, 2013 but will not take effect until the Supplements have been re-voted and agreed to.

In addition, UPS has agreed not to implement the increase in retiree contributions to retiree health insurance on August 1, 2013 as set forth in letters that were sent out to Retirees in December of 2012.

KH:lfr