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COLLECTIVE BARGAINING AGREEMENT

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

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

ARTICLE 1. PARTIES TO THE AGREEMENT

The Employer and the Union (Teamsters Local Union No 705, an affiliate of the International Brotherhood of Teamsters, hereinafter referred to as “Union” or “Local 705”) adopt this Article and enter into this Agreement with a mutual intent of preserving and protecting work and job opportunities for the employees covered by this Agreement. No bargaining unit work shall be subcontracted, transferred, leased, assigned or conveyed except as provided in this Agreement.

Section 1.1. Operations Covered

The execution of this Agreement on the part of the Employer shall cover all employees of the Employer in the bargaining unit at any existing centers, new centers, new air hubs and gateway operations, new buildings, and any other new operations of the Employer within the jurisdiction of the Union signatory to this Agreement as determined or may be determined by the International Brotherhood of Teamsters, with regard to wages, hours, and other conditions of employment.

Section 1.2. Employees Covered

Employees covered by this Agreement shall be construed to mean, where already recognized, feeder drivers, package drivers, sorters, loaders, unloaders, porters, office clerical,

clerks, general utility, maintenance personnel (building maintenance), car washers, United Parcel Service employees in the Employer's air operation, and to the extent allowed by law, employees in the export and import operations performing load and unload duties and other employees of the Employer for whom the union is or may become the bargaining representative.

In addition, the Employer recognized as bargaining unit members clerks who are assigned to package center operations, hub center operations, and/or air hub operations whose assignment involves the handling and progressing of merchandise, after it has been tendered to United Parcel Service to effectuate delivery. These jobs cover: package return clerks, bad address clerks, post card room clerks, damage clerks, rewrap clerks and hub and air hub return clerks. Additionally, the Employer recognizes as bargaining unit members FDC / ODC clerks, international auditors, "smart label" clerks, revenue auditors, customer counter clerks and hazardous material auditors who work in the operations facilities.

Section 1.3. Transfer of Company Title or Interest

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

On the sale, transfer or lease of an individual run or runs, or rights only, the specific provisions of this Agreement shall prevail. It is understood by this Section that the parties hereto shall not sell, lease or transfer such run or runs or rights to a third (3rd) party to evade this Agreement.

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

Section 1.4.

The employer agrees that it shall be a violation of this Section if it, any affiliate, or any other entity under its control enters into a business so as to duplicate the Employer's common carrier operations as defined in Article 1 in any area. Affiliate for purposes of this Section means any entity which is owned, managed or controlled by the Employer or its parent. This Section shall also cover an entity if the Employer or its parent maintains the ultimate right to control or approve a decision by such entity.

The Employer shall be financially responsible for all losses resulting from a violation of this Section.

ARTICLE 2. SCOPE OF AGREEMENT

Section 2.1. Single Bargaining Unit

All employees covered by this Agreement shall constitute one (1) bargaining unit.

To the extent provided by law, this Agreement shall be applied to all subsequent additions to, and extensions of, current common carrier operations of the Employer, and newly established operations of the Employer, which are utilized as a part of such current operations of the Employer, without additional evidence of Union representation of the employees involved (provided that newly acquired operations of the Employer which are not utilized as part of such current common carrier operation of the Employer, shall not be deemed additions to, or extensions of, operations of the Employer). If the Employer purchases a related common carrier business, the Employer, recognizes Teamsters Local 705 as the bargaining representative and shall meet to negotiate proper terms to be included in that new bargaining agreement.

ARTICLE 3. RECOGNITION, UNION SHOP AND CHECKOFF

Section 3.1. Recognition

- a) The Employer recognizes and acknowledges that the Union is the exclusive representative of all employees of the Employer in covered classifications. The employees and Union covered under this Agreement 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 shall not be paid until the thirty-first (31st) day of employment.

Section 3.2. Union Shop and Dues

a) All present employees who are members of the Union on the effective date of this Subsection or on the date of execution of this Agreement, whichever is the later, shall remain members of the Union in good standing as a condition of employment. In order to assist the Union in maintaining current and accurate membership records, the Employer shall furnish the Union a list of new employees. The Employer agrees to notify the Union when a new employee is added to the seniority list. This notification shall be made in conjunction with the new employee listing. The list shall include the name, address, social security number, date of hire, hub or center to which assigned, shift and classification or position hired into. The list shall be provided on a monthly basis. All present employees who are not members of the Union and all employees who are hired hereafter, shall become and remain members in good standing of the Union as a condition of employment on and after the thirty-first (31st) day following the beginning of their employment, or on and after the thirty-first (31st) day following the effective date of this Agreement. An employee who has failed to acquire, or thereafter maintain membership in the Union, as herein provided, shall be terminated seventy-two (72) hours after the Employer has received written notice from an authorized representative of the Union, certifying that membership has been, and is continuing to be offered to such employees on the same basis as all other members, and further that the employee has had notice and opportunity to make all dues or initiation fee payments.

b) No provision of Section 3.2,a of this Article shall apply to the extent that it may be prohibited by state law.

Section 3.3. Dues Checkoff and Joint Dues Committee

The Union and the Employer shall 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 Union. 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 shall establish procedures for the operation of this Committee.

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 Union. Employees shall be under an obligation to pay dues from the first day of employment unless prohibited by law. However, initiation fees and/or assessments shall begin with the pay period following seniority. Dues in the amount designated by the Union shall be deducted from the first paycheck of new employees and then from subsequent paychecks in accordance with the specified weekly amount. The Union shall provide the Employer a weekly amount to be deducted from each employee. The Union shall individually specify the weekly amount to be deducted for initiation fees, union dues and/or assessments. For initiation fees and assessments, the Union shall 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 Union must be received at least one month prior to the date the deduction is to be made. The obligation of the 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 provide a remittance to the Union within 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 shall provide a reason. In the event the Union does not want to receive a weekly remittance, the Employer shall provide a monthly remittance by the 15th day of the following month. However, if this option is chosen, the Employer shall still make weekly deductions as described above.

The Employer shall provide a list of peak season employees to the 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. No deduction shall be made which is prohibited by applicable law.

The Union shall have the option of monthly deductions with monthly remittance on or before the 15th day of the same month.

On written request of the employee, payroll deductions shall 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 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 shall 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 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 3.4. Work Assignments

The Employer agrees to respect the jurisdictional rules of the Union and, except as otherwise provided in this Agreement, shall not direct or require their employees or persons, other than the employees in the bargaining units here involved, to perform work which is recognized as the work of the employees in said units. This is not to interfere with bona fide agreements with bona fide unions.

Section 3.5.

Employees shall have the option of participating in the Employer's electronic funds transfer (EFT), the Employer's check card payment system, or a paper payroll check system.

New employees shall make this election during orientation. Recognizing the mutual benefits and advantages of these systems over a paper payroll check, the Union agrees to encourage all employees to select either EFT or a check card as method of payment.

Section 3.6. Supervisors Working / Inside Work

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. 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 members of the bargaining unit.

b. When additional employees are necessary to complete the Employer's operations on any shift or within any classification, the Employer shall first use bargaining unit employees including, double shifting, early call in (including but not limited to the early call in of drivers) and overtime.

c. The following shall apply with regard to inside work. Within each building, each operation shall maintain separate list(s), by seniority, of those part time employees and those full-time employees who are interested in performing extra work. It shall be the employee's responsibility to sign up on the appropriate list. The Company shall post such list and

employees who are interested in adding their names to the lists shall do so on the last week of each month. It shall 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 for the following month. When extra work is available, or when there is a special sort on a weekend or holiday, the Company shall use the Article 22.3 full time lists to fill the required positions, by seniority, and then, if necessary, shall use part time lists and such employees shall work as assigned. Full time employees shall be paid for hours worked only. The employee must be qualified for the available work and double shift employees shall have seniority among themselves. The full-time employees called in from the list must be capable of covering their normal scheduled work. No employee is allowed to work more than two shifts in any twenty-four (24) hour period. All extra work offered shall be reviewed with the Union Steward.

During the peak season, Article 22.3 employees may sign the Peak posting for extra work occurring after the completion of their bid job.

d. If it is determined at any step of the grievance and/or arbitration procedure that this Section, or a "supervisor working" provision in this agreement has been violated, the aggrieved employee shall be paid as follows:

- 1) If the actual hours worked by the supervisor amounts to two (2) hours or less, the aggrieved employee shall 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;
- 2) 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 shall be made to the grievant.

Such remedy shall be in addition to any other remedies sought by the Union in the appropriate grievance procedure.

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 of pay for the hours specified in the first paragraph of this subsection.

ARTICLE 4. STEWARDS

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

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

Job Stewards and alternates have no authority to take strike action or any other action interrupting the Employer's business, except as authorized by official action of the Union. The Employer recognizes these limitations upon the authorized Job Stewards and their alternates, and shall not hold the Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper, nondiscriminatory discipline, including discharge. However, in the event the Job Steward or the designated alternate has led, or instigated or encouraged unauthorized strike action, slowdown or work stoppages in violation of this Agreement, he/she may be singled out for more serious discipline, up to and including discharge. Stewards and/or alternate stewards shall not be subject to discipline for performing any of the duties within the scope of their authority as defined in this Section, in the manner permitted by this Section.

Recognizing the importance of the role of the Union Steward in resolving problems or disputes between the Employer and its employees, the Employer reaffirms its commitment to the active involvement of union stewards in such processes in accordance with the terms of this Article.

The Job Steward or the designated alternate shall be permitted reasonable time to investigate, present and process grievances on the Company's property without interruption of the Employer's operation. Upon notification to his or her supervisor, a steward shall be afforded the right to leave his/her work area for a reasonable period of time to investigate, present and process grievances and to represent a fellow employee concerning grievances or discipline so long as such activity does not interrupt the Employer's operations. The Employer shall make a reasonable effort to insure that its operations are not interrupted by the steward's engaging in such activity. The Employer shall not use interruption of its operation as a subterfuge for denying such right to the steward.

Where mutually agreed to by the Union and Employer, stewards may investigate off the property or other than during their regular schedule, without loss of time or pay. Stewards shall be paid for time spent in meetings under this Article which occur during the steward's regular working hours. Stewards shall also be paid for time spent at meetings which occur outside his or her working hours, or on days off, by mutual consent. Such time spent during the Job Steward's or the designated alternate's regular working hours shall be considered working hours in computing daily and/or weekly overtime if within the regular schedule of the Job Steward or the designated alternate.

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

In such cases, the meeting shall not be continued until the steward or alternate steward is present.

If an employee does not wish to have a Union steward present in any meeting where the employee has a right to Union representation under this Article, the employee shall sign a waiver of Union representation, a copy of which shall be furnished to the Union upon its request.

If requested by the Union, the designated Stewards shall be provided with copies of all warning, suspension and discharge letters.

Job Stewards, or designated alternates, shall be allowed to wear an identifying steward's badge, provided by the Union, at all times while on the Employer's premises.

ARTICLE 5. SANITARY CONDITIONS

The Employer agrees to maintain a clean, sanitary washroom having hot and cold running water with toilet facilities in all present and future buildings. The Employer further agrees to provide separate toilet and changing facilities for male and female employees in all present and future UPS buildings which have more than fifteen (15) drivers. The Employer agrees to provide a designated area, outside the general work area, to be used for breaks in all present and future buildings.

The Employer shall implement procedures designed to ensure privacy for all employees when using facilities in UPS buildings with fifteen (15) or fewer drivers.

Such toilet facilities shall be equipped with proper ventilation devices and shall be heated, as climatic conditions shall warrant.

The Employer agrees to provide lockers for those employees who are required to change into a uniform or take a lunch period. All other employees shall be provided a suitable area for keeping personal items and clothes. Assigned lockers shall not be opened by the Employer unless either the employee or a Union Representative is present.

Where the Employer and the Union agree that the local water is not suitable for drinking, the Employer shall provide bottled drinking water.

In those locations where the company uses temporary structures for hub/preload operations, the Company shall heat, adequately light, and provide loading heights equal to the equipment being loaded.

ARTICLE 6 EXTRA CONTRACT AGREEMENTS

Section 6.1. Extra Contract Agreement

The Employer agrees not to enter into, or attempt to enter into, any agreement or contract with its employees, either individually or collectively, or to require or attempt to require employees to sign any document, either individually or collectively, which in any way conflicts with the provisions of this Agreement. Any such Agreement or document shall be null and void. Any such Agreement or document may not be placed in an employee's file or used by the Employer as a basis for discipline or used in connection with any disciplinary proceeding, nor may any such Agreement or document nor the contents thereof be divulged to any person or entity.

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

Section 6.2. Workweek Reduction

If either the Fair Labor Standards Act or the DOT Hours of Service Regulations are subsequently amended so as to result in substantial penalties to either the employees or the Employer, a written notice shall be sent by either party requesting negotiations to amend those provisions which are affected. Thereafter the parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory solution. In the event the parties cannot agree on a solution within sixty (60) days, or mutually agreed extensions thereof after receipt of the stated written notice, either party shall be allowed economic recourse.

Section 6.3. 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 agreement cannot be reached within sixty (60) days after date such equipment is put into use, either the Union or the Employer shall submit the matter to expedited arbitration pursuant to Article 8.

Section 6.4. Technological Change

1. Technological change shall be defined as any significant change in equipment or materials which results in a significant change in the work of any classification of employees in the bargaining unit or diminishes the number of workers in any classification of employees in the bargaining unit. Such changes could include, but are not limited to, the use of drones or driverless vehicles to transport, deliver or pick-up packages, or platooning.
2. The Employer and the Union agree to review any planned technological changes covered by this Section.
3. The Employer shall advise the Union 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.
4. The Employer shall be required to provide the Union, upon written request, any relevant information to the extent available regarding the proposed technological changes.
5. The Employer shall meet with the Union, promptly after notification to negotiate regarding the effects of the proposed technological changes.

If any agreed technological change creates new work that replaces, enhances or modifies bargaining unit work, bargaining unit employees shall 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 Union and Employer cannot reach an agreement sixty (60) days prior to implementation, either the Union or the Employer shall submit the matter to expedited arbitration pursuant to Article 8.

Section 6.5. 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.

2. Trainers shall be paid a \$.50 per hour training premium for each hour spent training.

Drivers training helpers and two (2) on the car rides for the purpose of route knowledge shall not be entitled to the training premium.

3. Trainer selection and assignments to on the job training shall be done in accordance with this Agreement.

ARTICLE 7.

LOCAL AND AREA GRIEVANCE MACHINERY

Except in cases involving cardinal infractions, as outlined in Article 54 of this Agreement, an employee to be discharged or suspended shall be allowed to remain on the job, without loss of pay unless and until the discharge or suspension is sustained under the grievance procedure (which includes arbitration). The Union agrees it shall not unreasonably delay the processing of such cases.

Section 7.1.

Differences between the Employer and the Union as to the application or interpretation of any of the provisions of this Agreement, including the question of whether an employee has been disciplined or discharged for just cause, shall be settled by the following grievance and arbitration procedure.

1. a) The Employee shall discuss any issues or complaints with a supervisor, or
b) The Union Steward or Business Agent shall discuss any issues or complaints with the appropriate supervisor or manager.
2. If the Employee's issue or complaint is not resolved in step 1, the Employee shall discuss the issue or complaint with his/her steward and the appropriate supervisor or manager.
3. If the parties fail to agree on the dispute or issue the steward and/or the assigned Business Agent shall promptly be authorized to submit a written grievance to the Employer with a copy provided to and retained by the Business Agent within thirty (30) calendar days of the occurrence or knowledge of the occurrence. Grievances relating solely to discharge or discipline shall be filed within fifteen (15) calendar days of the notice of discipline.
4. Failure to follow the above grievance filing period as outlined in subparagraph 3 above may result in the dismissal of the grievance.
5. Unresolved grievances may be submitted to the UPS/705 Grievance Committee. The UPS/705 Grievance Committee shall consist of an equal number of members selected by the Employer and the Union.
6. Failure to achieve a resolution resulting in a deadlock at the UPS/705 Grievance Committee may result in the grievance being submitted to arbitration by the Union.

