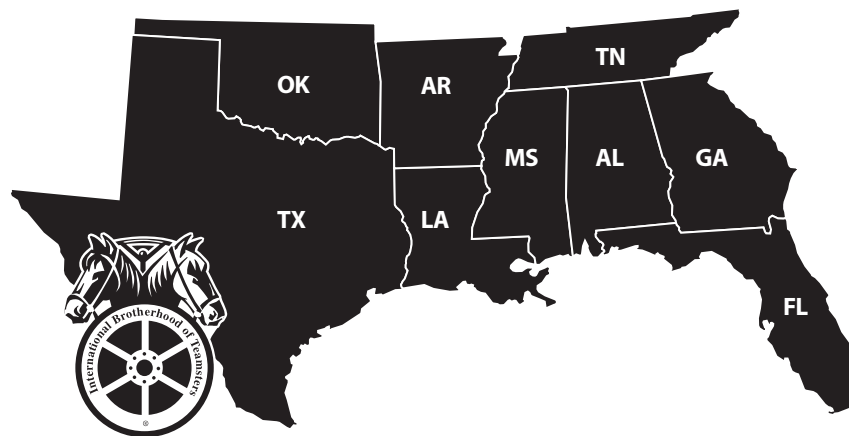


Teamsters
Southern Region
and
UNITED PARCEL SERVICE
Supplemental Agreement
To the
NATIONAL MASTER
UNITED PARCEL SERVICE
AGREEMENT



For the Period
August 1, 2018~~3~~ Through July 31, 2023~~18~~

SOUTHERN REGION OF TEAMSTERS

AND

**UNITED PARCEL SERVICE, INC.
SUPPLEMENTAL AGREEMENT**

ARTICLE 46 – ACQUISITION OF SENIORITY

SECTION 1 – PROBATIONARY PERIOD – N/C

SECTION 2 – SEASONAL EMPLOYEES – N/C

SECTION 3 – 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 for the purpose of training, demonstration and demonstrate safety, or as otherwise provided in the applicable Supplement. Supervisors will not perform bargaining unit work employee's work until after all reasonable efforts have been exhausted to have the work covered. However, in cases of unexpected absentees or to prevent service failures, supervisors may perform such bargaining unit work as necessary to complete that day's (or night's) work schedule. The job steward will be provided with employee assignment information upon request. 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 employees home and then have such employee's work performed by a supervisor or other employees of the Employer who is not a member of the bargaining unit.

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

(C) If there is no established local practice the following shall apply with regard to inside work. Within each building, each operation will maintain appropriate list(s), by seniority, of those part-time employees requesting coverage work. It will be the 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 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 resign 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 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 employees will be paid as follows: (a) 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 the employee’s rate of pay at the time of the incident: (b) 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 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 preform 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 time the employee’s rate for the hours specified in the first paragraph of this subsection.

SECTION 4 – EMPLOYMENT OPPORTUNITIES – N/C

ARTICLE 47 – STEWARDS – N/C

ARTICLE 48 – SENIORITY – N/C

SECTION 1 – SENIORITY ROSTERS/POSTINGS – N/C

SECTION 2 – LOSS OF SENIORITY – N/C

SECTION 3 – N/C

SECTION 4 – N/C

SECTION 5 – REDUCTION IN FORCE - FULL-TIME EMPLOYEES (OTHER THAN FEEDER DRIVERS) – N/C

SECTION 6 - PACKAGE DRIVERS - JOB SELECTION

(A) Bid Routes: All routes shall be bid. There shall be a minimum of two (2) training delivery routes and a maximum of ten percent (10%) training delivery routes in each package center. **A minimum of one and a maximum of fifty percent (50%) of the training routes shall remain unbid.** The purpose of the training routes, is to train probationary package car drivers and temporary cover drivers. The training delivery routes shall be designated by the Employer and listed as such on the center bid list. Should there be a need to change these training delivery routes the Employer will notify the Local Union. Package car drivers not holding a bid route will cover for vacations, options, personal holidays, sick days, and other absences of the regular bid drivers, or to cover overflow work.

Package car drivers who do not hold a bid route will have the opportunity to bid any route(s) that will be vacant for the entire following week. The vacant routes will be posted on Tuesday and completed by Thursday. If a bid driver returns to work mid-week, they will be placed on their route at their next scheduled start time.

If a package car driver is pulled from their bid route to cover another route, a package car driver would be entitled to a two (2) hour penalty payment at his/her straight time rate of pay.

Seniority will be considered when making work assignments for drivers not holding a bid route. Prior to a driver not holding a bid route being forced to move, management will meet with the driver and Union steward to review that all reasonable efforts have been exhausted to have the open vacancy covered. When business allows, the Company will cross-train drivers not holding a bid route.

Disputes arising from the above-mentioned paragraph shall be handled by the Business Agent and the District Labor Manager. Any disputes still not resolved by the above-mentioned process will be brought directly before the S.R.A.P.G.C. Co-Chairs for resolution.

Should the annual vacation and option schedule for a center justify the need for additional full-time package drivers, the Employer agrees to bid and hire if necessary additional permanent full-time drivers for this need.

(B) The Employer shall designate delivery routes in all centers and they will be bid, by center, as stated in Section 6 (a) on the first Monday in February of 2020 ~~2015~~ and the first Monday in February of 2022 ~~the last year of this agreement~~. Qualified package drivers will bid all the routes in their center. Package drivers will be on their bid area no later than May 1st of each bid year.

Following the completion of these bids the following procedures shall apply.

(C) Vacancies and new positions - Qualified package drivers with six (6) months of seniority or more may bid on any permanent vacancies in all months except December, and permanent new jobs, as defined by the Employer, in all months except November and December. The successful bidder must remain on the awarded bid for a minimum of six (6) months before being eligible to bid again on vacancies and new positions.