Unless mutually agreed to otherwise, the parties agree to have the UPS/705 Grievance Committee hear and decide all docketed discipline cases, including discharge and suspension, prior to any contract interpretation grievances each month. Effective January 1, 2009, an impartial arbitrator shall sit as the fifth (5th) member of the UPS/705 Grievance Committee who shall hear all testimony and receive evidence with the UPS/705 Grievance Committee. The impartial arbitrator shall render a bench decision only if, and after, the UPS/705 Grievance Committee deadlocks the discipline grievance.

In selecting the fifth (5th) member of the UPS/705 Grievance Committee, the parties shall adhere to the following procedure:

Within fourteen (14) days of ratification of this Agreement, the parties shall jointly request from the Federal Mediation and Conciliation Service (FMCS) a panel consisting of 35 arbitrators selected from FMCS's Regional pool who are members of the National Academy of Arbitrators who shall agree, if mutually selected by the parties, to be part of a permanent panel. Within ten (10) business days from receiving the panel of names from FMCS, the parties shall alternatively strike names until seven arbitrators are left to form a permanent panel known as the Board of Arbitration (the Board) for the term of this Agreement. Each member of the Board shall alphabetically by last name be assigned a number from 1 to 7. Every month the arbitrator shall be assigned, by rotation from the list of names, with the first month's UPS/705 Grievance Committee being assigned the arbitrator designated number 1, and succeeding months assigned to the other arbitrators in numerical sequence.

If for any reason an arbitrator is unable to sit during his designated monthly UPS/705 Grievance Committee, then the parties shall attempt to agree on a replacement arbitrator. If the parties are unable to agree, then the parties

shall request from the FMCS a list of seven (7) names from which the Employer and the Union shall alternatively strike three (3) different names, and the person whose name remains shall be designated as the replacement arbitrator for that month only. When choosing a replacement arbitrator, either party may reject an FMCS panel in its entirety one time. Upon rejecting the panel, the party shall immediately request and pay for a new panel.

Within seven days (7) days from January 1 of each calendar year, either party may notify the other party of its intent to remove one arbitrator from the Board. The party seeking to replace an arbitrator shall request from the FMCS, a list of seven (7) names from which the Employer and the Union shall alternatively strike three (3) different names, and the person whose name remains shall be designated as the replacement arbitrator. When choosing a replacement arbitrator for the Board, either party may reject an FMCS panel in its entirety one time. Upon rejecting the panel, the party shall immediately request and pay for a new panel. The replacement arbitrator shall assume the numerical order of the arbitrator who was removed.

An arbitrator may also be removed from the permanent panel at any time upon the mutual written agreement of the parties. Upon notice of removal of an arbitrator from the Board, the parties shall attempt to agree upon a replacement arbitrator. If the parties are unable to agree, then the selection of a replacement shall be in accordance with the above paragraph. The replacement arbitrator shall assume the numerical order of the arbitrator who was removed.

For purposes of this subsection (7) only, the fees and expenses of the Arbitrator shall be borne equally by the parties. Any backpay remedy ordered shall be paid by the Employer within ten (10) days of decision. No attorneys shall be allowed at the UPS/705 Grievance Committee, and all UPS/705 Grievance Committees shall take place at the Local 705 offices.

8. The Union shall have up to sixty (60) calendar days to notify the Company by letter or other mutually agreeable means of its intent to arbitrate any contract interpretation grievance deadlocked by the UPS/705 Grievance Committee.

9. On all deadlocked contract interpretation grievances to which the Union has provided timely notice of its intent to arbitrate, the Company and the Union shall select from a list of seven (7) arbitrators, who are members of the National Academy of Arbitrators. The list shall be furnished by the Federal Mediation and Conciliation Service or American Arbitration Association, at the Union's request, from which list the Employer and the Union shall each alternatively strike three (3) different names, and the person whose name remains shall be designated as the arbitrator. When choosing an arbitrator, either party may reject a panel in its entirety one time. Upon rejecting the panel, the party shall immediately request and pay for a new panel.

10. The fees and expenses of the arbitration in a contract interpretation case shall be borne by the loser. Attorneys shall be allowed to present contract interpretation cases at arbitration, and all such arbitrations shall take place at a mutually acceptable location.

All decisions of the UPS/705 Grievance Committee and or arbitrator shall be final. and no strike or lockout shall occur except as is hereinafter provided. Nothing herein shall authorize the arbitrator to alter the terms and conditions of the agreement or make a new Agreement.

Upon failure of the Employer to meet with the Union to adjust a grievance when requested to do so, or to appoint members of the Grievance Committee or to strike names from the list, or failure to comply with any final decision, then the Principal Officer or his / her designee and the Company Regional Labor Relations Manager or his / her designee shall meet within seventy-two (72) hours to

attempt to resolve the dispute. Failing to agree, the Union at its discretion shall be permitted all legal and economic recourse (including the right to strike) in support or enforcement of its demands notwithstanding anything to the contrary contained in this Agreement. The action taken by the Union in recourse or enforcement of its right shall not be arbitrable nor reviewable by any tribunal. Grievance and arbitration proceedings on behalf of an employee respecting his/her grievance may be invoked by the Union when in their opinion they deem it justified.

Section 7.2.

Should a Certified Public Accountant designated by the Union certify in writing specifically that the Employer is violating the wage scale, hours of work, vacations, applicable Health and Welfare provisions or Pension provisions or working conditions or other terms or conditions of employment based upon the payroll records, time cards and/or sheets, audited by him, or if Employer refuses to produce such records for audit as provided in this Agreement, then the grievance procedure shall have no application to such facts and circumstances and the Union shall be permitted all legal and economic recourse including the right to strike notwithstanding anything to the contrary contained in this Agreement.

Section 7.3.

The legal recourse reserved to the Union in this Agreement shall be cumulative with and not exclusive of any other remedy, economic or legal, available to it. The Union may (in addition to pursuing other remedies) sue the Employer in the Union's own behalf or in behalf of any aggrieved employee for specific performance of this Agreement, injunctive relief, recovery of dues, wages, vacations or other benefits or any other legal redress, and the Employer hereby expressly waives the right to object to the Union being party plaintiff in such an action. In pursuing the aforesaid legal

remedies, the Union shall have the right to recover all reasonable costs and attorney's fees.

All monetary grievance settlements shall be submitted by separate check payable to the grievant or grievants and a copy of the same sent to the Union for their records. Such settlements shall be paid within ten (10) working days of settlement.

ARTICLE 8. EXPEDITED ARBITRATION

Any time this Agreement specifically allows for expedited arbitration of an issue, either party shall provide written notice of its intent to submit the matter to expedited arbitration. Unless the parties mutually agree to otherwise, the matter shall proceed immediately to expedited arbitration. The party providing notice shall immediately request a list of eleven (11) names from the Federal Mediation and Conciliation Service (FMCS) or the American Arbitration Association (AAA) who are members of the National Academy of Arbitrators, from which list the Employer and the Union shall each alternatively strike five (5) names, and the person whose name remains shall be designated as the arbitrator. Unless mutually agreed to otherwise, the expedited arbitration shall occur within thirty (30) days of the arbitrator's selection. Should an arbitrator be unable to hear the matter within thirty (30) days of the arbitrator's selection, either party shall have the right to request from FMCS or AAA a new list of eleven (11) names from which list the Employer and the Union shall select an arbitrator in accordance with the procedure set forth in this paragraph until the parties are able to obtain an arbitrator who shall commit to hearing the case within thirty (30) days. The costs of any subsequent lists that may be necessary in order to secure an arbitrator who shall hear the case within thirty (30) days shall be borne equally by the parties. Unless mutually agreed to otherwise, upon seven (7) days of receipt of the transcript from the court reporter, either party may

submit a brief to the arbitrator. The arbitrator shall be required to render a decision within ten (10) days of receipt of briefs. The fees and expenses of the expedited arbitration shall be borne by the loser.

ARTICLE 9. PROTECTION OF RIGHTS

Section 9.1. Picket Line

It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action (including but not limited to the temporary or permanent replacement of any employee) in the event an employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any primary picket line, including the primary picket line of the Union party to this Agreement, and including primary picket lines at the Employer's place of business, and the Employer shall not direct any employee to cross a primary picket line.

Section 9.2. Struck Goods

It shall not be a violation of this Agreement and it shall not be a cause for discharge or disciplinary action if any employee refuses to perform any service which his/her Employer undertakes to perform as an ally of an employer or person whose employees are on strike, and which service, but for such strikes, would be performed by the employees of the employer or person on strike.

Section 9.3.

Subject to the appropriate subcontracting provisions of this Agreement, the Employer agrees that it shall not cease or refrain from handling, using, transporting, or otherwise dealing in any of the products of any other employer or cease doing business with any other person, or fail in any obligation imposed by the Motor Carrier's Act or other applicable law, as a result of individual employees exercising their rights under this Agreement or under law, but the Employer shall, notwithstanding any other provisions in this

Agreement, when necessary, continue doing such business by other employees.

Section 9.4.

The layover provisions of this Agreement shall apply when the Employer knowingly dispatches a road driver to a terminal at which a primary picket line has been posted as a result of the exhaustion of the grievance procedure, or after proper notification of a picket line permitted by the collective bargaining agreement, or economic strikes occurring after the expiration of a collective bargaining agreement or to achieve a collective bargaining agreement.

Section 9.5. Grievances

Within five (5) working days of filing a grievance claiming violations of this Article, the grievance shall be submitted directly to the UPS/705 Grievance Committee without taking any intermediate steps, any other provisions of this Agreement to the contrary notwithstanding.

ARTICLE 10. LOSS OR DAMAGE

Section 10.1.

No employee shall make any reimbursement or have monies deducted from his/her pay for loss or damage to parcels except as provided in this Section.

No employee shall be disciplined or required to make reimbursement for lost or damaged parcels unless the Employer demonstrates that the employee, without justification or mitigation, violated pertinent established rules or policies, the observance of which would have prevented the loss or damage. In no event shall a driver be subject to reimbursement for loss or damage to a Driver Release parcel valued at one hundred dollars (\$100.00) or less.

An employee who is charged for loss or damage by the Employer shall not be subject to both discipline and

reimbursement. The Employer shall clearly notify the employee and the Union of its intent to either discipline or seek reimbursement. No employee shall be subject to discipline or reimbursement unless the Employer brings the loss or damage to the employee's attention within fifteen (15) business days after receiving a written shipper notice of claim.

When an employee is subject to discipline, the employee shall not make any reimbursement for such loss or damage. When an employee is subject to reimbursement, the employee shall not be subject to discipline for such loss or damage.

Any employee who is found to be responsible for two (2) reimbursements in a twelve (12) month period may receive a warning letter in addition to being responsible for reimbursement should a third (3rd) loss occur in the same twelve (12) month period.

No action shall be taken by the Employer under this Section until the grievance procedure is invoked and concluded. In such grievance hearings the Employer shall present its case first.

If an employee is held liable for reimbursement for loss or damage under Article 10, Section 1 in regard to any package, he/she shall be held liable for the value of the package, the amount paid by the Employer to the customer, or the insured value of the package, whichever is least.

Reimbursement schedules shall be reasonable and fair, based upon the circumstances of each case.

This Article is not to be construed as permitting charges for loss or damage to equipment. Nor is this Article to be construed as permitting charges for any loss or damage to merchandise as a result of a vehicular accident under any circumstances.

Section 10.2.

Employees handling money shall account for and remit the same to the Employer at the completion of each day's work. An employee's cash turn-in may be verified or audited by the Employer. If the Employer fails to verify and deposit an employee's cash turn-in, when requested, no deduction or disciplinary action shall be taken. Upon request by the Union, the Employer and the Union shall meet to review any problems relating to transportation of cash via feeders or cashier's check rules.

To ensure that the employee shall not be held accountable when the Employer verifies and deposits or fails to verify and/or deposit the employee's cash turn-in the employee and Employer shall sign a document, to be maintained by the Employer, showing whether the employee requested verification and deposit and whether the employee's cash turn-in has either been verified and deposited or not verified and/or deposited.

In cases of proven bona fide error (in addition or subtraction) of the cash turn-in, the employee shall be responsible for making proper restitution for such shortage.

In such cases of bona fide error, the Employer and an employee, with the participation of the Union and where permitted by applicable law, shall execute a written document providing for an agreed upon amount and schedule of reimbursement and/or deduction. A copy of any such agreement shall be provided to the Union.

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

the prompts or as the system is expanded. If the driver collects an improper check, the Employer shall inform the driver of that acceptance.

The Employer shall make a reasonable effort to collect for losses due to bad checks, to include a driver follow-up, and attempts by the Manager or his designee to meet with the consignee and a letter to the consignee requesting payment, when appropriate. Should a driver who has been held liable for restitution choose to pursue legal recourse against the consignee, the Employer shall provide any necessary documents to aid the driver in processing a claim through the courts. The employee shall not be held liable for restitution or disciplined if he/she accepts an irregular check if a reasonable person would have accepted the check. No employee shall be subject to restitution or discipline unless the Employer brings the bad check to the employee's attention within fifteen (15) business days after receiving a written shipper notice of claim.

No action shall be taken by the Employer under this Section until the grievance procedure is invoked and concluded. In such grievance hearings, the Employer shall present its case first.

Reimbursement schedules shall be reasonable and fair, based upon the circumstances of each case.

Section 10.3.

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 three hundred dollars (\$300.00) 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).

**ARTICLE 11.
(reserved)**

ARTICLE 12. POLYGRAPH / TIME CLOCKS

No applicant for employment and no employee shall 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 shall be permitted to examine the operation record for the current pay period for the purpose of ascertaining his/her hours worked. If an employee has an issue with his/her hours worked for a particular day, the Employer shall provide the employee, upon written request, with a print out of his/her hours worked.

The Employer agrees to provide forms for the employee to record his/her starting and ending times.

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

ARTICLE 13. PASSENGERS

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

ARTICLE 14. COMPENSATION CLAIMS

Section 14.1.

When an injury is reported the reference number shall be given to the employee and when requested, a copy of the

injury report shall be furnished to the employee within two (2) working days of such request. A copy of the injury report shall also be furnished to the Union if requested by a Union official.

The Employer agrees to cooperate toward the prompt disposition of employee on-the-job injury claims. No employee shall be disciplined or threatened with discipline as a result of filing an on-the-job injury report. The employer or its designee shall not visit an injured worker at his/her home.

The Employer shall provide the Union 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 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 if the injury arose out of or in the course of employment.

An employee who is injured on the job, and is sent home, or to a hospital, or who must obtain medical attention, shall receive pay at the applicable hourly rate for the balance of his/her regular shift on that day. The employee's shift shall be considered ended when the employee returns to their domicile, is released to go directly home or is admitted to the hospital.

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 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, shall provide transportation by bus, train, plane or automobile to the employee's home terminal, if and when directed by the doctor responsible for the employee's medical treatment.

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 14.2 - Temporary Alternate Work

The Company may continue a modified work program on a nondiscriminatory basis. This program is designed to provide temporary work opportunity to those employees who are unable to perform their normal work assignments due to an on-the-job injury. Employees shall be provided their guaranteed hours at the employee's regular rate of pay, with a start time no more than one (1) hour earlier or one (1) hour later than their normal start time, with continuous hours, for the duration of TAW, provided the work is available. These guaranteed hours shall be reduced as medical restrictions dictate.

With the exception of feeder drivers, when an employee is released to return to work after a work injury of six (6) months or greater, the Employer shall provide, if requested by the employee, a work hardening schedule in which the employee can work their guaranteed hours for up to five (5) days. When possible, package drivers will provide advance notice of return to work so as to be counted toward the eight hour requests. Recognizing the unique characteristics of Chicagoland feeder driver duties, feeder drivers may request to take advantage of the work hardening schedule. Employer approval shall not be unreasonably withheld. The Employer shall develop a list of possible TAW assignments by location. It is understood that this list may not be all-inclusive and management maintains the right to determine the availability and designation of all TAW assignments. The Employer shall provide the names and assignments of employees on TAW upon the Union's request.