(D) All bids shall be posted and contain a description of the delivery route and the delivery loop or loops contained in that route. The geographical description will include the North, South, East, and West boundaries and where applicable border street names, number breaks, and odd and even designation(s) if necessary. The driver will work within the delivery route, but it is understood that daily adjustments may be made as necessary. A driver may be required to perform work in adjacent delivery routes as long as seventy percent (70%) of the work performed is within their defined bid route. A driver may also be required to perform work on the way to and from their delivery route.

Should there be a permanent change of more than thirty percent (30%) of the delivery stops in a package car driver's bid route, the driver affected may elect to displace a junior package driver. A permanent change in a route is defined as occurring over a thirty (30) consecutive working day period. Employee moves of this nature shall be limited to four (4) moves with the Company filling the fourth (4th). If no unassigned driver accepts the opening, the Employer will assign it to the junior unassigned driver.

(E) A permanent new job for the purpose of this Section shall be one that has been in existence for a period of thirty (30) consecutive working days. Pending the job becoming permanent and the operations of the job selection procedure, the Employer shall have the right to assign any unassigned package driver to perform the work on a temporary basis.

(F) When a permanent vacancy or permanent new job becomes open on a delivery route in a center, it shall be posted for bid on the first Monday following it becoming open by the Employer for a period of ten (10) working days. Only those package drivers in the building shall bid. The bid will be awarded to the senior package driver and will go into effect and be assigned on the third (3rd) Monday following the

posting. If the bid requires a change of center, the employee's classification seniority will be dovetailed in the new center.

(G) The Employer will fill the fourth (4th) opening which results from the above procedure. The procedure to fill the fourth (4th) move will be as follows, the opening will be offered in seniority order to the unassigned drivers within that center. If no unassigned driver within that center accepts the opening, the Employer will assign it to the junior unassigned driver.

(H) If a job is vacated for more than forty-five (45) consecutive work days, other than scheduled days off, the Local Union and the Employer may meet to determine if the job should be bid. If it is determined to bid the job it may be bid either temporary or permanent.

If it is determined to be bid as temporary, it will be offered to the drivers in the respective center. There shall be two (2) moves with the Employer filling the second (2nd). When the person who originally vacated the job returns to work, all involved employees will return to their original jobs.

(I) Package car drivers with: (a) one (1) or more years of seniority or (b) seniority package car drivers bidding into a higher paying classification, who are interested in moving into that classification shall so notify the Employer. Such employees in seniority order will be permitted to move when a new permanent job or vacancy occurs in such classifications in the Center or building, provided the employee is qualified to perform the job. The employee awarded the job must successfully complete a thirty (30) working day training period at which time he/she will be added to the Center seniority list with a date of the first (1st) day worked in the new classification.

No employee will be afforded more than three (3) opportunities to qualify for a specific full-time classification. Employees in their probationary period will not be allowed to bid. Employees who bid to another classification and fail to qualify shall not be eligible to move again into that classification for one (1) year from the date of disqualification. Employees must pre-qualify on their own time.

(J) Copies of all completed bid sheets shall be sent to the Local Union by certified mail.

(K) Violations of paragraphs A through I above will be subject to the grievance procedure of this Agreement.

SECTION 7 – FEEDER DRIVERS – JOB SELECTION – N/C

SECTION 8 – FULL-TIME EMPLOYEES INSIDE EMPLOYEES - JOB SELECTION – N/C

SECTION 9 – OPENING AND CLOSING OF CENTERS OR HUBS – N/C

SECTION 10 – 22.3 COMBINATION EMPLOYEES

Seniority Rosters/Postings

(A) Seniority will be by building and job classification. The classifications shall be air, air-inside combination, inside-inside combination and shifter combination. Full time inside employees and 22.3 combination employees in the same job classifications will be on the same seniority list for the purpose of vacation, bidding and layoff.

(B) The Employer shall designate starting times and sorts by classification and there will be a one (1) time bid on **the first Monday of** March 1, **2019** ~~2014~~. Qualified employees by classification shall bid within their classification by seniority. Employees must be pre-qualified on their own time.

(C) The Employer reserves the right to designate starting times and to change starting times from time to time as the needs of the business require.

(D) In the event of a starting time change of one (1) hour or more employees in that classification shall be permitted to select such new start times in the order of seniority. In the event no employee selects such new start time, the least senior employee in the classification will be required to fill it.

(E) When a permanent vacancy or permanent new job becomes open the Employer shall post it for bid on the first (1st) Monday following it becoming open for a period of ten (10) working days. Only those employees in the classification shall bid. The Employer will fill the fourth (4th) opening which results from the above procedure as per Article 48, Sections 6, 7 and 8, and Article 49, Section 2. The employee awarded the job must successfully complete a thirty (30) working day qualifying period (unless previously qualified in the last thirty-six (36) months).

Employees in their qualifying period will not be allowed to bid. The employee awarded the job must successfully complete a thirty (30) working day probationary period (unless previously qualified in the last thirty-six (36) months) at which time he/she will be added to the appropriate seniority list with a date of the first day worked in the new classification. Years of service credit will be retained for fringe benefits. Employees must pre-qualify on their own time.

Employees who bid to other classifications and fail to qualify shall not be eligible to move again for one (1) year from the date of disqualification in that classification.

22.3 employees will not be allowed to bid while in their thirty (30) day qualifying/probationary period. 22.3 employees that have not been in their current position for at least twelve (12) months shall not be allowed to bid into another job unless this bid would afford them a higher earning capacity.

(F) The Employer will not be required to post any bids during the months of November and December.

(G) In the event of layoff of both portions of the combination job, the affected employee has the right to exercise his/her seniority in the following manner:

1. Must displace the junior employee within their regular classification.
2. May displace the junior full-time employee in any other classification or part-time work.

If the employee elects to perform package-driving work, he/she must qualify (unless previously qualified in the last thirty-six (36) months) by completing a thirty (30) day qualifying period.

If the employee elects to perform part-time work, he/she must displace two (2) part-time employees if available.