Any such program that has been, or is in effect, as of the effective date of this Agreement, shall be reduced to writing, a copy of which must be submitted to the UPS/705 Safety and Health Committee. If either party wants to include non-work related injuries or illnesses under the TAW program the parties shall meet and agree upon such amendment. The Employer shall also meet with the Union upon request to discuss any changes the Union may propose in the TAW program. Any unresolved issues shall be referred to the UPS/705 Grievance Committee for resolution.

Section 14.3. Permanently Disabled Employees

The Parties agree to abide by the provisions of the Americans with Disabilities Act. The Company shall be required to negotiate with the Union prior to providing a reasonable accommodation to a qualified bargaining unit employee.

The Company shall make a good faith effort to comply in a timely manner with requests for a reasonable

accommodation because of a permanent disability. Any grievance concerning the accommodation not resolved shall be submitted directly to the UPS/705 Grievance Committee.

If the Company claims that the individual does not fall within the protections of the Americans with Disabilities Act, then the grievance must follow the normal grievance procedure.

A grievance may be filed by an employee or the Union, notwithstanding any contrary provision in this agreement. The submission of a claim under this Section to the grievance and arbitration procedures of the Agreement shall not prohibit or impede an employee or the Union from pursuing their statutory rights under the Americans with Disabilities Act (ADA) or comparable state or local laws.

The parties agree that appropriate accommodations under this Section are to be determined on a case-by-case basis.

Section 14.3.1

Pursuant to Article 22.3 and Article 37, the Employer and the Union agree to meet and discuss certain full-time positions that may be filled by employees who can no longer perform their assigned job. When full-time openings occur, these employees shall be given the opportunity to fill the opening prior to the Employer hiring from the outside. The employee must be physically fit and qualified to perform the new job. The employee placed in the opening shall be paid the rate for the job based upon the employee's seniority.

ARTICLE 15. MILITARY CLAUSE

Employees in service in the uniformed services of the United States, as defined by the provisions of the Uniform Services Employment and Reemployment Rights Act (USERRA), Title 38, U.S. Code Chapter 43, shall be granted all rights and privileges provided by USERRA and/or other applicable state and federal laws. This shall include continuation of

health coverage as provided by USERRA, and pension contributions for the employee's period of service, as provided by USERRA. Employees shall be subject to all obligations contained in USERRA which must be satisfied for the employees to be covered by the statute.

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

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

<u>No. Wks.</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
6	6	4	3	1
5	5	3	2	1
4	4	3	2	1
3	3	2	1	1
2	2	1	1	1

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

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

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

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

Spousal Transfer Rights

In the event an active member of the military is transferred to a different geographic location and his or her spouse works for the Employer, the employee may submit a written request to the Employer to transfer to the same geographical area. The transfer shall be approved subject to the following conditions:

- a. A full or part-time opening, as applicable, in the job classification exists at the desired location. The position must be one that an existing employee does not have a right to be awarded.
- b. Job classification seniority is end-tailed.
- c. Company seniority is retained for the purposes of the number of weeks of vacation, holiday eligibility, and benefit purposes.
- d. The transfer must be requested in advance of the relocation to ensure that there is no break in service by the transferring employee. If no permanent position is available at the time of the relocation the provisions of paragraph a. above, shall apply for a maximum of six (6) months.

- e. The Employer shall not be responsible for any moving expenses or work missed by the employee. An employee who transfers out of his or her original area where they are covered by a Teamster Pension Trust Fund into the jurisdiction of another pension trust fund, such employee shall remain in his or her 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 16. LEAVE OF ABSENCE

Section 16.1

The Employer agrees to grant the necessary time off, without discrimination or loss of seniority rights and without pay, to any employee designated by the Union to attend a labor convention or serve in any capacity on other official business, provided forty-eight (48) hours written notice is given to the Employer, by the Union, specifying length of time off. The Union agrees that, in making its request for time off for Union activities, due consideration shall be given to the number of employees affected in order that there shall be no disruption of the Employer's operations due to lack of available employees.

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

Section 16.2.

Any employee desiring leave of absence from employment shall secure written permission from both the Union and the Employer. The request for leave of absence shall be made in writing at least thirty (30) days before the day on which the leave is sought to commence. If the leave is not foreseeable,

the employee shall submit the written request as soon as possible and shall include an explanation why the leave was not foreseeable. The Employer and Union shall respond to the request in writing within ten (10) days after receiving the request. The maximum leave of absence shall be for ninety (90) days and may be extended for like periods. Permission for the same must be secured from both the Union and the Employer. During the period of absence, the employee shall not engage in gainful employment, except as provided in Section 16.3 below.

Failure to comply with this provision shall result in the complete loss of seniority rights for the employees involved. Inability to work because of proven sickness or injury shall not result in the loss of seniority rights.

The employee may make suitable arrangements for the continuation of health and welfare and pension payments before the leave may be approved by either the Union or the Employer.

Section 16.3. Loss of License

Section 16.3.1 Leave of Absence

When an employee, in any job classification requiring driving, loses his or her operating privilege or whose license has been suspended or revoked for reasons other than those for which the employee can be discharged by the Employer, leave shall be granted for such time as the employee's operating privilege or license had been suspended or revoked but not for a period longer than two (2) years, provided the driver whose operating privilege or license has been suspended or revoked notifies the employee's immediate supervisor before the employee's next report to work of such suspension or revocation. The above provision need apply only to the first (1st) suspension or revocation except for suspension of commercial drivers license (CDL) of one (1) year or less duration.

Employees who take a leave of absence under this Section whose loss of operating privilege or license is the result of driving under the influence of drugs or alcohol shall be allowed alternative work and to return to their job in accordance with Section 16.3.3 below.

Section 16.3.2. Alternate Work (Other than Alcohol/Controlled Substance)

When an employee, in any job classification requiring driving, has lost his/her license under this Article he/she shall be afforded the opportunity to displace junior, one (1) full-time or two (2) part-time, inside employees, until he/she can return to his/her driving job, not to exceed two (2) years, unless provided for otherwise in this Agreement. The employee shall receive the appropriate rate of pay for the job performed based on his/her seniority. Coverage for benefits shall continue for the length of the leave of absence or for the job duration, up to two (2) years.

Section 16.3.3. Alternative Work (Alcohol/Controlled Substance)

When an employee, in any job classification requiring driving, has lost his/her license for driving under the influence of alcohol or a controlled substance he/she shall 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 successfully completes the rehabilitation program, provided his/her driving privileges have been restored. The employee shall receive the appropriate rate of pay for the job performed based on his/her 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 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 shall be allowed to return to driving. Until the assessment is completed, the driver shall be allowed to work inside at his/her 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 license for driving.

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

Section 16.3.4 CDL Qualification

This Article shall also apply in the event an employee is unable to successfully pass the DOT commercial drivers license (CDL) examination provided the employee makes a bona fide effort to pass the test each time the opportunity presents itself.

Section 16.4. 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 doctor shall determine that she is physically or mentally unable to return to her normal duties and maternity leave must comply with applicable state and federal laws.

A light duty request, certified in writing by a physician, shall be granted in compliance with state or federal laws, if applicable.

Paternity leave shall be granted in accordance with Section 16.6 of this Article with the exception of employees not able to meet the qualifications set out in Section 16.6, who shall be granted leave not to exceed one (1) week.

Notwithstanding any provision to the contrary, 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 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 shall be paid to the employee within two 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 16.5. Rehabilitation Program - Leave of Absence

An employee shall be permitted to take a leave of absence for the purpose of undergoing treatment in an approved program for alcoholism or substance abuse. Employees may use the United Parcel Service Employee Assistance Program (EAP); a Union sponsored rehabilitation program, as well as any other referral service in choosing an approved program for treatment.

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

The leave of absence must be requested prior to the commission of any act subject to disciplinary action except as provided in Article 35, Section 35.3 and Section 35.4. The leave of absence shall be for a maximum of ninety (90) days; additional time may be granted if it is mutually agreed between the Company and the Union, or requested by the Substance Abuse Professional (SAP). While on such leave, the employee shall not receive any of the benefits provided by this Agreement, except the continued accrual of seniority.

If an employee voluntarily enters such a rehabilitation program, under the provisions of the Article, the following shall apply:

1. Before returning to work, the Employer shall ensure that the employee is "alcohol/drug free". This requirement shall be satisfied when the employee has provided a negative drug test result, as per cutoff levels contained in Section 35.3.3 or Section 35.3.4 of Article 35, as applicable, and/or an alcohol test with an alcohol concentration less than .02. The Employer will make all reasonable efforts to conduct all return-to-work testing, conference call, and examinations within five (5) working days of completion of a rehabilitation program.

2. Within one year of the date on which an employee returns to work, the employee may be subject to unannounced alcohol/drug testing, as specified in the return to work agreement. The one (1) year period may be extended only by the SAP and must be substantiated by written verification of the SAP.

3. Unannounced alcohol/drug testing for the above mentioned employee, if required, shall be determined by the SAP as provided in this Article. The date, time and place of collection for alcohol/drug testing, if required, shall be determined by the SAP.

4. Failure to comply with the after-care treatment plan or a positive specimen as part of the after-care treatment plan shall result in discipline pursuant to Article 35, Sections 35.3.13 and 35.4.11.

5. Such employee(s) shall be afforded the opportunity to file for disability leave for the purpose of rehabilitation as provide in this Section 16.5.

All alcohol/drug treatment agreements including pre-care, after-care and return to work agreements entered into shall be confidential and signed by the employee and SAP overseeing the treatment program and must have been approved by the Union business agent prior to the employee's signature. The post-care agreement shall comply with all provisions of this Article.

The Employer agrees to recognize the employee's rights to privacy and confidentiality while being party to such an agreement. The Employer agrees that in all circumstances the employee's dignity shall be considered and all necessary steps taken to insure that the entire process does nothing to demean, embarrass or offend the employee unnecessarily.

Section 16.6. 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 shall 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 shall maintain health insurance coverage during the period of the leave.

The Employer may require the employee to substitute accrued paid vacation or other paid for leave 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.

Eligible employees shall be allowed to take intermittent leave as directed by a medical professional.

ARTICLE 17. PAID-FOR TIME

Rates of pay provided for by this Agreement shall be minimums. All employees covered by this Agreement shall

be paid for all time spent in service of the Employer. 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 shall not allow employees to work prior to their start time without appropriate compensation (i.e. time and one half the employee's straight time hourly rate of pay).

Wages for properly selected vacations, in all instances, shall be paid to the employees no later than the workday prior to their vacation. If the employee does not receive his/her vacation check, the Employer shall make all reasonable efforts to provide the check the following day including delivery by Saturday or Next Day Air. Other shortages involving more than thirty dollars (\$30.00) for full-time employees, and fifteen dollars (\$15.00) for part-time employees, shall be corrected and the payment shall be made available to the employee at his/her reporting location on his/her second scheduled workday after reporting the shortage. If the Employer fails to make the payment available on the employee's second scheduled workday and the shortage was the result of the Employer's error, the employee shall be paid an additional amount equal to one-half (1/2) of his/her daily guarantee at his/her regular hourly rate for every full pay period in which the shortage is not paid after the second (2nd) scheduled work day, until corrected.

Errors of less than thirty dollars (\$30.00) for full-time employees or fifteen dollars (\$15.00) for part-time employees and overages shall be corrected in the following weekly paycheck.

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 Labor Department representative agrees to the settlement, or is notified by the Union or the management team of the settlement. The Employer shall pay a maximum of one penalty payment for a multi-grievant grievance, 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 shall 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, shall 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 their pay prior to taking their vacation. The employees shall be shown his/her check upon request, but shall not receive the check until the regular scheduled pay day.

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

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

ARTICLE 18. SAFETY AND HEALTH, EQUIPMENT, ACCIDENTS AND REPORTS

Preamble

The Employer and the Union agree that the safety of the employees and the general public is of utmost importance.

The Employer and the Union have developed the following Sections and Subsections of this agreement to respond to that mutual concern for safety. The contract language responds to a variety of areas related to safety, health, ergonomics, climatic conditions as well federal, state and local laws dedicated to providing a safe and healthy workplace.

A. Local area joint labor/management committees comprised of bargaining unit members and management to address job related safety and health concerns through the Comprehensive Health and Safety Process (CHSP).

Section 18.1. Employees' Rights - Equipment, Vehicles and Conditions

The Employer shall not require employees to take out on the streets or highways any vehicle, or use any type of equipment, that is not in a safe operating condition or equipped with the safety appliances prescribed by law. First line trailers shall be swept on a daily basis. All package cars and tractors shall be maintained in a clean and sanitary condition including mirrors and windows.

Under no circumstances shall an employee be required or assigned to engage in any activity involving dangerous conditions of work or danger to a person or property or in violation of a government regulation relating to safety of person or equipment. The term "dangerous conditions of work" does not relate to the type of cargo which is to be hauled or handled.

It shall not be a violation of this Agreement, or cause for disciplinary action, where employees refuse to operate equipment or a vehicle when such operation constitutes a violation of any state or federal rules, regulations, standards or orders applicable to commercial motor vehicle safety or health, or because of the employee's reasonable apprehension of serious injury to himself/herself or the public due to the

unsafe conditions as set out in any state or federal rules, regulations, standards or orders applicable to commercial motor vehicle safety or health to include Part 392.14 of the Federal Motor Carrier Regulations.

The Employer shall ensure conveyors passing overhead shall be guarded so as to prevent the materials transported from falling and causing injury to employees below.

Section 18.2. Out of Service Equipment and Vehicle Reports

All equipment which is refused, or has been written up for repair, because it is not mechanically sound or properly equipped, shall be appropriately tagged, and placed out of service, so that it cannot be used by other drivers, or employees until the Automotive/Maintenance Department has adjusted the complaint.

Employees shall immediately, or at the end of their shifts, report all known defects of equipment on a suitable form furnished by the Employer. The Employer shall not ask or require any employee to utilize equipment that has been reported by any other employee as being in an unsafe condition. Such equipment shall be red tagged, as necessary, by automotive/maintenance personnel. The tag must not be removed until the Automotive/Maintenance Department has determined that the vehicle/equipment is in a safe operating condition or, where no Automotive/Maintenance Department exists, qualified management shall make the deciding determination. Management not qualified to make such a determination, shall consult with qualified automotive/maintenance personnel before removing a red tag. The person making the decision shall sign off the car condition report or other form required by law. Any automotive/maintenance person consulted shall be noted on this report.

When the occasion arises where an employee gives a written report on forms in use by the Employer of a

vehicle/equipment being in unsafe working or operating condition and receives no consideration from the Employer, the employee shall take the matter up with an officer of the Union (i.e., the assigned Business Agent and/or Steward), who shall take the matter up with the Employer. But in no event shall an employee be required to operate a vehicle/equipment that is unsafe or in violation of any federal, state or local, rules, regulations, standards or orders applicable to equipment or commercial motor vehicles.

Copies of the car-condition reports or Driver Vehicle Inspection Reports (DVIR) shall be available in centers for review by drivers. Upon notification, drivers may make copies of said reports in facilities that have copy equipment. In facilities with no copy equipment, the employee shall be provided a copy as soon as practical, when requested. In no case shall the copy of the DVIR remain valid after the DOT retention requirement (90 days) or the original DVIR expires. The current DVIR shall be maintained in each vehicle between completions of Preventative Maintenance Inspections (PMI), prior to the scheduled PMI, the driver shall be given five (5) days notice. Other copies shall be made available for review by drivers as required by the Federal Motor Carrier Safety Act (FMCS), 49 CFR 396, as applicable to the Employer.

Section 18.3. Accidents and Reports

Any employee involved in any accident shall immediately notify the Employer.

When required by the Employer, the employee, before the end of the employee's shift, shall complete a report of the accident including all available names and addresses of witnesses to the accident. The reference number shall be given to the employee, and when requested, a copy of the accident report shall be furnished to the employee within two (2) working days of such request. A copy of the accident report shall also be furnished to the Union if requested by a Union official. In cases of equipment accidents where a

Driver's Report of Accident form is completed, the employee shall be given a copy of the form the same day, when requested. In facilities with no copy equipment the employee shall be provided a copy as soon as practicable.