When an employee works two (2) part-time shifts, he/she shall receive the appropriate guarantee of eight (8) hour's work for the day. If only one (1) shift is available, the employee will be guaranteed four (4) hours of work if the work exists.

In any case, the employee must be qualified to perform the work, have more seniority than the displaced employee and if it is a temporary layoff be available for his/her next regularly scheduled job.

The Employer shall continue to make contributions to their regular full-time health, welfare and pension.

At the conclusion of the layoff, the laid off employees shall be returned to work in seniority order within their classification.

Years of service credit will be retained for fringe benefits.

Employees will be paid in accordance with Article 40 and Article 41 of the National Master United Parcel Service Agreement.

Laid off full-time employees who are pre-qualified will cover all absences and vacations for combo jobs prior to utilizing part-time employees.

(H) Meal Period – Refer to Article 54.

(I) No employee will be afforded more than three (3) opportunities to qualify for a specific full-time classification.

SECTION 11 – 22.4 - COMBINATION FULLTIME PACKAGE DRIVER

(A) Seniority will be on a center basis and by job classification. Fulltime 22.4 combination employees will be on a separate seniority list. When selecting vacations, 22.4 employees will select with the regular full-time package drivers.

(B) Qualified employees by classification shall bid within their classification by seniority. The bid shall contain the job content, start time and the five (5) consecutive days to be worked. These jobs shall be bid at the same time as outlined in Article 48 Section 6 (B).

(C) In the event of a start time change of one (1) hour or more, employees in that classification shall be permitted to select such new start times in the order of seniority. In the event no employee selects such new start time, the least senior employee in the classification will be required to fill it.

(D) When a permanent vacancy or permanent new job becomes open the Employer shall post it for bid on the first (1st) Monday following it becoming open for a period of ten (10) working days. Only those employees in the classification shall bid.

The Employer will fill the fourth (4th) opening which results from the above procedure as per Article 48, Sections 6, 7 and 8, and Article 49, Section 2. The employee awarded the job must successfully complete a thirty (30) working day qualifying period (unless previously qualified in the last thirty-six (36) months).

The employee awarded the job must successfully complete a thirty (30) working day probationary period, at which time he/she will be added to the appropriate seniority list with a date of the first day worked in the new classification. Years of service credit will be retained for fringe benefits. 22.4 employees will not be allowed to bid while in their thirty (30) day qualifying/probationary period. 22.4 employees that have not been in their current position for at least six (6) months shall not be allowed to bid into another job unless this bid would afford them a higher earning capacity.

(E) In the event of layoff of both portions of the combination job, the affected employee has the right to exercise his/her seniority in the following manner:

1. Must displace the junior employee within their regular classification.

2. May displace the junior full-time employee in any other classification or part-time work.

If the employee elects to perform part-time work, he/she may displace two (2) part-time employees if available.

When an employee works two (2) part-time shifts, he/she shall receive the appropriate guarantee of eight (8) hours work for the day. If only one (1) shift is available, the employee will be guaranteed four (4) hours of work if the work exists.

In any case, the employee must be qualified to perform the work, have more seniority than the displaced employee and if it is a temporary layoff be available for his/her next regularly scheduled job.

The Employer shall continue to make contributions to their regular full-time health, welfare and pension.

At the conclusion of the layoff, the laid off employees shall be returned to work in seniority order within their classification.

Years of service credit will be retained for fringe benefits.

Laid off full-time employees who are pre-qualified will cover all absences and vacations for combo jobs prior to utilizing part-time employees.

(F) Meal Period – Refer to Article 54 (D & E).

(G) A qualified TCD that bids into an Article 22.4 job will maintain their TCD rate of pay (eighty-five (85%) of the prevailing rate of a PCD) when entering this job. While in progression, these employees will receive eighty-five percent (85%) of the general wage increases (GWI) specified in Article 41. At the end of the forty-eight (48) month progression the employee will go to the current top rate of pay.

(H) Except as outlined in this section no 22.4 bid employee shall displace the work performed by a 22.3 employee as outlined in Article 48 Section 10.

(I) No Article 22.4 employee shall work if a regular package car driver(s) are on layoff.

ARTICLE 49 - PART-TIME EMPLOYEES

SECTION 1 – N/C

SECTION 2 – POOL BID - PART-TIME TO FULL-TIME

(A) Part-time seniority employees who want to transfer to full-time jobs shall sign the full-time transfer list which shall be posted for a period of ten (10) working days prior to the end of each quarter. This list shall be in effect for each quarter following the posting period at which time a new full-time transfer list shall be posted. Employees wishing to transfer must place their name on each newly posted list to remain eligible. The completed transfer list shall be sent to the Local Union by certified mail.

An employee who was not eligible to sign the list during the ten (10) working day posting, but becomes eligible during that quarter, may notify the Company in writing within five (5) working days of eligibility of their desire to be added to the list and be dovetailed by seniority into the list

(B) After the completion of the full-time job selection procedure as outlined under seniority the resulting opening will be filled as follows:

1. Part-time seniority employees may bid on a permanent full-time opening in their building in all months, except November and December, providing they meet the same requirements as applicants for the full-time job. The job will be awarded to the senior bidding qualified employee on the transfer list.

Days worked from November 1st through December 31st of each year shall not accrue towards seniority. However, any part-time employee who is retained or subsequently recalled within one hundred and twenty (120) consecutive days after December 31st, for a full-time opening, will retain credit for the number of days worked prior to November 1st, and those days worked will count towards the thirty (30) working days necessary to acquire seniority as a full-time employee.

In these cases, their full-time classification seniority date shall be the first (1st) day worked after December 31st.

2. The employee awarded the job must satisfactorily complete a thirty (30) working day training period within a one hundred twenty (120) consecutive day period. An employee who fails to qualify shall not be allowed to bid for ~~one (1) year~~ **six (6) months** for the job he or she was disqualified for. No employee will be afforded more than ~~three (3)~~ **five (5)** opportunities to qualify **during the life of the agreement.** **Disqualification from driving will include TCDs.** The above procedure will be applied on an alternating six (6) for-one basis (e.g. for every seven (7) jobs, six (6) will be filled as outlined above and the other from applicants from other sources).

3. Part-time employees successfully transferring to full-time jobs will be considered as newly hired full-time employees and will be added to the appropriate seniority list. Their full-time seniority date will be the day of the transfer.

4. For vacations and retirement purposes, the employee shall receive additional seniority credit equal to all time worked as a part-time employee if said employee transferred to full-time after January 1, 1977.

5. Up to ten percent (10%) of the preloaders in any preload operation shall be allowed to change their classification in any one (1) month period for any reason.

6. Part-time employees with one (1) or more years seniority may bid on full-time helper jobs in their Center in all months, except November and December, providing they meet the same requirements as applicants for the job. The procedure will be outlined in this Article.

SECTION 3 – PART-TIME RELIEF PERIODS

Part-time employees will be guaranteed ten (10) minutes relief period each work shift. The relief period may not start before the end of the first (1st) hour and must be completed by the end of the third (3rd) hour. **When a single sort exceeds six (6) hours, employees will be entitled to an additional ten (10) minute relief period.**

SECTION 4 – CLASSIFICATION BIDDING – N/C

SECTION 5 – PART-TIME SHIFT BIDDING – N/C

SECTION 6 – PART-TIME LAY-OFF PROCEDURE – N/C

SECTION 7 – PART TIME COVER DRIVER

The Employer will post a Temporary Cover Driver (TCD) trainee list and will state the number of employees needed for this training. No new list will be posted until the number on the original list has been satisfied.

(A) Seniority part-time employees may work as coverage drivers. They may cover vacations in excess of those filled by full-time vacation coverage drivers and may fill absences in excess of those covered by full-time non-bid drivers. All TCD(s) will be offered package car driver (PCD) work prior to using seasonal package drivers. Additionally, during the peak season period, when a PCD(s) is absent, said route(s) will not be abolished and helper(s) utilization increased to avoid using a TCD(s) to cover said absence(s). No coverage drivers may be used if full-time employees are on layoff. Part-time coverage drivers may not be used to supplement the work force, only as temporary replacements.

Disputes arising from the above-mentioned paragraph shall be handled by the Business Agent and the District Labor Manager. Any disputes still not resolved by the above-mentioned process will be brought directly before the S.R.A.P.G.C. Co-Chairs for resolution.

(B) The rate of pay for part-time coverage work shall be eighty-five percent (85%) of the prevailing package car driver rate of pay.

(C) Part-time employees who perform planned coverage work shall be guaranteed eight (8) hours of work. If a part-time coverage driver is covering for a regular driver who is unable to complete his/her scheduled day, the coverage driver shall receive pay for the actual hours worked. Part-time coverage drivers shall be entitled to overtime pay for all hours worked in excess of eight (8) hours in one day and/or forty (40) hours in one (1) week. The overtime rate will be determined by the job being performed when the overtime occurs.

(D) Part-time cover drivers shall receive all benefits provided for them under the terms of the Labor Agreement, including part-time health and welfare and pension benefits.

(E) Part-time coverage employees who complete a thirty (30) day qualifying period for a coverage position will not have to complete another probationary period if they are a successful bidder for a regular full-time package car position. Additionally, he/she will not suffer a reduction in pay rate. **Days worked as a part-time coverage driver during November 1st through December 31st, will not count towards qualifications or the one-hundred twenty (120) day period. However, days worked prior to November 1st will count towards qualification and the one-hundred twenty (120) day period.**

(F) Once a part-time employee qualifies as a coverage driver they will be assigned to a specific Center for work opportunities. In a multi-center building, if there is more than one (1) opening for a TCD, it will be awarded in seniority order.

1. When it becomes necessary to reduce the number of coverage drivers in a Center, the least senior part-time coverage employee shall be laid off first
2. When work no longer exists in a Center for part-time coverage drivers, they will immediately revert back to their regular part-time job with all part-time seniority.

3. Part-time coverage employees shall continue to accrue part-time seniority and shall have the right to bid on available part-time jobs.

(G) Part-time coverage employees who work the full week, as coverage, in which a holiday falls will receive eight (8) hours holiday pay at the part-time coverage rate of pay. Part-time cover employees not working the full week as coverage shall receive the regular part-time holiday pay.

(H) Should a part-time coverage driver work one hundred and fifty-six (156) reports as a coverage driver in a calendar year then that employee will be eligible for full-time vacation and option at his/her part-time cover driver's rate of pay the following year. Once a TCD has upgraded to a full-time position, their reports as a TCD and as a full-time employee, in that calendar year, will be counted as full time reports to determine their vacation/option entitlements for the upcoming year.

(I) The use of part-time coverage drivers shall not be used to circumvent the terms of the contract nor to avoid the hiring of full-time package car drivers in a Center. If there is a claimed abuse the Company and the Union will meet and review the appropriate records. Violations of this Section will be subject to the grievance procedure.

(J) As of January 1, 2008, thru December 31, 2013, for each two hundred (200) reports that an individual TCD is paid in a calendar year, the Employer will add one (1) PCD in that center for each occurrence.

(K) As of January 1, 2014, for each one hundred fifty-six (156) TCD reports that an individual works during the calendar year, the Employer will add one (1) PCD in that center for each occurrence.

Once a TCD has accrued the above-mentioned criteria, the Company will award the bid to the senior individual(s) as outlined in Article 48, Section 1(E). If the individual(s) had been previously qualified, then their seniority date will be one (1) day after the above-mentioned criteria has been met. If the individual(s) has not been previously qualified, then the Company will schedule the individual(s) to attend an orientation class. Once their orientation has been completed, the individual(s) will be placed into their driving probationary period and offered driving work prior to any TCD(s). Once they have completed their probationary period, their seniority date will be one (1) day after the above-mentioned criteria has been met.