In the event of a vehicle accident, the Employer shall have twenty (20) days to complete its investigation, if warranted, and ten (10) days to take disciplinary action, if any, unless otherwise mutually agreed. Except for serious accidents, where the driver may be presumed to be at fault, a driver shall not be removed from driving duties during an investigation of an accident.

A serious accident is defined as one in which:

1. There is a fatality, or;
2. A citation is issued and there is bodily injury to a person who, as a result of the injury, receives immediate medical treatment away from the scene of the accident, or;
3. A citation is issued and one or more motor vehicles incur disabling damage as a result of the accident requiring a vehicle to be transported away from the scene by a tow truck or other vehicle.
4. Any vehicular contact with an aircraft which results in damage that grounds such aircraft.
5. There is an accident involving a motor vehicle on Company property, outside of any building that results in a fatality or bodily injury to a person, who as a result of the injury receives medical treatment away from the scene of the accident.

The driver shall be entitled to non-driving work during this period at his/her normal rate of pay.

The Employer and the Union mutually agree that the employee's rights to Union representation shall be protected.

Section 18.4. Seats

The Employer shall provide high-back air-ride seats in all new tractors and when replacing the driver seat in present tractor equipment. Such seats shall be maintained in a proper and reasonable condition.

When replacing the seat cushion in package cars where the seat is attached to a post, the Employer shall use the new soft ride cushion agreed to. When replacing the seat back, the Employer agrees to provide the new seat back with the adjustable lumbar support feature. Seat backs shall be replaced as needed subject to availability from the manufacturer. In all new P-32 through P-120 vehicles, the Employer agrees to provide multi-adjust seats.

Section 18.5. Sun Visors

Employer approved replacement sun visors shall be provided upon request on all equipment.

Section 18.6. Building Heat

Centers shall be heated, where practical.

On a facility-by-facility basis, the Employer shall evaluate whether additional ventilation or heat is needed for purposes of safety and health. This shall include clerical work areas outside of office structures in UPS facilities.

Section 18.6.1. Indoor Air Pollution

1. Motor vehicles shall be physically connected to a local exhaust ventilation system when the operations in the shop require that the vehicle engine be idled or otherwise operated. Shop areas shall be designated as separate walled-in areas.

2. The Employer shall instruct drivers of motor vehicles not to allow vehicles to excessively idle while indoors.

Section 18.7. Trailer Configuration

The Employer shall 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 may contact management and shall be authorized to switch the unit and be paid for such time.

Section 18.8. Radios

Radios shall be allowed in package cars. Such radios shall not inhibit the driver's view, nor shall they be unsecured.

Applicable laws regarding the use of cell phones while driving will be followed by all employees while driving Company vehicles. The use of cell phones by other employees will be with approval of the Employer.

If permitted by state and/or federal law, headset, Bluetooth ear pieces, and earphones that are used in moving vehicles shall only cover one ear.

The use of Citizen Band (C.B.) Radios, not to exceed five (5) watts, shall be permitted in all feeder equipment as follows:

- a. Operators of C.B. Radios must conform to FCC rules and regulations.
- b. Head sets and earphones shall not be allowed.
- c. The Employer shall not be responsible in any way for any damage or loss of C.B. Radio equipment.
- d. All power hookups and antenna brackets shall be provided and installed by the Employer.
- e. Antennas shall be so installed that they do not interfere with the operation of the wash rack or restrict the vision of the driver.

Section 18.9. Tires

Only first-line tires shall be used on the steering axle of feeder road equipment, including P80's used as feeders. In case of breakdown a temporary replacement other than a first-line tire may be used to return to the home terminal. The Company agrees to not mix radials and bias ply tires on the same unit.

Section 18.10. Shocks

Where the manufacturer recommends and provides shock absorbers as standard equipment, properly maintained shocks on such equipment shall be considered as a necessary and integral part of that assembly.

Section 18.11. 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 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.

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

Section 18.12. Dollies

All new dollies placed into service shall be counter balanced (max 70 lb. lift weight) with handles on the tongue. All

dollies in the system shall be counter balanced for 70 lb. lift weight and have handles on the tongue.

Section 18.13. Exhaust Systems

All new diesel tractors, shall be equipped with a vertical exhaust stack. Package car exhaust systems, when replaced, shall exit to the side of the vehicle.

Section 18.14. Package Cars

All new package cars, P-32 and larger, added to the fleet shall be equipped with package compartment venting. The installation of cab compartment fans shall be determined on an individual basis.

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

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

Gearshift 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 shall replace package cars at a nationwide rate no less than the percent replaced over the duration of the prior contract that expired July 31, 2002. The Union shall be notified if the Employer cannot meet this schedule because of volume downturns.

A package car shall be equipped with a handcart at the driver's request.

Section 18.14.1. Driver Safety and Security

The bulkhead door release in package cars must be accessible from the inside as well as the outside in order to enable exit from the package compartment.

Section 18.15. Heaters and Defrosters

The Employer shall install and maintain heaters and defrosters on all trucks. Complaints regarding heaters or defrosters not being in proper working order shall be addressed pursuant to the red-tagging procedures under Article 18, Section 18.2.

Section 18.16. Noise Abatement

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

Section 18.17. Vehicle Integrity

The Employer agrees to maintain all door and engine compartment seals in order to eliminate, as much as possible, fumes, dust and moisture in the package car.

Section 18.18. Vehicle and Personal Safety Equipment

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 licensed vehicles. 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.

Section 18.19. Qualification on Equipment

If the Employer or a government agency requests a regular employee to qualify on equipment requiring a classified or

special license, or in the event an employee is required to qualify (recognizing seniority) on such equipment in order to obtain a better job opportunity with his/her Employer, the Employer shall allow such regular employee the use of the equipment so required in order to take the examination.

Section 18.20.1. Safety and Health Committees

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

Bargaining unit members who seek to serve on the Safety and Health committee may volunteer to do so, with approval of the union. The Union co-chair of the committee(s) shall be selected by the bargaining unit members of the committee.

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

Each committee shall perform functions including but not limited to:

1. Creating sub-committees, on an as needed basis, to investigate specific issues of safety and health concern. These committees shall report to the full committee.
2. Developing and maintaining minutes for all meetings with copies to all committee members and posted on designated safety bulletin boards.
3. Conducting periodic inspections of the facility to ensure that there is a safe, healthful and sanitary working environment in each center.

4. Accompanying governmental union, and/or company health and safety professionals on facility inspection tours. The Employer may limit the number of bargaining unit members of the committee accompanying such an inspection tour.

5. Receiving information pertaining to lost workday injury/accident causes and review results of the investigation of such injuries / accident.

6. Receiving copies of the center's OSHA Illness and Injury logs and the facility's man-hours.

7. Receiving the Company sponsored training to enable committee members to effectively perform their respective functions as safety and health committee members.

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

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

Section 18.21. Hazardous Materials Handling Program

The Employer and the Union in compliance with the Occupational Safety and Health Administration (OSHA) have developed a comprehensive program to deal with hazardous material spills, the UPS Damaged Package Response procedure. As a result of the Agreement, the Employer developed a training program for individuals who are responsible for responding to spills of hazardous materials.

The Employer agrees to:

1. Provide twelve (12) hours of training, and the proper equipment, to those employees involved in the clean-up of

hazardous material spills. All designated responders, when positions become open, shall be selected in seniority order. The Employer shall allow first responders to resign their position with written notice given at least sixty (60) days prior to their annual certification. The resignation shall become effective upon completion of training of a replacement. The Employer may disqualify such employees from holding the position of designated responder for a period of one (1) year.

2. Provide one (1) hour of awareness training to every employee who handles packages potentially containing hazardous materials.
3. Conduct training for new employees during orientations and for current employees during normal working hours, with all employees compensated at the appropriate rate of pay.
4. Provide the necessary medical examination for designated first responders at no cost to the employee.
5. Provide annual refresher training to all employees.
6. Comply with all applicable state and federal OSHA regulations regarding hazardous materials.
7. Identify, process and store all hazardous type waste, resulting from spilled or leaking packages, in accordance with all applicable federal, state and local laws. Processing of hazardous material spills shall be initiated and completed as soon as practicable, but in all events prior to the hazmat responder being assigned to other non-hazmat duties or completing his/her shift. The Employer designated processing area shall be properly ventilated.
8. Conduct emergency evacuation drills on an annual basis.
9. The Employer shall hold meetings, with the designated responders, on a scheduled basis, and when necessary shall

hold special meetings, to discuss and resolve problems or concerns related to hazardous material handling, clean-up and storage of hazardous materials. The Employer agrees to resolve any problems or concerns as expeditiously as possible.

The UPS/705 Safety and Health Committee is also responsible for an Occupational Safety and Health Subcommittee to provide training recommendations for handling hazardous materials, toxic and other harmful substances for appropriate bargaining unit employees.

This Committee shall function as part of the UPS/705 Safety and Health Committee and shall review UPS hazardous materials training programs and make recommendations for improvements in:

1. Training course content, material and frequency.
2. Equipment needed.
3. Other related issues deemed appropriate by the Committee.

Failure of the subcommittee or the UPS/705 Safety and Health Committee to reach an agreement shall result in the unresolved issue being processed under the UPS/705 Grievance procedure rules.

Section 18.22. Incompatible Package Handling

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

Section 18.23. Union Liability

Nothing in the Agreement relating to health, safety or training rules or regulations shall create or be construed to create any liability or responsibility on behalf of the Union for any injury or accident to any employee or any person or does the Union assume any such liability or responsibility.

The Employer shall not commence legal action against the Union, on a subrogation theory, contribution theory, or otherwise, as a result of the Union's negotiation of safety standards contained in this Agreement or failure to properly investigate or follow-up Employer compliance with those safety standards.

Section 18.24 Egress

The Employer 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, equipment to be placed permanently or temporarily within the 28-inch wide exit access in front of an exit door or at the top or bottom of a stairway that is a part of an exist access point.

ARTICLE 19. POSTING

The Employer agrees to supply and provide suitable space for the Union bulletin board in each center, hub, or place of work. Postings by the Union on such board are to be confined to official business of the Union and on the Union's official letterhead or TITANS. In each package center there shall be a covered bulletin board. Union Stewards shall have a key for the Union bulletin boards. The Employer shall not remove, tamper with or alter any notice posted by the Union unless such notice is harmful to the Employer. Any such notice removed by the Employer shall be re-posted if the Union's position is sustained through the grievance procedure.

ARTICLE 20. EXAMINATION AND IDENTIFICATION FEES

Section 20.1. Required Examinations

Physical, mental or other examinations required by a government body or the Employer shall be promptly

complied with by all employees; provided, however, the Employer shall not pay for any time spent in the case of applicants for jobs, but shall be responsible to other employees only for time spent at the place of the examination or examinations where the time spent by the employee exceeds two (2) hours, and in that case only for those hours in excess of said two (2). Examinations are to be taken at the employee's home area and are not to exceed one (1) in any one (1) year, unless the employee has suffered serious injury or illness within the year. Employees shall not be required to take examinations during their working hours unless paid by the Employer for all time spent. Employees shall be given reasonable notice of dates of examinations.

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

Section 20.2. Return to Work Examination

It is understood by the Employer, and the Union, that once an employee notifies the Employer that he/she has been released to return to work by the employee's doctor, the Company doctor must examine the employee within three (3) working days from the time the employee brings the return-to-work slip to the Employer.

Section 20.3. Third Doctor Procedure

The Employer reserves the right to select its own medical examiner or doctor and the Union may, if it believes an injustice has been done an employee, have said employee re-examined at the employees' expense. If the two (2) doctors disagree, the Employer and the Union shall mutually agree upon a third (3rd) doctor within ten (10) working days, whose decision shall be final and binding on the Employer, the Union and the employee. Neither the Employer nor the Union shall attempt to circumvent the decision of the third (3rd) doctor and the expense of the third (3rd) doctor shall be equally divided between the Employer and the Union.

If the third (3rd) doctor agrees that the employee should be returned to work, the employee shall be reimbursed at his/her daily guarantee, less any other monies received back to the date of the examination by the Company doctor. It shall exclude any time the employee was not available for examination or work.

Section 20.4. Disqualified Driver - Alternative Work

Except as provided for in Article 16, a driver who is judged medically unqualified to drive, but is considered physically fit and qualified to perform other inside jobs, shall be afforded the opportunity to displace the least senior full-time or part-time inside employee at such work until he/she can return to his/her driving job unless otherwise provided for in this Agreement.

While performing the inside work, the driver shall be paid the appropriate rate of pay for the job performed based on his/her seniority. If no full-time inside position is available, the Employer shall meet with the Union to develop a full-time position, if possible, out of available work.

Section 20.5. Identification

- a. Should the Employer find it necessary to require employees to carry or record personal identification, such requirements shall be complied with by the employees. The cost of such personal identification shall be borne by the Employer with up to two (2) replacements.

All management personnel shall wear a nametag identifying them as supervision while on duty.

b. O'Hare Gateway Facility

Seniority employees shall be paid three (3) hours, at their current straight time hourly rate of pay, when required to obtain the airport badge. This includes obtaining the initial badge and any recertification badge.

ARTICLE 21. UNION ACTIVITY

Any employee member of the Union acting in any official capacity whatsoever shall not be discriminated against for acts as such officer of the Union so long as such acts do not interfere with the conduct of the Employer's business, nor shall there be any discrimination against any employee because of union membership or activities. Any employee shall have the right to wear a Union pin.

ARTICLE 22. PART-TIME EMPLOYEES

Section 22.1.

No part-time employee shall drive except:

- a. When no full-time employee or combination full time employee is on the premises;
- b. To avoid delay in the work; or,
- c. As provided for in Article 40 Air Operation

Section 22.2.

The number of permanent full-time inside jobs in each Union area as of April 30, 1979, shall be guaranteed from replacement by part-time employees. In addition, the number of permanent full-time inside jobs created after April 30, 1979, under provisions of section 3 shall also be guaranteed from replacement by part-time employees. The exception to the above shall be in cases of bona fide agreements prior to the ratification of this agreement.

Section 22.3

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 shall offer part-time employees the opportunity to fill at least five hundred (500) permanent full-time job openings throughout its operations covered by this Agreement.

This commitment shall include the obligation to create at least the number of full-time combination jobs to be protected under the 2013-2018 Agreement as follows:

Sixty-four (64)- Sixteen (16) In the second contract year and sixteen (16) 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.

The number of full-time jobs created under Article 22, Section 3 of the 1997-2002, the 2002-2008 and 2013-2018 Agreements shall not be reduced.

Full time Combination Employee Work Rules

1) All newly created or vacated 22.3 jobs shall be bid to all full-time employees in full-time seniority order and to part-time employees in part-time seniority order on a three-for-one basis [three (3) full-time then one (1) directly to part-time].

a) If a full-time rotation bid is not filled by a full-time employee, it shall be bid to the part time workforce according to the procedure in b) below. The successful bidder's hourly rate shall be commensurate with the position into which he/she bid.

b) Part-time employees with at least (3) three years of seniority shall be eligible to place their names on the 22.3 combination job intent list for Local 705's jurisdiction. This list will be used to fill the rotational bid to the part-time employees and will also be used if there is not a successful bidding employee in a) above. Part-time employees on the intent list who decline a third (3rd) full-time job offer at a building will have their name removed for that building, and be Ineligible to have their name added for that building, for a period of one (1) year.

c) If the job is not filled in accordance with b) above, it will be bid to the remaining part-time employees at the building where the opening exists.

d) Local 705 shall receive an updated list of employees, in seniority order, that are on the combination job intent list on a monthly basis via electronic mail.

2) Employees who have gone through a full-time progression and bid into an Article 22.3 job shall not be obligated to undergo a second full time wage progression.

3) 22.3 employees shall be limited to one (1) successful bid in a calendar year.

4) Article 22.3 home centers shall be determined by the Employer and shall be indicated on the day-off schedule.

5) For purposes of resolving issues relating to payroll, attendance, vacation, vacation selection, employees shall maintain contact with the employer through his/her supervisor in the home center to which they are assigned.