The above seniority dates will not supersede another senior employee who is in the process of upgrading to a PCD position when the one hundred and fifty-six (156) reports occurs. If this occurs, the senior employee will have a seniority date one (1) day earlier than the junior employee upgraded as a result of the one hundred fifty-six (156) reports.

The Employer shall provide to the Local Union a report for the period of January 1 through April 30 and every four (4) months thereafter indicating the names of the TCD(s) and the number of days paid to the TCD(s). The report will be provided within two (2) weeks of each ending period.

ARTICLE 50 - MAINTENANCE OF STANDARDS – N/C

ARTICLE 51 -- GRIEVANCE

SECTION 1

The Union and the Employer agree that there shall be no strikes, lockout, tie-up or legal proceedings without first using all possible means of a settlement provided for in this Agreement, of any controversy which might arise.

The Local Union further agrees that, if employees engage or participate in an unsanctioned strike, stoppage, slowdown of work, picketing or work interference of any form or kind for any reason whatsoever, then the Local Union, upon receiving notice thereof, will, in a good faith effort to terminate such activity, immediately contact the employees involved (strikers, those picketing) and instruct them to return to work at once. The failure of the Local Union to so act after due notice, will be construed to mean that the Local Union sanctioned or condoned the action of the employees.

The Union and its members individually and collectively agree that if there is any strike, stoppage, slowdown of work, picketing, or work interference of any form or kind, for any reason whatsoever during the term of this Agreement, the Employer may discharge, or otherwise discipline any employee or employees who may participate, instigate, actively support, or give leadership to such activity.

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

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

In the event of any grievance, complaint, or dispute it shall be handled in the following manner:

1. The employee shall report it to the employee's shop steward in writing within five (5) working days. The steward shall **provide the Employer with a copy of the grievance and** attempt to adjust the matter with the supervisor within forty-eight (48) hours.
2. Failing to agree, the shop steward shall promptly report the matter to the Union which shall submit it in writing and attempt to adjust the same with the Employer within fifteen (15) days.
3. If the parties fail to reach a decision or agree upon a settlement in the matter in any Local Union area, it shall be submitted within fifteen (15) days to the Southern Region Area Parcel Grievance Committee.
4. At the request of the Local Union, a monetary grievance settlement will be paid by separate check.

SECTION 2 – GRIEVANCE COMMITTEE - S.R.A.P.G.C. – N/C

SECTION 3 – N/C

ARTICLE 52 – DISCHARGE OR SUSPENSION – N/C

ARTICLE 53 – UNIFORM – N/C

ARTICLE 54 – MEAL PERIOD

(A) The employee shall be entitled to and required to take a meal period of one (1) hour. Failure to take and properly record the required meal period may be cause for disciplinary action.

(B) Meal Period - Inside: The parties are agreed in principle that where practical the meal period will not start before the employee has been on duty three (3) hours or after the employee has been on duty five (5) hours.

(C) Meal Period - Feeder: Feeder drivers shall not be required to take more than thirty (30) minutes of their meal period at any turn point. Feeder drivers will be allowed thirty (30) minutes of their meal period to be taken in route while on the road. Such thirty (30) minutes may be split at the designation of the Employer.

(D) Meal Period - Package: Package drivers **and 22.4 employees with less than three (3) hours of inside work** will be allowed to take their meal period in no more than three (3) increments at their option provided the entire meal period is taken by the eighth (8th) hour of duty.

(E) Meal Period – Air & Air Combination **and 22.4** employees **with more than three (3) hours of inside work, and** where practical will complete their meal period by the eighth (8th) hour of duty, providing service commitments are not jeopardized. In the event there is an alleged abuse of the meal period, the Company and the Union will meet in an effort to resolve the alleged abuse in an expeditious manner.

ARTICLE 55 – EQUIPMENT – N/C

ARTICLE 56 – PAY PERIOD – N/C

ARTICLE 57 – CALL-IN TIME AND REPORT GUARANTEE – N/C

ARTICLE 58 – HOURS OF WORK AND OVERTIME

SECTION 1 – HOURS OF WORK AND OVERTIME – N/C

SECTION 2 – OVERTIME APPLICATION – N/C

SECTION 3 – COMPENSATION FOR WORK IN DIFFERENT CLASSIFICATIONS – N/C

~~SECTION 4 – TIME OFF AFTER 8 HOURS (Delete Entire Section)~~

~~An employee requesting to be relieved of duty after eight (8) hours of work shall submit the request in writing on a form provided by the Employer giving at least forty eight (48) hours notice prior to the requested date excluding Saturday, Sundays and Holidays. The Employer shall approve or disapprove the request in writing on the form submitted by the employee and the same shall be returned to the employee at least twenty four (24) hours after receipt thereof. It is understood that a request made more than seven (7) days in advance will be subject to seniority and a senior employee will be given first consideration. Failure to make a request in writing shall void a request to be off and failure to approve or disapprove in writing shall constitute approval of the request. It is agreed that the Employer shall determine the reasonableness of a request, but approval shall not be unreasonably withheld.~~

ARTICLE 59 – WAGES

SECTION 1 – FULL-TIME WAGE INCREASES – See Article 41 of National Master UPS Agreement for Wage Increases

SECTION 2 – FULL-TIME WAGE PROGRESSION

See Article 41, Section 2 for Full-Time Wage Progression.

SECTION 3 – FULL-TIME INSIDE WAGE PROGRESSION

See Article 41, Section 3 for Full-Time Inside Wage Progression.

PART-TIME EMPLOYEE

(a) Present Part-Time Employees

All part-time employees who have attained seniority as of August 1, 201~~8~~³ 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.** In the first three (3) years of the contract, the increase will be effective on August 1st. In 2016 and 2017, the increase shall be paid in two (2) equal installments. The first half of the increase shall become effective on August 1 of the specified year. The second half of the increase shall become effective on February 1 of the following calendar year. The total wage increase for each year will be as follows:

2013	Seventy cents (\$0.70)
2014	Seventy cents (\$0.70)
2015	Seventy cents (\$0.70)
2016	Eighty cents (\$0.80)
2017	One dollar (\$1.00)

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

Part-time employees still in progression on August 1, 2013 shall receive the above contractual increases and will be paid no less than what they were entitled to in accordance with the wage schedules in Article 59, Section (b) below. The progression set forth in (b) below shall be applied effective August 1, 2013.