Section 22.4 (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 shall be incorporated into the job selection procedures in this Agreement.

The Employer shall 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 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.

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 22.4 (b) Full-time Combination Drivers

All existing regular full-time package car drivers (RCPD) 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 and Sunday delivery.

1. The number of RCPDs working a Monday through Friday schedule in each building, shall be verified and agreed to by the Union and the Company Labor Representative, within thirty (30) days of ratification, 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 thirty (30) days from ratification, 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 Principle Officer and to the Region Labor Relations Manager. Any disputes shall be determined no later than sixty (60) days after ratification by the Principle Officer and the Region Labor Relations Manager or their designee(s).

RPCDs working a Monday through Friday schedule shall be guaranteed five (5) consecutive days of (8) eight consecutive hours per report and forty (40) straight time hours of straight time pay each week, in accordance with Article 45, Section 7.

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. In the event a protected job moves to another building 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 percent (25%) of the total 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 Principle Officer and UPS Region Labor Relations Manager 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.

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 in accordance with the terms of this Agreement.

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. If sufficient volunteers are not obtained, the Company may force in reverse order.

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 terms of this Agreement, provided, however that no RPCD position shall be filled by an outside hire unless the job remains unfilled after exhaustion of the applicable bidding procedure.

11. 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, Articles 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.

**LETTER OF UNDERSTANDING
TEAMSTERS LOCAL 705/UPS
22.4 FULL-TIME COMBINATION DRIVER
WORK RULES**

1. The center shall have separate seniority lists by classification. (RPCD, 22.4)
2. Article 22.4 combination driver positions shall be offered first to full-time employees, and then to part-time employees in seniority order.
3. All 22.4 combination drivers who select their optional holidays will select them based on the minimum numbers from their list only.
4. All 22.4 combination drivers will select their vacation weeks within their classification of 22.4 combination drivers at their assigned center.
5. Extra driving work on holidays and scheduled days off will be offered first to RPCDs, then 22.4 combination drivers. 22.4 combination drivers will be required to perform such extra work prior to RPCDs on holidays and scheduled days off.
6. Other than driving work, extra work shall be awarded to qualified full-time employees in accordance with company seniority, regardless of full-time classification.
7. 22.4 combination driver start-times shall be posted on the prior Friday of the week for which the start times shall be effective.
8. 22.4 combination drivers shall not be scheduled for the purpose of being dispatched to remove work from RPCDs already on road in order to reduce said RPCDs paid day.
9. The Company and the Union agree that there may be unforeseen 22.4 combination driver issues that may need to be addressed during the term of this 2018-2023 Agreement. Upon written request from either party, the parties agree to meet within twenty (20) days to

attempt resolution of the issue(s). Unresolved issues shall be subject to Article 7.

10. No 22.4 combination driver will perform driving duties if an RPCD is laid off in the building.
11. The practice of using RPCDs to perform early A.M. packages shall remain the same.
12. The workweek for Article 22.4 employees shall consist of five (5) consecutive eight (8) hour days with one scheduled start time per week. No 22.4 employee shall start driving before the RPCD start times.
13. 22.4 combination driver start times will be offered by seniority within 22.4 employee classification in each package center.
14. Scheduled workweek of Tuesday-Saturday or Wednesday-Sunday will be bid by seniority within the 22.4 classification. If a workweek opening occurs, it shall be bid by seniority.
15. 22.4 combination drivers with at least six (6) months of classification seniority shall be eligible for eight (8) hour requests in accordance with Article 37.1.b.

Sections 22.5. Wages

(a) Part time Employees

All part-time employees who have attained seniority as of August 1, 2018 shall 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 shall be as follows:

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

(b) Newly hired part-time employees

All part-time employees, who are hired or reach seniority after August 1, 2018 shall be paid according to the following wage schedules:

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

(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. Should any part-time employee work beyond the fifth (5th) hour, he / she shall be paid time and one-half (1-1/2) his/her regular rate for all time worked in excess of five (5) hours.

Section 22.6.

Part-time employees who do not meet the qualifications for driving after the forty (40) day probationary period shall be ineligible for another attempt for one year. Part-time employees who do not meet the qualifications for driving after a second (2nd) forty (40) day probationary period shall be ineligible for another attempt for a period of two (2) years.

Section 22.7.

If any part-time employee subsequently becomes a regular full-time employee, he/she shall be considered a newly hired full-time employee. At such time, he/she shall be entitled to such other benefits as provided in this Agreement.

Part-time employees who become full-time employees shall, after one (1) year of service as a full-time employee, get credit for their part-time service for vacation purpose. All earned and unused part-time vacation benefits shall be paid out to the employee upon said employee successfully completing the required probationary period.

Section 22.8.

Part-time employees shall be given a paid break of ten (10) minutes per day. Breaks shall not be scheduled prior to one (1) hour of work being performed. Part-time employees who work over seven (7) hours on a single shift shall be given an additional ten (10) minute paid break. Part-time employees who double-shift shall be given an additional paid break of ten (10) minutes during the second shift.

Section 22.9.

Part-time employees shall work off of the part-time seniority list in each Center.

Seniority shall prevail for extra work and the work shall be assigned by seniority within the classification and work area to those who are qualified, present and available.

Section 22.10.

Part-time employees starting times must be posted by Friday of the preceding work week, except for those employees on an alternate work week schedule as defined in Article 46, section 1(b) whose starting times must be posted by their last scheduled work day each week.

Section 22.11.

The use of part-time employees or the staggering of their starting times shall not be used to defeat a full-time job.

Section 22.12. Vacations

a) An employee, who has been employed for one (1) year from his/her anniversary date of hiring, and has worked 625

hours, shall be entitled to one (1) week vacation with pay computed at twenty-five (25) times his/her straight time hourly rate of pay.

Vacation pay will be computed at twenty-five (25) times his/her straight time hourly rate of pay.

Employees shall pick vacation by part-time seniority with thirty (30) days to pick – November 1st through November 30th and schedule vacations from December 26th through the week ending Friday, the day after Thanksgiving. The employee shall be ready to pick when asked, at the rate of 25% per week in seniority order. If not ready, the employee shall be passed over and pick what is available when ready. Upon completion of the vacation selection process, and not later than January 1st, the employer shall provide the Union with a copy of all vacation selections sent to the attention of the Union's Secretary-Treasurer.

b) An employee, other than in his/her first year of employment, who has worked not less than 625 hours in a year from his/her anniversary date of hiring, shall be entitled to vacation with pay according to the following schedule:

1 year	25 hours
3 years	50 hours
9 years	75 hours
15 years	100 hours
20 years	125 hours
25 years	150 hours
30 years	175 hours

c) Any part-time employee who is eligible for a full vacation, and who resigns or whose services are terminated, shall receive pay for the number of weeks vacation as set forth in

subsection (b) or his/her then completed years of service. Any part-time employee, after his/her first year of employment who resigns, or whose services are terminated, but who has not worked 625 hours, shall be entitled to receive a pro-rata vacation to be computed according to the formula below. This formula shall also apply to employees still on the payroll who have worked less than 625 hours during their anniversary year.

Pro-rata shall be computed on a percentage basis by dividing the number of straight time hours worked into 625 and that shall equal the percent (%) of vacation paid.

d) If a holiday falls during a part-time employee's vacation, he/she shall be paid for the holiday in addition to his/her regular vacation pay or shall receive an additional consecutive day of vacation with pay at the option of Employer.

e) **Discretionary Days.** See Article 53 (Discretionary Days)

Section 22.13. Health and Welfare

Part-Time Medical Coverage

[see Article 34.1 below]

Section 22.14. Pension Plan.

Part-time employees shall be covered under United Parcel Service, Inc. Pension Plan as required by law and not by the Local Union No. 705 Pension Plan.

Section 22.15. Part-time Employee Educational Transfer

Part-time employees who wish to transfer to another location for educational purposes may submit a written request to the Employer. If approved, the transfer shall be allowed subject to the following conditions:

A. A part-time opening exists at the desired location.

B. Employees must have attained seniority and been employed by the Employer for at least one 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.

Section 22.16. Part-time Employee Jurisdictional Transfer

A part-time employee with at least one (1) year of seniority, who becomes aware of an opening in the same classification at another location under Local 705's jurisdiction, may request to transfer at his or her own expense. If more than one employee expresses an interest in the position, seniority shall prevail. The employee shall end tail onto the seniority list and shall maintain company seniority for the purpose of determining benefits. The employee will become ineligible for another transfer for a period of no less than one (1) calendar year from the date of transfer.

Section 22.17. Benefit Entitlements

Part-time employees hired after August 1, 2008 shall receive holidays, personal days and option days provided by this Agreement no earlier than after one (1) year of active employment.

ARTICLE 23. SEPARATION OF EMPLOYMENT

Upon discharge, the Employer shall pay all money due to the employee during the first (1st) payroll department working day. Upon quitting, the Employer shall pay all money due to the employee on the payday in the week following such quitting.

ARTICLE 24. INSPECTION PRIVILEGES

Authorized Representatives of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions, collection of dues, and ascertaining that this Agreement is being adhered to, provided, however, that there is no interruption of the Employer's working schedule.

The Employer agrees that in situations where a specific form of identification may be required by law to access a location, it shall assist the Union in obtaining such identification so as to perform their duties consistent with this Article.

ARTICLE 25. SEPARABILITY AND SAVINGS

If any Article or Section of this Agreement be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations after receipt of written notice of the desired amendments by either the Employer or the Union for the purpose of arriving at a mutually satisfactory replacement of such Article or section during the period of invalidity or restraint. There shall be no limitations of time for such written notice. If the parties do not agree on a mutually satisfactory replacement within sixty (60) days after receipt of the stated written notice, either party shall be permitted all legal and economic

recourse in support of its demands notwithstanding any provisions of this Agreement to the contrary.

ARTICLE 26. COMPETITION

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

Section 26.1.

(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 shall 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 Unions shall be subject to immediate review by the UPS/705 Grievance Committee.

Merchandise that has been tendered by United Parcel Service to the railroad and moved by T.O.F.C. shall not subsequently be moved by the railroad, on the ground, to its final destination. Any exception to the above language shall 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 shall be made to use UPS employees.

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

During peak season, the Employer shall make every reasonable effort 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 shall utilize union carriers whenever possible. Plans to utilize outside carriers shall be reviewed and agreed with the Union. Such agreement shall not be unreasonably withheld.

(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 shall 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 shall be done by bargaining Unit employees.

Section 26.2.

A Joint UPS/705 Competition Committee shall be created with an equal number of Employer and Union representatives. The Committee shall meet on a quarterly basis to discuss and evaluate 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.

Section 26.3.

The company commits to provide additional work opportunities for feeder drivers from existing equipment balance movements, seasonal trailer delivery and movement for equipment repair.

It is agreed no feeder drivers shall suffer a layoff as a result of the above mentioned opportunities provided they can perform the work.

Section 26.4

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 three (3) cubic feet in size, in accordance with paragraph (2) below. Further, UPS agrees that the Surepost will not be presented as a general service offering except at UPS stores. This service will only be offered for shipping from a business to a residential customer. The Company agrees that it will not use Surepost as a basis to diminish the size of the bargaining unit.

2) The Company will continue to use technology that identifies two or more Surepost packages to be delivered to the same address and/or any combination of Surepost package(s) and ground package(s) to be delivered to the same address. In such circumstances, all of the Surepost package(s) and ground package(s) will be delivered by package drivers. The Company will maintain and update the technology that identifies multiple addresses in close proximity to which any combination of Surepost and ground packages are to be delivered. The Company shall meet with the Competition Committee to review any potential expansion of the volume to be redirected and determine if it is economically feasible to handle in UPS' operations.

The Company shall not deactivate or interfere with the operation of the technology that redirects Surepost volume to the Company unless volume is being rolled in a building due to delivery constraints. In such event, redirect will only be deactivated for the affected building(s).

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 cubic feet, the package can be removed from the system and redirected for delivery by a package driver unless the Employer cannot deliver to the specified address.

ARTICLE 27. EMERGENCY REOPENING

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 shall 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 expiration thereof.

ARTICLE 28. SYMPATHETIC ACTION

In the event of a labor dispute between any Employer party to this Agreement and any International Brotherhood of Teamster's Union parties to this or any other International Brotherhood of Teamster's Agreement during the course of which dispute such Union engages in lawful economic activities which are not in violation of this or such other Agreement, then any other affiliate of the International Brotherhood of Teamsters having an Agreement with such Employer shall have the right only if sanctioned pursuant to the procedures of the International Constitution, and only after receiving such sanctions, to engage in lawful economic activity against such Employer in support of the above first mentioned Union notwithstanding anything to the contrary in this Agreement or the International Brotherhood of Teamsters Agreements between such Employer and such other affiliate.

ARTICLE 29.

Section 29.1. Jury Duty

When a seniority employee is called for jury duty service, he/she shall be excused from his/her regular duties on the days he/she is required to appear in court or comply with jury rules that prevent him/her from reporting for work. For any regularly scheduled workday in which time off for such jury service is granted, the full-time employee shall be paid his/her guarantee and part-time employee shall receive four (4) hours' pay at his/her straight-time hourly rate, less any amount received as a jury duty fee if such fees are defined as wages under applicable laws. The employee shall be required, however, to turn over to the Employer adequate proof of his/her jury duty service and compensation, if any, in order to receive the compensation provided above.

Employees who are scheduled to work a day shift shall not be required to report for work on any day he/she is required

to report for jury duty unless released from jury duty not less than six (6) hours prior to the end of his/her regularly scheduled shift, in which event he/she shall be allowed two (2) hours from the time he/she is released from jury duty to report and work the remainder of his/her regularly scheduled shift.

Employees scheduled to work any shift other than the day shift shall not be required to report to work on any day he/she is required to report for jury duty unless he/she has been released from jury duty not less than four (4) hours prior to the start time of his/her regular shift and provided further he/she would complete such shift not less than ten (10) hours prior to the time he/she is required to report for jury duty the next following day. Notwithstanding the above, no employee, working other than a day shift, shall be required to report to work on a night if he or she has served jury duty that day and that service prevents him or her from reporting for work.

In the event an employee returns to work after being released from jury duty and works beyond his/her regularly scheduled workday such hours worked shall be compensated for at the applicable overtime rate of pay.

An employee who is required to report for jury duty during a week of previously scheduled vacation may select another available week of vacation.

Time spent on jury duty service shall be considered time worked for purposes of Employer contributions to health & welfare and pension plans, vacation eligibility and payment, holidays and seniority, in accordance with the applicable provisions of this Agreement.

Section 29.2. Funeral Leave

In the event of a death of a member of the employee's family, a seniority employee shall be allowed a reasonable time off to attend the funeral or other bereavement rite.

Members of the employee's family mean spouse, child, or step-child, grandchild, father, mother, brother, sister, grandparents, mother-in-law and father-in-law and step-parents.

A regular full-time employee shall be guaranteed two (2) days off to be taken between the day of death and two (2) working days following the funeral provided the employee attends the funeral or other bereavement rite. In cases involving the funeral of a relative listed in paragraph 2 above, an employee who attends the funeral or bereavement rite is guaranteed a minimum of two days off.

An employee shall be allowed one (1) day off to attend the funeral or other bereavement rite of a sister-in-law, brother-in-law, or a spouse's grandparent. Reimbursement for this day shall be the same as provided below.

Time off shall not extend beyond the day of the funeral unless an additional day is required for travel, or if the death is of the member's spouse, child or parent, except as provided above. In no event shall total compensated time off exceed four (4) scheduled workdays. The employee shall be reimbursed at eight (8) times the employee's straight-time hourly rate for each day lost from work for those employees whose regular scheduled workweek is five (5) days, and ten (10) times the straight-time hourly rate for those employees whose regular scheduled workweek is four (4) days. Part-time employees shall receive the same benefits as above, paid at four (4) times the employee's hourly rate.

Section 29.3. Tax Deferred Savings Plan 401(k)

The Employer and the Union agree to continue the Teamster UPS National 401(k) Tax Deferred Savings Plan. The Employer shall pay the record-keeping expense for the Plan.

It is further agreed by the Union and the Employer that the Employer shall withhold from an employee's earnings,

amounts mutually agreed between the Employer and the employee, and deposit such monies into a 401(k) account in the employee's name in compliance with the Internal Revenue Code and E.R.I.S.A.

The Plan shall be jointly administered by the Union and the Employer.

ARTICLE 30. JURISDICTIONAL DISPUTES

In the event that any dispute should arise between the Union party to this Agreement and any other Union, relating to jurisdiction over employees or operations covered by this Agreement, the Employer agrees to accept and comply with the decision or settlement of the Unions or Union tribunals which have the authority to determine such dispute. The parties do not intend by this paragraph to take away the Employer's right to designate the home domicile of his employees provided, however, that any employees adversely affected shall have recourse to the grievance procedure. The Employer further agrees that prior to the change of the domicile of any of its employees, it shall so notify the Union.

ARTICLE 31. GARNISHMENTS

The Employer may not discipline or discharge any employee by reason of the fact that his/her earnings have been subjected to garnishment or wage assignment.

ARTICLE 32. SUBCONTRACTING

The Employer agrees that no work or services of the kind, nature or type, and including new operations or buildings, covered by, presently performed, or hereafter assigned to the collective bargaining unit shall be subcontracted, transferred, leased, assigned or conveyed in whole or in part to any other plant, person or non-unit employees, unless otherwise provided in this Agreement. The Employer may not

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

The number of car washer and porter jobs in the bargaining unit as of July 31, 1990 shall be guaranteed from replacement by the Employer subcontracting this work. It is further agreed that additions to the workforce in areas that currently have bargaining unit employees performing this work shall become bargaining unit members covered under this Agreement.

ARTICLE 33. COST-OF-LIVING

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

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

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

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

thereafter, and the base Index for May 2018 (published June 2018) and every May thereafter, as follows:

For every 0.2 point increase in the Index, over and above the base (prior year's) Index plus 3.0% there shall be a 1 cent increase in the hourly wage rates payable on August 1, 2019, and every August 1 thereafter. These increases shall only be payable if they equal five (\$.05) cents in a year.

All cost-of-living allowances paid under this Agreement shall 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 shall receive cost-of-living allowances on the basis of .25 mills per mile for each 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 shall 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 shall 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 34.1. Full and Part-Time Health and Welfare Insurance

(a) All full-time and part-time employees on the payroll as of January 1, 2015 will be provided medical coverage through the Central States Health & Welfare Fund (CS H&W Plan). Weekly payments for covered employees shall be in accordance with the rules set forth in the Central States Supplement. UPS will be responsible for making the weekly payments to the Central States Health & Welfare Plan to provide the medical coverage in accordance with its agreement with the CS H&W Plan.

(b) Individual & dependent/spousal health coverage will be made available to part-time employees on the payroll or hired after August 1, 2018 after nine (9) months of active employment and (ii) upon ratification on a prospective basis only.

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

Section 34.2. Pension and Health & Welfare Funding

(a) Pension contributions for all full-time employees shall be five hundred and twenty-eight dollars and forty cents (\$528.40) per week with increases as specified in this section.

(b) The total Health & Welfare contribution for full-time employees will be increased on August 1 of 2018 and on each subsequent August 1st during the life of the contract as follows:

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

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

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

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

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

(c) The total Pension contribution for full-time employees will be increased on August 1 of 2018 and on each subsequent August 1st during the life of the contract as follows:

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

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

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

August 1, 2021- (\$0.50 plus any remaining from HW allocation that is less than \$0.50)

August 1, 2022- (\$0.50 plus any remaining from HW allocation that is less than \$0.50)

(d) If, in accordance with a duly adopted funding improvement plan or rehabilitation plan, the Local 705 International Brotherhood of Teamsters Pension Plan 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.

Section 34.3.

The Employer payments to the Fund shall be as follows:

a) The amount per employee per week shall be paid for each regular employee covered by this Agreement for any week in which such employee performs any services for the Employer even when such services are not performed under the terms of this Agreement;

- b) Payment shall be made on replacements for absentee employees for the days worked by such replacements at a rate equal to twenty percent (20%) per day of the aforesaid weekly payment;
- c) If an employee is absent because of non-occupational illness or injury, the Employer shall pay the required payment for a period of four (4) weeks;
- d) If an employee is absent because of occupational illness or injury, the Employer shall pay the required payment for the period of twelve (12) months;
- e) The obligation to make the above payments shall continue during periods when a new Collective Bargaining Agreement is being negotiated;
- f) All leaves of absence, when granted by the Employer, in addition to the requirements of the parties, shall be conditioned upon the Employer and the employee making satisfactory arrangements for paying the weekly payment to the Fund and at all times the payment shall be made by the Employer for the period of such granted leave of absence;
- g) The Employer is not obligated to make payments to the Fund for an absent employee, except as outlined in subsection (c) and (d) above.
- h) Contributions required to be paid hereunder shall be paid for all days off which are paid for under the Holiday and Vacation provisions of this Agreement.

Section 34.4.

Whenever the Union in its discretion determines that the Employer is delinquent in making payments to the Pension Trust Fund, as required under this Agreement or the rules and regulations of the Fund, a meeting shall be scheduled between the Company and Union Co-Chairs. If a resolution to the dispute cannot be reached, the Union shall provide the Company with a seventy-two (72) hour notice prior to striking the Employer to enforce payment.

Section 34.5.

Payments shall be made to the Local 705 International Brotherhood of Teamsters Pension Trust Fund (Fund) an irrevocable trust heretofore created by an Agreement and Declaration of Trust (Trust Agreement) pursuant to a Collective Bargaining (Cartage) Agreement between certain Employers and the Union. The Fund shall use these payments for purposes permitted under the Trust Agreement and to provide pension, death and such other benefits as permitted by said Trust Agreement, as amended.

Section 34.6. Full-Time Long-Term Disability

Long Term disability shall be provided for full-time employees during the term of this Agreement as detailed in this Section.

(a) 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.

(b) 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.

(c) 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.

(d) 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.

(e) The long-term disability coverage will become effective on January 1, 2015 for eligible employees who become disabled after that date. However, pre-existing conditions will not affect the employee's eligibility for LTD. Coverage provided by the prior contract shall remain in place through December 31, 2014.

(f) Any employee receiving LTD benefits pursuant to this Plan shall be entitled to receive health care coverage from CS H&W for up to twelve (12) months only.

Section 34.7. UPS Part-Time Pension Plan

1) The UPS Pension Plan shall be improved to provide monthly benefits to part-time employees as follows:

The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants shall be increased effective August 1, 2004 to fifty-five dollars (\$55.00) for each year of past and future credited service to a maximum of 35 years of credited service. The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants shall be increased solely for purposes of the monthly accrued benefit, effective August 1, 2008 to sixty dollars (\$60) for each year of future Credited Service to a maximum of 35 years of Credited Service. If a participant is in Covered Employment on August 1, 2008, he shall receive the sixty dollars (\$60) benefit formula for the entire 2008 plan year.

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

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

2) Part-time employees shall receive one (1) year of Credited Service for 750 or more paid hours. (Six months of part-time Credited Service shall be granted for 375 to 500 hours worked in a calendar year, and 9 months of part-time Credited Service shall be granted for 501 to 749 hours worked in a calendar year. This paragraph shall 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 shall be responsible for funding the UPS Pension Plan as required to provide the benefits described above and shall be responsible for maintaining the plan.

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

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

6) For those multi-employer pension plans with which the UPS Pension Plan does not have reciprocity, the UPS Pension Plan shall 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.

Section 34.8. Part-time Retiree Health & Welfare Coverage

The Employer shall provide health insurance coverage to all part-time employees, not covered by a Union plan, who retire on or before January 1, 2014 as outlined in the UPS Health & Welfare Package Summary Plan Description. Any eligible employee who retires effective January 1, 2014 or thereafter shall be provided retiree medical coverage through the CS H&W Fund. For active retirees as of December 31, 2013, the contribution rates and benefits shall be as specified in the Summary Plan Description.

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

Section 35.1. Employee's Bail and/or Court Appearance

When an employee is required to appear in any court for the purpose of testifying because of any accident the employee may have been involved in during working hours, such employee shall be reimbursed in full by the Employer for all earnings opportunities lost because of such appearance. The Employer shall furnish employees who are involved in accidents during working hours with bail bond and legal counsel and shall pay in full for the same. Employees shall be compensated for time spent in jail at his/her regular rate of pay. Said bail bond and legal counsel shall remain assigned to the employee until all legal action in connection with said accident is concluded, provided the employee is not charged and convicted of criminal negligence.

This Section shall not apply to employees who are found guilty of drunken driving when involved in an accident during working hours. The Employer shall assume all responsibility for all court costs, legal fees, and bail bond fees for any employee who is involved in any accident or accidents during working hours and shall assume all responsibility for all judgments and awards against any employee who is involved in accidents during working hours, which result through court action against said employee, except as provided above. In case an employee shall be subpoenaed as a witness in a company-related case, or as a result of his/her on duty observations of an accident not involving a UPS vehicle, he/she shall be reimbursed for all time lost and expenses incurred.

Section 35.2. Suspension or Revocation of License

In the event an employee shall suffer a suspension or revocation of the right to drive the Employer's equipment for any reason, the employee must notify the Employer before their next report to work. Failure to comply shall subject the employee to disciplinary action up to and including discharge in accordance with the procedures set forth in this Agreement. (See also Article 16, Leave of Absence, Section 16.3.1.)

If such suspension or revocation comes as a result of the employee complying with the Employer's instruction, which results in a succession of size and weight penalties or because the employee complies with the Employer's instructions to drive Employer's equipment which is in violation of the Department of Transportation regulations relating to equipment or because the Employer's equipment did not have either a speedometer or a tachometer in proper working order and if the employee has notified the Employer of the citation for such violation as above mentioned, the Employer shall provide employment to such employee at not less than the employee's regular earnings at the time of such suspension for the entire time period.

Section 35.3. Controlled Substance Testing

The parties have agreed that the procedures as set forth in Article 35, Section 35.3 shall be the methodology for all testing and shall be modified only in the event that further federal legislation or Department of Transportation regulations require revised testing methodologies or requirements during the term of this Agreement. To the extent a subject is not covered by this Article, the appropriate regulation shall control.

Should other categories, modifications or types of testing be required by the government, the parties shall meet as expeditiously as possible to develop a mutually agreeable procedure.

The provisions of Article 16, Section 16.5 shall apply to all employees requesting enrollment in a rehabilitation program following a positive drug test. Employees may use the United Parcel Service Employee Assistance Program, a Union sponsored program, as well as any other referral service in choosing an approved program for treatment.

Section 35.3.1. Employees Who Must Be Tested

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

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

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

Section 35.3.2. Testing

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

Section 35.3.3. Screening Test

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

<u>Substance</u>	<u>Initial Test Level (ng/mL)</u>
Marijuana Metabolites (2)	50 (3)
Cocaine Metabolites	150 (3)
Codeine/Morphine	2000
Hydrocodone/Hydromorphone	300
Oxycodone/Oxymorphone	100
6-Acetylmorphine	10
Phencyclidine	25
Amphetamines/Methamphetamine	500
MDMA/MDA	500

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

Section 35.3.4 Confirmatory Test

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

<u>Substance</u>	<u>Confirmatory Test Level (ng/mL)</u>
Marijuana Metabolites (2)	15
Cocaine Metabolites	100
Codeine/Morphine	2000
Hydrocodone/Hydromorphone	100
Oxycodone/Oxymorphone	100
6 - Acetyl morphine	10
Phencyclidine	25
Amphetamine/Methamphetamine (4)	250
MDMA (4)/MDA (5)	250

(1) For grouped analytes (i.e. two or more analytes that are in the same drug class and have the same Initial test cutoff):
Immunoassay: The test must be calibrated with one analyte from the group Identified as the target analyte. The cross-reactivity of the Immunoassay to the other analyte(s) within the group must be eighty percent (80%) or greater; if not, separate Immunoassays must be used for the analytes within the group.

Alternate technology: Either one analyte or all analytes from the group must be used for calibration, depending on the technology. At least one analyte within the group must have a concentration equal to or greater than the initial test cutoff or, alternatively, the sum of the analytes present (I.e. equal to or greater than the laboratory's validated limit of quantification) must be equal to or greater than the Initial test cutoff.

(2) An Immunoassay must be calibrated with the target analyte, A-9-tetrahydrocannabinol 1-9-carboxylic acid (THCA).

(3) Alternate technology (THCA and Benzoylcegonine):
When using an alternate technology initial test for the specific target analytes of THCA and Benzoylcegonine, the laboratory must use the same cutoff for the initial and confirmatory tests (i.e. 15ng/mL for THCA and 100ng/mL Benzoylcegonine).

(4) Methylenedioxyamphetamine (MDMA).

(5) Methylenedioxyamphetamine (MDA).

In the event the initial drug test indicates a positive response the confirmatory test must be done. On an initial drug test, the laboratory must report a result below the cutoff concentration as negative. If the result is at or above the cutoff concentration, the laboratory must conduct a confirmation test. On a confirmation drug test, the laboratory must report a result below the cutoff concentration as negative and a result at or above the cutoff concentration as confirmed positive.

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

Section 35.3.5. Laboratory Testing

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

Section 35.3.6. Types of Testing Required

Testing procedures shall be performed as part of pre-qualified practices, after defined DOT reportable accidents, on the basis of reasonable cause, upon return to duty after a positive test, under DOT mandated random testing and as follow-up testing for post drug rehabilitation as outlined under Article 16, Section 16.5.

Section 35.3.7. Pre-Qualification Testing

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

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

Section 35.3.8. Reasonable Cause Testing

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

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

The employee's conduct must be witnessed by at least two (2) supervisors, if available. The witnesses must have received training in observing a person's behavior to determine if a medical evaluation is required. When the supervisor(s) confronts an employee, a Union representative should be made available pursuant to Article 4 of this Agreement. If no steward is present, the employee may select another hourly paid employee to represent him/her.

Documentation of the employee's conduct shall be prepared and signed by the witnesses within twenty-four (24) hours of the observed behavior, or before the test results are released, whichever is earlier. In addition, a copy shall be sent to the Union within 48 hours.

Note: (Reasonable Cause)

At the time the urine specimen is collected, the employee may opt to also give a blood sample. If the employee takes this option, the blood sample must confirm positive presence

for the substance confirmed in the urine test. If no positive is confirmed in the blood specimen, the employee shall be given a warning letter, offered an opportunity for rehabilitation, as set forth in this Article, and the employee shall be required to otherwise satisfy the requirements imposed by the DOT regulations. However, if there is a second occasion where reasonable cause testing results in a positive urine test, the employee shall then be subject to discharge.

Non-DOT - Reasonable Cause:

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

Section 35.3.9. Post-Accident Drug Testing

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

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

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

Drivers are required to submit to such testing as soon as possible, but in all events within thirty-two (32) hours. Union representation shall be made available pursuant to Article 4 of this agreement.

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

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

Section 35.3.10. Random Testing

Random Employee Selection:

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

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

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

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

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

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

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

Section 35.3.11. Notification

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

Section 35.3.12. 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 shall 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 MRO or his/her designee has (72) hours to contact the Medical Review Officer MRO to review the test results. If the review time schedule is not met, then the 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) calendar days from receiving the laboratory results, the test shall be considered an uncontested positive test result. If the MRO determines a specimen is positive, then the employee shall have five (5) calendar days to evaluate his/her situation with a Substance Abuse Professional (SAP) counselor 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 16.5 of this agreement. UPS shall follow the final recommendations of the Substance Abuse Professional (SAP) as to the appropriate after-care protocol and post rehabilitation unannounced drug testing.

The employee shall 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 35.3.3 or Section 35.3.4 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 shall 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 twelve (12) months following the employee's return to duty. The one (1) year Period may be extended as necessary by written verification of the Substance Abuse Professional. Tests shall be conducted under direct observation.