(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 All part-time Employees who are hired or reach seniority after August 1, 201~~8~~³, will be paid according to the following wage schedules:

Hourly Rate

<u>August 1, 2018</u>	<u>\$13.00</u>
<u>August 1, 2019</u>	<u>\$14.00</u>
<u>August 1, 2020</u>	<u>\$14.50</u>
<u>August 1, 2021</u>	<u>\$15.00</u>
<u>August 1, 2022</u>	<u>\$15.50</u>

Hourly Rate	Pre-loader	All
	Sorter	Others
Start	\$11.00	\$10.00
Seniority plus one (1) year	\$11.50	\$10.50
Seniority plus two (2) years	\$12.00	\$11.00
Seniority plus three (3) years	\$13.00	\$12.00
Seniority plus four (4) years	\$13.50	\$12.50

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

Part-time employees hired prior to July 2, 1982 shall be red circled at their current rates of pay and shall receive contractual wage increases as stated in (a) above.

Driver Helpers Only (October 15th through January 15th).....~~\$ 8.50~~ **prevailing part-time rate** per hour.

Inspection lane employees and shifters shall receive twenty-five cents (.25) per hour over and above the "All Other" pay rate based on their seniority when successfully bidding to these positions and shall receive all negotiated increases. Inspection lane employees may not work beyond the end of their fourth (4th) hour.

(d) 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.

ARTICLE 60 – HOLIDAYS

SECTION 1 – HOLIDAYS

(A) The following named holidays, or the days observed as such, shall be recognized as legal holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, and New Year's Eve Day, provided the employees comply with the qualifications set forth hereinafter. One of the qualifications is that seniority employees must complete the regularly scheduled work day which immediately precedes or follows the Holiday, except in cases of proven illness, or unless the absence is mutually agreed to. Newly hired part-time employees are not entitled to holiday pay for named holidays and personal holiday falling within the first year of their employment. Full-time seniority employees shall receive eight (8) hours straight time pay or ten (10) hours straight time pay for those employees on a work week of four (4) ten (10) hour days and part-time employees shall receive four (4) hours straight time pay for the above designated Holidays though not worked. Employees with a four (4) ten (10) scheduled work week will receive eight (8) hours holiday pay for holidays that fall outside of their scheduled work week.

(B) Personal Holidays: All seniority employees shall receive one (1) personal holiday each calendar year.

Personal Holidays shall be awarded by seniority in the order requested within each classification in each Center and the following procedure shall apply: Any employee desiring a personal Holiday will make a request in writing on a form furnished by the Employer. Such a request must be submitted no later than the start of his/her shift on the seventh (7th) calendar day preceding the day requested. A signed copy of the request form stating approval or disapproval shall be returned to the employee by the end of the next working day. If an employee is required by the Employer to work on an approved Personal Holiday, the employee shall receive holiday pay plus time and one-half (1-1/2) for all hours worked. In the event of layoff, full-time seniority employees shall be eligible for Holiday pay provided the Holiday falls within five (5) working days from the effective date of layoff.

(C) Effective each calendar year, all seniority employees, excluding part-time employees hired after August 1, 2002 shall be entitled to seven (7) days by combining two (2) personal holidays with the equivalent of five (5) days sick leave. Part-time employees hired after August 1, 2002 will be entitled to this benefit after being employed three (3) full calendar years and having worked one hundred and fifty-six (156) reports the prior year. In order for a seniority employee to be eligible for this benefit, he/she must have been employed one full calendar year and have worked one hundred fifty-six (156) reports

during his/her prior calendar year. As a result of changing from contract year to calendar year no employee may gain nor lose option benefits. An employee must select from the following schedule:

OPTION 1: Five (5) consecutive days off ~~Monday through Friday~~ with fifty-eight (58) hours pay for full-time employees and twenty-nine (29) hours pay for part-time employees during the vacation period.

OPTION 2: Seven (7) days extra pay, fifty-eight (58) hours for full-time employees and twenty-nine (29) hours pay for part-time employees with no time off. This pay may be taken at Christmas or such other time as the employee may request.

OPTION 3: An employee may elect to take the seven (7) days in one (1) day increments. These days will be paid for the first seven (7) days that the employee does not work each calendar year. Any unused days will be paid for at the end of the calendar year.

An employee must be on the active payroll to qualify for the option benefit when it comes due. In September of each year, each employee who will be eligible shall indicate which of the options he/she elects to choose. If Option 1 is selected, the employee shall indicate after selecting his/her vacation, the five (5) consecutive days off he/she desires.

On the payday immediately preceding the period the employee has elected to exercise his/her option, he/she shall be paid on the basis as previously outlined in the optional his/her then current hourly rate.

SECTION 2 – N/C

SECTION 3 – N/C

SECTION 4 – N/C

SECTION 5 – N/C

SECTION 6 – N/C

ARTICLE 61 – VACATIONS – N/C

ARTICLE 62 – BREAKDOWN OR IMPASSABLE HIGHWAYS – N/C

ARTICLE 63 - REVIEW OF OVERTIME HOURS

The Employer shall continue its efforts to reduce overtime where requested. If the review does not indicate that the progress is being made in the reduction of assigned hours of work, the following language shall apply:

(A) 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 assignment, and subject to the provisions below.