Employer Responsibilities:

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

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

Section 35.3.13. 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 shall not be precedent settings.
- b. Refusal to submit to a reasonable cause drug test is a dischargeable offense.

2. Post-Accident Testing

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

3. Random Testing

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

4. Pre-qualification

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

5. Other Dischargeable Offenses:

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

Section 35.3.14. Preparation for Testing

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

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

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

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

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

Section 35.3.15. Specimen Collection Procedures

The Employer agrees to continue use of the Specimen Collection Checklist. The current checklist, is to be used with the affected employees at the collection site by the person performing the collection services for the Employer.

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

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

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

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

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

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

The employee shall provide his or her specimen in a stall or otherwise partitioned area that allows for privacy. The Employer agrees to recognize all employee's rights to privacy while being subjected to the collection process at all times and at all collection sites. Further, the Employer agrees that in all circumstances the employee's dignity shall be considered and all necessary steps shall be taken to insure that the entire process does nothing to demean, embarrass or offend the employees unnecessarily. Authorization for collection under direct observation shall be in accordance with Department of Transportation regulations. All procedures shall be conducted in a professional, discreet and objective manner. Refusal to provide a specimen under direct observation when requested shall be considered a refusal to test and a terminable offense.

The employee shall be instructed to provide at least forty-five (45) milliliters of urine in the collection container. The employee shall hand the specimen to the collection agent. The specimen shall remain in the sight of both the collection agent and the employee at all times. A minimum of thirty (30) milliliters of urine shall be placed in the primary specimen container by the collection agent. The collection agent then must pour at least fifteen (15) milliliters of urine from the collection container into the second specimen bottle to be used for the split specimen. If the individual is unable to provide forty-five (45) milliliters of urine, the collection agent shall direct the individual to drink fluids, not to exceed forty (40) ounces distributed reasonably over a

period not to exceed three (3) hours or until a sufficient specimen is provided, whichever occurs first. (The original specimen, if any, should be discarded, unless it was out of temperature range or showed evidence of adulteration or tampering.) If the individual is still unable to provide forty-five (45) milliliters of urine, he/she shall be taken out of service and a medical evaluation shall be conducted within five (5) business days by a licensed physician who has the expertise in this type of medical issue, and is approved by the Employer to determine if there is a medical reason for the inability to provide a specimen. If it is not determined that there is a medical reason, the individual shall be treated as having refused to take the test. If the employee fails for any reason to provide forty-five (45) milliliters of urine, the collection agent should contact a third party administrator (TPA) and either the District Safety and Health Manager or another Employer designee.

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

In the event of suspected specimen adulteration, a second specimen shall be immediately collected if possible, and the entire procedure should be repeated including initiation of a new chain-of-custody form and separate packaging for shipping.

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

provide a second specimen, it shall be noted as a refusal to test and shall be a terminable offense.

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

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

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

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

If an employee is told that the first sample tested positive, the employee may, within seventy-two (72) hours of receipt of actual notice, request that the second urine specimen be forwarded by the first laboratory to another independent and unrelated HHS approved laboratory of the parties' choice for GC/MS confirmatory testing of the presence of the drug. If an employee chooses to have the second sample analyzed, he/she shall at that time execute a special checkoff authorization form to insure payment by the employee. If the second test is positive, and the employee wishes to use the rehabilitation option, the employee shall reimburse the Employer for the costs of the second confirmation test and handling and shipping charges before entering the rehabilitation program. For those employees who choose to have the second specimen tested, disciplinary action can only

take place after the MRO verifies the first test as positive first laboratory reports a positive finding and the second laboratory confirms the presence of the drug. However, the employee must be taken out of service once the first while the second test is being performed. If the second laboratory report is negative, the employee shall not be charged for the cost of the second test and shall be reimbursed for all lost time. It is also understood that if an employee opts for the second specimen to be tested, contractual time limits on disciplinary action in this Agreement are waived.

Section 35.3.16. Specimen Shipping Preparations

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

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

A double-pouch bag shall be used for shipping, with one side for the urine specimen and the other for paperwork.

The collection agent places the urine specimen in the sealable pocket of the specimen bag and then seals the bag.

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

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

The employee receives a copy of the urine custody and control form.

Section 35.3.17. District Medical Review Officer

Any person serving as a Medical Review Officer (MRO) for the Company must be a licensed doctor of medicine or osteopathy with knowledge of substance abuse disorders,

issues relating to adulterated and substituted specimens, possible medical causes of specimens having an invalid result, and applicable DOT agency regulations. In addition the MRO shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing education requirements.

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

1. Reviewing the results of UPS's drug testing program.
2. Receiving all positive and negative drug test reports as prescribed under the DOT regulations, and making all reports of drug test results to the Employer.
3. Within a reasonable time, notifying an employee of a confirmed positive test result.
4. Reviewing and interpreting each confirmed positive test result in order to determine if there is an alternative medical explanation for the specimen's testing positive. The MRO shall perform the following functions as part of the review of a confirmed positive test result:
 - a. Provide an opportunity for the employee to discuss a positive test result.
 - b. Review the employee's medical history and relevant biomedical factors. A driver is allowed to use a controlled substance (except for methadone) only when taken as prescribed by a licensed medical practitioner who is familiar with the driver's medical history and assigned duties.
 - c. Review all medical records made available by the employee to determine if a confirmed positive test resulted from legally prescribed medication or other possible explanation.

d. Verify that the laboratory report and assessment are correct. The MRO shall be authorized to request that the original specimen be reanalyzed to determine the accuracy of the reported test result.

e. Processing an employee's request to test the split sample. Such testing shall be conducted at the employee's expense. The employee shall be reimbursed by UPS for any such expense should the retest provide a negative result. If a reanalysis is negative, then the MRO shall declare the test canceled.

Section 35.3.18. MRO Determination

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

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

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

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

Section 35.3.19. Record Retention

The medical review officer is the sole custodian of the individual test results. The MRO shall retain reports of individual positive test results for a minimum of five (5) years. Individual negative test results shall be maintained for at least twelve (12) months. UPS shall maintain in a driver's qualification file only such information as required by the DOT to document compliance with the drug testing requirements.

Section 35.3.20. Release of Drug Testing Information

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

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

The Company agrees to notify the Union of any change of HHS approved laboratories used for drug testing, for whatever reason.

Section 35.3.21. Paid For Time

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

1. For all time at the collection site.
2. (a) If the collection site is reasonably en route between the employee's home and the center, and the employee is going to or from work, pay for travel time one way between the center and the collection site or the collection site to the center; or

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

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

Section 35.4. Alcohol Testing

The parties have agreed that the procedures as set forth in Article 35, Section 35.4 shall be the methodology for testing and shall be modified only in the event that further federal legislation or Department of Transportation regulations required by regulation, revise testing methodologies or requirements during the term of this Agreement.

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

Section 35.4.1. Employees Who Must Be Tested

UPS employees subject to Department of Transportation mandated alcohol testing are drivers of vehicles with a

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

Section 35.4.2. Testing

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

Section 35.4.3. Screening Test

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

Breath Alcohol Levels:

Less than 0.02 - Negative

0.02 and above - Positive (Requires Confirmation Test)

Section 35.4.4. Confirmatory Test

All specimens identified as positive on the initial screening test, showing an alcohol concentration of 0.02 or higher, shall be confirmed using an EBT that is capable of providing a printed result in triplicate; is capable of assigning a unique

and sequential number to each test; and is capable of printing out, on each copy of the printed test result, the manufacturer's name for the device, the device's serial number, and the time of the test.

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

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

Breath Alcohol Levels:

Less than 0.02	Negative.
0.02 to 0.039	Positive/Out of service for 24 hours from time of the test.
0.04 and above	Positive/Out of service and referred to Substance Abuse Professional (SAP).

Section 35.4.5. Types of Testing Required

Testing procedures shall be performed as part of pre-qualified practices, after defined DOT reportable accidents, on the basis of reasonable cause, upon return to duty after a positive test, under DOT mandated random testing and as follow-up testing for post alcohol rehabilitation as outlined under Article 16, Section 16.5.

Section 35.4.6. Reasonable Cause Testing

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

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

The employee's conduct must be witnessed by at least two (2) supervisors, if available. The witnesses must have received training in observing a person's behavior to determine if a medical evaluation is required. When the

supervisor confronts an employee, a union representative should be made available pursuant to Article 4 of this agreement. If no steward is present, the employee may select another hourly paid employee to represent him/her.

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

NON-DOT Reasonable Cause Testing

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

Section 35.4.7. Post Accident Alcohol Testing

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

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

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

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

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

It shall be the responsibility of the driver to remain readily available for testing after the occurrence of a commercial motor vehicle accident. It is also the responsibility of the driver to not use alcohol for eight (8) hours or until an alcohol test is performed under this section, whichever occurs first. Union representation shall be made available pursuant to Article 4 of this agreement.

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

Law Enforcement Testing

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

Section 35.4.8. Random Testing - Random Employee Selection

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

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

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

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

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

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

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

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

Section 35.4.9. Notification.

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

Section 35.4.10. Rehabilitation and Testing after Return to Duty.

If the Breath Alcohol Technician (BAT) determines a specimen is confirmed positive, then the employee shall be removed from service and have five (5) calendar days to evaluate his/her situation with an approved Substance Abuse Professional (SAP) and then up to fifteen (15) calendar days to enter the rehabilitation treatment center after approval of a leave of absence as outlined in Article 16, Section 5 of this Agreement. UPS shall follow the final recommendations of the Substance Abuse Professional (SAP), concerning the appropriate after-care protocol and post rehabilitation unannounced alcohol testing.

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

The provision of Article 16, Section 5 shall apply to all employees requesting enrollment in a rehabilitation program following a positive alcohol test. Employees may use the United Parcel Service Employee Assistance Program, a union sponsored program, as well as any other referral service in choosing an approved program for treatment.

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

Employer Responsibilities

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

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

Section 35.4.11. Discipline.

It is agreed that an employee shall have rehabilitation opportunities for alcohol abuse as outlined in Article 16, Section 5, except as provided under Random Testing below. There shall also be a one (1) time rehabilitation opportunity for substance abuse.

1. Reasonable Cause Testing

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

An employee who is tested for reasonable cause and whose alcohol level is 0.040 to 0.069 shall be taken out of service for twenty-four (24) hours, referred to a Substance Abuse Professional (SAP) and suspended for ten (10) days. If the employee has committed a disciplinary offense under the terms of this Agreement, the results of the test may be used in the support of the Employer’s disciplinary action.

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

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

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

2. Post Accident Testing

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

3. Random Testing

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

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

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

4. Dischargeable Offenses

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

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

F. An employee's refusal to submit to a negotiated test.

Non-mandated employees shall be subject to reasonable cause testing as outlined above.

In no circumstances under this Section shall suspension time run concurrently with any leave period.

Section 35.4.12. Preparation for Testing.

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

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

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

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

Section 35.4.13. Specimen Testing Procedures.

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

Procedures for alcohol testing shall follow Department of Transportation guidelines to ensure an individual’s privacy.

No unauthorized personnel shall be allowed in any area of the testing site. Only one alcohol testing procedure shall be conducted at a time.

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

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

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

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

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

Section 35.4.14 Substance Abuse Professional (SAP)

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

The SAP is responsible for performing the following functions:

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 educational 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,
5. Providing the employee and employer with recommendations for continuing education and/or treatment.

Section 35.4.15 Record Retention.

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

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

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

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

Section 35.4.16 Release of Alcohol Testing information

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

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

Section 35.4.17 Paid For Time.

Testing - the employee shall be paid their regular straight time hourly rate of pay in the following manner:

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

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

ARTICLE 36. NON-DISCRIMINATION

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

ARTICLE 37. MANAGEMENT-EMPLOYEE RELATIONS

Section 37.1.

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, bully, or overly supervise any employee in the performance of his or her duties. The Employer shall 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 shall 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, bullying or over supervision:

1. Grievances not resolved by the grievance procedure shall be forwarded to the Local 705/UPS 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 7 and the Local 705/UPS 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 three (3) times the employee's daily guarantee depending on the severity of the offense.

Any individual member of management deemed by the Committee to have committed two (2) or more violations of this Section within 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.

No employee shall be disciplined for exceeding personal time based on data received from the DIAD / IVIS, Telematics, GPS or other information technology.

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.

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 shall complete his/her assignment and subject to the provisions below. Any package car driver who desires to be relieved from overtime on a particular day or days shall submit a request in writing at least twenty-four (24) hours in advance. The Center Manager and the Steward shall process such requests based on seniority.

If 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, the driver shall be entitled to a two (2) hour penalty payment at his/her straight time rate.

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 shall be granted more than two (2) requests per month. It is understood that to accomplish the above the Employer may need to provide an earlier start time. It is further understood that the Employer is not obligated to let more than one (1) driver in a loop off at one time. Such requests shall not be submitted during the period from November 15th through the first two full weeks of January.

c) The Employer shall make a reasonable effort to reduce Package car drivers' workdays below 9.5 hours per day where requested. If a review indicates that progress is not being made in the reduction of assigned hours of work, the following language shall apply, except in the period from November 15th through the first two full weeks of January.

Drivers shall have the right to file a grievance if the Employer has continually worked a driver more than 9.5 hours per day for any three (3) days in a workweek.

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 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 7. 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.

Section 37.2.

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

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

Section 37.3.

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

ARTICLE 38. CHANGE OF OPERATIONS

Section 38.1.

a) The Employer agrees that prior to any change in its operation that shall result in a change of domicile and/or possible layoff of seniority employees, it shall notify the Union in writing and then meet jointly with the Union to inform the Union of the changes and to resolve questions raised in connection with the change. This meeting shall be completed where practical at least forty-five (45) days prior to the change. The change may not be implemented until the forty-five (45) 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.

In all locations where the Employer implements "satellite" facilities, the Employer shall meet with the Union and discuss the issues covered by this Article.

b) Any agreed to change of operations reached by the Union and the Employer shall be reduced to writing between the parties hereto.

Regarding the closing of a facility or operation and/or the transfer of work the following shall apply:

1) Whenever a center is closed and the work is transferred to or absorbed by another center, the affected employees shall 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 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 work, then he or she 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 shall 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, shall 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) shall fill the vacated job(s) by seniority until the next bid.

Section 38.2.

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

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

Employees who are transferred out of their original area 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.

ARTICLE 39.

OVER 70 POUND SERVICE PACKAGE HANDLING

The parties agree that the health and safety of the employees are of the utmost importance. The Employer agrees that UPS management shall not insist that any unsafe action be undertaken and the Union agrees to encourage its members to cooperate in effectuating the handling, pick-up and delivery of parcels without exposing themselves to safety hazards.

Section 39.1. 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. 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 shall be full-time employees of the bargaining unit except that air drivers or helpers, where permitted by this Agreement, 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 this Agreement.

No employee shall 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.

Section 39.2. Package Identification

The Employer agrees that it shall periodically instruct its customers to place at least one (1) over 70 pound label on all such packages shipped, enter the weight of the package on the label and notify the pick-up driver of the over 70 pound packages to be picked up. The driver shall complete and affix as many additional over 70 pound labels and/or identifying tape as is reasonably necessary to provide proper visual identification of the package for safe movement through the system. The label and tape shall be of bright contrasting colors. No package shall move through the system without enough tape clearly visible from all sides identifying the package as over seventy (70) pounds.

Section 39.3. Inside Package Handling Procedures

For the purpose of inside handling, all over 70 pound packages shall be considered to be irregular shipments and shall not be co-mingled with under 70 pound regular packages. No over 70 pound packages shall be placed onto the belt, box line or slide systems used for under 70 pound package operations, except as provided in the Employer's standard irregular handling practices and in accordance with safe packages handling procedures.

Where over 70 pound packages are moved by belt, box line or slide system, such packages shall be handled by two (2)

bargaining unit employees and/or the use of appropriate lifting/handling devices when requested in good faith by the employee.

No over 70 pound package shall be loaded below the flaps of a drop frame trailer or stacked taller than waist high.

Packages over 150 pounds shall not be picked up. However, if such a package is discovered in the UPS system, the package shall not be handled by one bargaining unit employee unless such package can be reasonably broken down into packages which do not exceed 70 pounds.