An employee who desires to be relieved from overtime on a particular day must make a written request in writing on a form furnished by the Employer. Such a request must be submitted no later than the start of his/her shift on the fifth (5th) calendar 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 requests shall be granted or denied in accordance with

the terms of this sub-section. If a request is denied on the above referenced form, the employee shall receive a two (2) hour penalty payment at his/her 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 requests and later informs the employee he/she 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 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 route, the driver shall be entitled to a two (2) hour penalty payment at his/her straight 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 ~~granted~~ **adjusted** more than two (2) ~~requests~~ **times** per month. This sub-section applies regardless of whether the driver has opted in or out pursuant to the provisions of sub-section (B) below. Such requests shall not be submitted during the months of November and December.

(B) The Union shall circulate and collect the names of package drivers who wish to be covered by the provisions of this Section twice each year. These lists shall be provided to the Company by January 5 and June 5 of each year. The Employer shall make a reasonable effort to reduce package car drivers' workdays below 9.5 hours per day **for those on the list** ~~where requested~~. 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 workweek), the following language shall apply, except **for the period from November 15th through January 15th of the following year.** ~~in the months of November and December.~~

~~The affected regular package driver may make such a request to be added to the "9.5 Opt In List" effective on the first day of his/her workweek after making the request. The driver shall notify the manager and steward of his/her desire to be added to the list. The request must be made within the time limit for filing a grievance in the applicable Supplement, Rider or Addendum. Once the driver has signed the list, he/she shall remain on the list for five (5) months, except for the period of time specified in the prior paragraph.~~

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 overtime on the two (2) remaining days within the workweek in order to retaliate against a driver for opting onto the 9.5 list.

The "opt-in" list provided by the Union shall become effective on January 15th and June 15th. A Driver may add or delete his/her 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)** ~~three (3)~~ times in a **calendar year** ~~single five (5) month opt-in period~~, then ~~the District Labor Manager and Business Agent will meet with the Center Manager, the steward and the driver to ensure future compliance under this subsection. If any~~

~~further penalty is paid on this employee during the five (5) month period,~~ a meeting shall be scheduled with the **District Labor Manager, Business Agent** ~~above parties~~ and the Co-Chairs of the applicable Supplemental panel 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 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 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 9.5 hours per day and/or to order the Employer to adjust the driver’s work schedule. 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 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/she actually earned.

In addition, the Union Chair of the National Negotiations 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.

ARTICLE 64 – TIME OFF UNPAID

When time off is available it shall be offered in seniority order by classification as long as it does not result in economic cost to the Employer **or then follow the appropriate language in Articles 48 or 49. Issues relating to this language shall be submitted to the Union and Company Co-Chairs of the S.R.A.G.C. for immediate resolution.**

ARTICLE 65 – UNION COOPERATION – N/C

ARTICLE 66 - MANAGEMENT - EMPLOYEE RELATIONS – N/C

ARTICLE 67 – APPRENTICESHIP AGREEMENT – N/C

ARTICLE 68 - HEALTH AND WELFARE

FULL-TIME EMPLOYEES

The Employer's contribution increases to ~~the Central States Southeast and Southwest Areas Health and Welfare Fund (CSH&W Fund)~~ **TeamCare** shall be increased as outlined in Article 34 Section 1(a)(i) and (ii)(1) effective August 1, 201~~83~~⁸³ and effective each August 1 thereafter during the life of this agreement.

By the execution of this Agreement, the Employer authorizes the Employers' Associations which are parties hereto to enter into appropriate health and welfare trust agreements necessary for the administration of such fund, and to designate the Employer Trustee under such agreement hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such trustees within the scope of their authority. If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of four (4) weeks. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months.

If an employee is granted a leave of absence, the Employer shall collect from said employee, prior to the leave of absence being effective, sufficient moneys to pay the required contributions into the Health and Welfare Fund during the period of absence.

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

Employers presently making payments to **TeamCare** ~~the Central States, Southeast, and Southwest Areas Health and Welfare Funds~~ and Employers who may subsequently begin to make payments to such funds, shall continue to make such payments for the life of this Agreement.

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, the Union and the Employer shall meet to determine and agree if there is a substitute multi-employer plan which will provide comparable coverage. If mutual agreement is reached to provide a suitable plan, the contribution payable by the Employer pursuant to Article 34 Section 1(a) shall be paid to the new plan.

PART-TIME EMPLOYEES

(a) For those part-time employees who have received health and welfare benefits from the Company Health & Welfare Plan, benefits on and after January 1, 2014 will be provided by **TeamCare** ~~the Central States Health & Welfare Fund (CSH&W Fund)~~, under the terms set forth in Article 34 of the National Master Agreement. The Company will continue to provide health and welfare benefit coverage under the existing plan through December 31, 2013.

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

(c) Any eligible employee covered by this Section who retires effective January 1, 2014 or thereafter shall be provided retiree medical benefits through **TeamCare** ~~the CSH&W Fund~~.

(d) Current retirees who are receiving benefits through a UPS sponsored plan shall receive coverage on and after January 1, 2014 under the terms of the Memorandum Concerning UPS Sponsored Plans attached to the National Master Agreement.

(e) Notwithstanding any contrary provision in this Supplement or any Rider or Addendum, individual **and dependent/spousal** health care coverage will be made available to part-time employees **on the payroll as of or** hired after August 1, 2001~~8~~ after ~~twelve (12)~~ **nine (9)** months of active employment ~~and spousal or dependent coverage will also be made available to these part-time employees twelve (12) months after their initial date of employment.~~

ARTICLE 69 – PENSION

SECTION 1 – JOINTLY TRUSTEE UPS/IBT FULL TIME PENSION FUND

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

(1) Effective January 1, 2008, the Employer and the Union will establish a new, single Employer, jointly trustee and administered defined benefit plan within the meaning of 29 U.S.C. Section 302 (c) (5) for full time employees who under the prior agreement would have participated in the CS Plan. As of December 26, 2007, the Employer will cease to have an obligation to contribute to the CS plan and will have no other obligation to provide such employees with future benefits 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 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 twenty (20) years of credited service. Benefit payments may begin as early as Early Retirement Age (age 50 with 5 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.

<u>Calendar Year Beginning</u>	<u>Monthly Benefit</u>
January 1, 2014	\$170.00
January 1, 2015	\$170.00
January 1, 2016	\$170.00
January 1, 2017	\$170.00
January 1, 2018	\$175.00
January 1, 2019	\$175.00
January 1, 2020	\$175.00
January 1, 2021	\$175.00

January 1, 2022	\$175.00
January 1, 2023	\$175.00

(3) Eligible employees become participants on the first day of the month coincident with or immediately following the date the employee completes one (1) 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 five (5) years of vesting credit or has reached Normal Retirement Age while an employee. One (1) year of vesting credit is earned for each calendar year in which the participant works 750 or more hours. The Employer will grant vesting credit for those employees employed by the Employer before the effective date of the UPS/IBT Plan based on the employment records of the Employer or records of the CS Plan.

(4) Full-time employees will receive one (1) year of Credited Service for each 1801 paid hours in Covered Employment in a calendar year beginning on or after January 1, 2008. Employees will receive partial years of Credited Service in monthly increments (i.e. one (1) 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 (1) week of service credit if he has one (1) hour of service in Covered Employment in that week. For service pension only, if an employee has 0-19 weeks of service credit, he shall not receive any service credit for that calendar year. If he has 20-39 weeks of service credit, the amount of credit for that year will be equal to a fraction the numerator of which is the number of weeks of credit and the denominator is 40. If the employee has 40 weeks of service credit for the calendar year, he shall receive one (1) 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 (25) 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~~3,000 per month regardless of the age of the retiring employee. The benefit for thirty-five (35) years of service retirement shall be ~~\$3,900~~3,500 per month regardless of the age of the retiring employee. The Plan Document shall specify the amounts for the twenty (20) year service pension, eligibility criteria and how the benefits are calculated.

<u>Years of Service Pension Credit</u>	<u>Age</u>	<u>Monthly Service Pension</u>
35 Years	Any Age	\$3,900 3,500
30 or More Years	Any Age	\$3,400 3,000 plus \$100/yr of service for years over 30 up to \$3,900 3,500
25 Years	Any Age Up To 57	\$2,000
25 Years	57 or Older	\$2,500 plus \$100/yr of service for years over 25 up to \$3,500 maximum

Effective January 1, 2014, the following enhancements will be implemented:

35 Years	Any Age	\$3,700
30 or More Years	Any Age	\$3,200 plus \$100/yr of service for years over 30 up to \$3,700

Effective January 1, 2017, the following enhancements will be implemented:

35 Years	Any Age	\$4,300 \$3,900
30 or More Years	Any Age	\$3,900 \$3,400 plus \$100/yr of service for years over 30 up to \$4,300 \$3,900

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.

If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall ensure that the employee is credited with up to 190 hours of pension credit or four (4) weeks of service pension credit (depending on the absence). If an employee is injured on the job, the Employer shall ensure that the employee receives pension credit until such employee returns to work; however, such pension credit shall not exceed 1801 hours of service or 40 weeks of service pension credit (depending on the length of the absence).

SECTION 2

Effective January 1, 1977, the Employer shall provide Pension Benefit Coverage to part-time employees under the terms and conditions as may be contained in the United Parcel Service Pension Plan as required by law. Effective August 1, 2002 the Company and Union agree that the part-time employees covered under the United Parcel Service Plan will receive the following improvement to the plan.

(1) The UPS Pension Plan covering only part-time employees working in areas where part-time employees are not covered by Teamsters Pension Plans, will be improved to provide monthly benefits for a part-time employee with seven hundred and fifty (750) paid hours of credit service per year.

The total monthly service pension benefit will be equal to the following provided the employee meets the credit service requirements:

\$2,275.00 \$2,100.00	for retirement at any age after 35 years of credited service.
\$1,950.00 \$1,800.00	for retirement at any age after 30 years of credited service.
\$1,625.00 \$1,500.00	for retirement at age 60 with 25 years of credited service.
\$1,325.00 \$1,250.00	for retirement at any age with 25 years of credited service.

The monthly benefit formula under the UPS Pension Plan will be listed in Article 34 Section 1 (g) (i) of the National Master United Parcel Service Agreement.

\$55.00 times part-time Credited Service years subject to a maximum 35 years service limit.

The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants will be increased solely for the purpose 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 thirty-five (35) years of Credited Service. If a participant is in Covered Employment on August 1, 2008 he/she shall receive the sixty dollar (\$60.00) benefit formula for the entire 2008 plan year.

(2) Part-Time Employees will receive one (1) year of Credited Service for 750 or more paid hours. Six months of Part-Time Credited Service will be granted for 375 to 500 hours worked in a calendar year, and 9 months of part-time Credited Service will be granted for 501 to 749 hours worked in a calendar year.

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

(4) Contributions to pension funds will be made in accordance with Article 34 of the National Master Agreement.

ARTICLE 70 – MECHANICS – N/C

ARTICLE 71 – GUARD SHACK PROCEDURE – N/C

ARTICLE 72 – SOUTHERN REGION TRAINING AGREEMENT – N/C

LETTER OF UNDERSTANDING

ARTICLE 48

LAYOFF PROCEDURE

April 21, 2009

This “LETTER OF UNDERSTANDING” is entered into by the Parties to clarify the interpretation of Article 48, Section 5, 7, 10 and 11 ~~10~~ on layoff procedures as follows.

Once a full-time employee is laid off from their classification and exercise their right to elect to work in another full-time classification, provided they are qualified, the junior full-time employee in that classification using their full-time seniority date will be the employee laid off and/or displaced.

LETTER OF UNDERSTANDING

ARTICLE 60, SECTION 5

March 7, 2007

~~The parties enter into this “LETTER OF UNDERSTANDING” on March 7, 2007, to clarify the intent and application of Article 60, Section 5. When the Employer intends to invoke this language to either advance or delay an Employee’s holiday, the day to be observed may be the day before or after their holiday or any day during their scheduled workweek with the understanding the day that will be advanced or delayed cannot be to another recognized holiday.~~