Section 39.4.

The parties recognize that it may be necessary to consider new methods and new equipment to handle over 70 pound packages. If either the Union or the Employer believes it is necessary to implement changes in the over 70 pound handling procedures or equipment, including any change in labeling, or if the Employer believes it is necessary to increase the current weight limit or the current limits on package dimensions, it may request a review of such changes. The Employer shall negotiate and reach agreement with the Union before any change is implemented. Neither party shall unreasonably withhold agreement.

If the parties are unable to reach an agreement, after thirty (30) days, either the Union or the Employer shall submit the matter to expedited arbitration pursuant to Article 8.

ARTICLE 40. AIR OPERATION

Preamble

In order for the Employer, the Union and the employees to further benefit from the expanding air operations, the following Sections shall apply: unless specifically stated otherwise in this Article.

Section 40.1. 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 pickup of air packages on weekends and holidays.
4. On call air pickups.
5. Pickup at air counters and drop boxes.
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 pickup, 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 shall not be expanded.

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 fulltime drivers shall be excluded. Should a regular fulltime 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 or more fulltime air or fulltime combination job(s) paid in accordance with Section 40.6 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 fulltime job.

Any violation of Section 40.1. (a), (7), shall obligate the Employer to pay the Air Driver involved the difference between his/her rate of pay and the top regular package car driver wage rate. Grievances concerning violation or abuse of this Section shall be referred directly to the Article 7, Grievance Procedure of this Agreement

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 fulltime 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 shall notify the Union within thirty (30) calendar days in writing when a less than eight (8) hour position is created, and the Union shall have thirty (30) calendar days to grieve the implementation if they believe such position is improper. These less than eight (8) hour employees shall receive appropriate part-time benefits.

Combinations which require more than a two (2) hour gap between jobs shall normally not be used unless mutually agreed to by the Union and the Employer.

c) Air Driver Workweek

The workweek for fulltime air drivers currently working a Monday through Friday workweek shall continue on that schedule. The workweek for additional fulltime 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. Fulltime air drivers shall have the same daily and weekly guarantees as provided for regular drivers in this Agreement. They shall receive overtime pay for hours worked in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week.
2. Less than eight (8) hour air drivers (part-time air drivers) who have a regular scheduled start time shall have a three (3) hour daily guarantee. They shall receive overtime pay for hours worked in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week.
3. Any less than eight (8) hour combination air driver (part-time combination air drivers) who works their three (3) hour guarantee shall be guaranteed four (4) hours. They shall be paid overtime for work in excess of eight (8) hours in a twenty-four (24) hour period or in excess of forty (40) hours per week.
4. The provisions above do not apply to an air exception driver who performs extra work under Sections 40.1.h, j or k, below.
5. Employees in paragraphs two (2) and three (3) above shall be entitled to all other provisions in this Agreement (such as rest periods, shift differential, bidding to fulltime jobs and layoff provisions, etc.).

6. When a part time employee bids into an air driver classification, his/her seniority shall end tail in that classification. Company seniority shall be retained for vacation purposes.

e). Start Times

All fulltime 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. Fulltime air drivers shall receive the same provisions for lunch, which shall be taken between the third and sixth hour, and/or breaks as package drivers receive in this Agreement.
2. This provision is not intended to give less than eight (8) hour air drivers or less than eight (8) hour combination air drivers more than one (1) ten (10) minute break unless specifically stated otherwise in this Agreement. 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 shall be provided the same break or lunch period as that provided to fulltime drivers under this Agreement.

g). Bidding Procedure

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

h) Exception Air Drivers

1. The Employer and the Union recognize that there may be air packages that cannot be delivered by the regular fulltime 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. Copies of the exception Air Driver qualified list shall be provided to the union on a quarterly basis.

2. Employees certified on the exception Air Driver list who have not worked over forty (40) hours in the current workweek shall be offered this work by seniority.
3. Exception air drivers shall have no guarantee and shall 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 shall be compensated at the rate of time and one half for all hours worked over eight (8) hours at the rate of pay specified in Section 40.6 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 shall 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 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 shall provide liability insurance coverage.

j) Holiday Work

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

1. The Employer shall offer this work in seniority order to fulltime 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 fulltime 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 shall be used for package drivers. Package car drivers who work on a holiday may make a written request for an eight (8) hour guarantee. Such written request shall be made the last workday prior to the holiday. All time worked on a holiday shall be paid at the holiday rate contained in this Agreement.
3. The scheduling of the support work shall be reviewed with the Union prior to the holiday. If the Union believes that the Employer has scheduled an excessive number of support employees, it shall have the right to appeal directly to the UPS/705 Grievance Committee. The Committee shall review the schedule and determine whether the Employer has scheduled an excessive number of support employees. If it is determined by the Committee that the Employer worked excessive support employees, the excessive employees worked shall be paid double time for hours worked in addition to their holiday pay.
4. Air drivers and support employees scheduled on a holiday to ensure air services to the customer, including time performing incidental work, shall receive straight time for all hours worked up to eight (8) hours in addition to the holiday pay. Overtime provisions shall apply if the employee works over eight (8) hours.

k) Saturday or Sunday Air Work

1. To perform Saturday or Sunday air work the Employer and the Union recognize the need for air drivers other than those regularly scheduled. Qualified part time employees who are interested in performing this work shall so notify the Employer, be certified and be placed in seniority order on a posted qualified air driver list. Such work shall 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 40.6 below. Time and one half shall 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 fulltime, 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 40.2. Air Walkers

- a). Air Walkers may deliver and/or pickup air packages and shall not drive any vehicle which requires a driver's license in the performance of their duties.
- b). Air Walkers shall not be used to pick up or deliver ground packages.
- c). Air Walkers shall start and end the day in the area they work.

d). Air Walkers shall be guaranteed three (3) hours per day and shall be given a ten (10) minute paid break.

e). Air Walkers shall be paid in accordance with Section 40.6 below.

f). Air Walkers shall receive all part-time benefits and conditions of employment as outlined in this Agreement including the right to bid into full time jobs. An air walker position shall be open for bid to current employees prior to filling that position from the outside.

g). The intent of this Section is not to eliminate present fulltime air jobs and/or combination jobs.

Section 40.3. Gateway Operations

Employees presently working in or hired into existing air hubs and/or gateways shall continue to work under the present agreements covering the air hub and gateway operations. The Employer currently operates a gateway at its O'Hare facility within the Union's jurisdiction.

a). Workweek

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

b). Daily Guarantees

The three (3) hour daily guarantees shall apply whenever possible. Further, the parties agree that in those areas that do not currently have a daily guarantee the following procedure shall apply: If eighty percent (80%) of the employees reporting to a shift work three (3) or more hours for thirty (30) working days within a forty (40) day period, except for peak season, such shift shall be entitled to a three (3) hour

guarantee The Employer may also provide a higher daily guarantee to the extent it does not conflict with the overtime rules in this agreement. Grievances concerning this issue shall be brought directly to the Air UPS/705 Grievance Committee.

c). Holidays

1. When it is necessary to operate an air hub and gateway operation on a holiday, those employees worked shall be paid overtime in addition to holiday pay if it is not a scheduled workday for those employees.
2. For those employees not qualified for overtime, as stated above, the holiday shall be a normal workday.
3. The holiday shall be defined as the day the holiday is nationally observed and as set forth herein at Article 51, Section 51.1.
4. Start times on these days may differ from normal workday start times.

d). Rest Periods

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

e). Seniority

1. Air hub and gateway employees shall work off one (1) seniority list within each operation, unless otherwise mutually agreed. Part-time employees covered under this section shall be given the same opportunities for full-time positions as described in this agreement.
2. In air hub and gateways that currently have no procedure to recognize part-time seniority, part-time employees with one (1) or more years of seniority shall be allowed in seniority order to fill permanent vacancies on a different

shift and/or fill permanent vacancies between the airport sort facility and the ramp in all months except November and December. The employee shall be allowed to exercise this procedure once a year.

f). Start Times

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

g). Rain Gear

The Employer shall provide all outside ramp employees rain gear, to include, pants and tops. Deice crews shall be provided with insulated coveralls, insulated gloves, boots, safety harnesses, masks and rain gear that are large enough to fit over the insulated coveralls.

The gateway operation must have an established five (5) day workweek with a minimum of three (3) hours of continuous work on all shifts excluding rest periods.

Section 40.4. Start Times for Air Shuttle and Air Feed Drivers

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

Section 40.5. Grievance Procedure

All grievances, controversies and/or disputes concerning the Air Operation shall be subject to the regular grievance procedure. Any decision rendered on a grievance which interprets Article 40 of this Agreement shall only be precedent setting in other cases under this Agreement.

Section 40.6. Wages

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

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

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

1. Effective August 1, 2018 the prior \$28.64 forty-eight (48) month (top) rate shall change on August 1st of each year of the Agreement to reflect the agreed upon general wage increases.

2. Seniority part-time employees entering a part-time air driver job after August 1, 2008 shall begin at the start rate. Part-time air drivers in progression as of the ratification of this Agreement will maintain a two (2) year progression to Top Rate as set forth in Article 40, Section 6(a) of the 2013-2018 Agreement but will be paid the applicable hourly rate 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 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 shall retain his/her progression credit under paragraph (a) for any air exception work.

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

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

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

2. Seniority full-time employees entering a full-time air driver job shall 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), but will be paid the applicable hourly rates as set forth above.

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

d. All current full-time or part-time air drivers who are out of the progression in the prior agreement shall receive the general wage increases provided for in accordance in 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 shall be paid the appropriate part-time rate in accordance with his 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 shall start at the seniority rate. New part-time employees signing up to perform air exception work shall 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 shall continue to receive his/her 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.

ARTICLE 41. WAGES

Section 41.1. Full-Time Wage Increases

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

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

Full time employees still in progression on the effective date of this agreement shall receive the above contractual increases and shall be paid no less than what they are entitled to in accordance with Article 41, section 2 below.

Section 41.2. Full-time Wage Progression

a. No employee shall be required to complete a full-time progression more than one time even if he or she transfers 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 shall 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 shall 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.

b. The progression for employees entering a package car driving, feeder, or other full-time job (other than an air driver or a job covered by Sections 3 and 4 below) position after August 1, 2018 shall be as follows:

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

Part-time employees on the payroll as of July 31, 2018 who subsequently are promoted to full-time employment under this paragraph shall be red circled until such time as the calculated progression rate exceeds that rate. The transfer date shall become his/her full-time start date for purposes of applying the above progression.

If a part-time employee bids to a full-time position and the top rate of the classification is less than his/her current rate,

the employee shall be placed at the top rate of the new classification immediately.

This Sub-section shall supersede any provision to the contrary in this agreement.

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

Section 41.3. Full Time Inside Combination Employees 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.b. above shall apply.

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

Other part-time employees who bid into a full-time inside job covered by this Section shall 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 shall become his/her full-time start date for purposes of applying the progression set forth below. A part-time employee shall not lose the red circle protection provided by this paragraph as a result of transferring from one full-time inside job to another full-time inside job.

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

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

Employees who are in progression as of the date of ratification, shall 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 shall 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 shall be paid the top current rate of the classification.

Section 41.4. Full-time Wages for Article 22.4(b) Job

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 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 the purposes of applying the progression set forth below. A part-time employee shall not lose the red circle protection provided by this paragraph as a result of transferring from a 22.4 (b) job to a full-time inside job covered by either Article 22.2 or 22.3.

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 having performed package car work filling vacancies during the vacation period and/or during peak season shall be treated the same as if entering a RPCD job under Article 41, Section 2 (b) 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 41.5. Package Car with Pup

The Employer agrees to pay an additional ten cents (\$0.10) per hour when a package car driver operates a package car with a “pup.”

Section 41.6. Classifications

CLASSIFICATION	7/31/2018	8/1/2018	8/1/2019	8/1/2020	8/1/2021	8/1/2022
	Rate	\$0.70	\$0.75	\$0.80	\$0.90	\$1.00
(1) Tractor Driver	\$36.575	\$37.275	\$38.025	\$38.825	\$39.725	\$40.725
(2) Parcel Driver	\$36.225	\$36.925	\$37.675	\$38.475	\$39.375	\$40.375
(3) Sorters, Loader-Unloaders, Pullers-Loaders						
(a) Sorters	\$36.225	\$36.925	\$37.675	\$38.475	\$39.375	\$40.375
(b) Loaders-Unloaders	\$35.740	\$36.440	\$37.190	\$37.990	\$38.890	\$39.890
(c) Puller-Loaders	\$35.840	\$36.540	\$37.290	\$38.090	\$38.990	\$39.990
(4) General Utility Employees	\$35.700	\$36.400	\$37.150	\$37.950	\$38.850	\$39.850
(5) Washers and Porters	\$35.450	\$36.15	\$36.90	\$37.70	\$38.60	\$39.60
(6) Delivery Information Department and Quality Control						
Group 1. Delivery Information Servicemen and Quality Control Inspectors	\$36.225	\$36.925	\$37.675	\$38.475	\$39.375	\$40.375
Group 2. Address Correction Clerks and Quality Control Clerks	\$35.745	\$36.445	\$37.195	\$37.995	\$38.895	\$39.895
Group 3. Teletype Operators	\$35.645	\$36.345	\$37.095	\$37.895	\$38.795	\$39.795
Group 4. Delivery Information Clerks	\$35.325	\$36.025	\$36.775	\$37.575	\$38.475	\$39.475
(7) Inside Jobs (After July 31, 2002)	\$30.640	\$31.340	\$32.090	\$32.890	\$33.790	\$34.790
(8) Shifter (Non-CDL)	\$33.608	\$34.308	\$35.058	\$35.858	\$36.758	\$37.758
(9) Full-time Combination Drivers	\$30.640	\$31.340	\$32.090	\$32.890	\$33.790	\$34.790

“Step-Up” Guarantee applies to all of the above. For work up to 4.0 hours at a higher classification, he/she shall receive four (4) hours guarantee at his/her rate. For work in excess of 4.0 hours at a higher classification, he/she shall receive eight (8) hours guarantee at the higher rate.

ARTICLE 42. UNIFORMS

If an employee is required to wear any kind of uniform as a condition of his/her continued employment, such uniform, except shirts, shall be furnished and maintained by the Employer, free of charge, and worn at the standard required by the Employer. The wearing of hats and ties is optional with the employee.

The Employer shall supply both a lightweight uniform for summer and a heavier uniform for winter. Each employee shall be issued six (6) pairs of trousers and ten (10) shirts. The employee shall be allowed to select his/her choice of shirts and trousers in any combination from short sleeved shirts, long sleeved shirts, shirt jacs, light trousers and heavy trousers.

Short uniform trousers shall be provided as an option for package and feeder drivers at no cost to the employee. Such shorts may only be worn in compliance with uniform and appearance standards established by the Employer.

Wearing of the uniform other than during working hours is prohibited. Employees exercising the short pants option can wear either the shorts or the shirt to and from work, but not the entire uniform.

Employees shall be allowed to wear the most current safe driving pin on their shirt pocket and the company approved Local 705 miniature Teamster logo pin on their left front collar.

ARTICLE 43. PREMIUM SERVICES (reserved)

ARTICLE 44. SENIORITY

Section 44.1. Seniority Rights

Employee seniority, and not the equipment, shall prevail for all purposes and in all instances. Seniority shall be broken only by discharge for just cause, voluntary resignation, more than two (2) years lay-off, or if the employee fails to report to work for three (3) consecutive working days and does not properly notify the company by the beginning of his/her start time on the fourth (4th) day. In the event of a lay-off, an Employee so laid off shall be given two (2) weeks' notice of recall, mailed to his/her last known address. Unless physically unable to do so, an Employee must respond to such notice within three (3) days after receipt thereof and actually report to work in seven (7) days after receipt of notice unless otherwise mutually agreed to. In the event the Employee fails to comply with the above, he shall lose all seniority rights under this Agreement.

Employees hired to fill vacancies during the vacation period, or hired only for peak season (October 1st through the second full week of January) shall not be entitled to seniority. No new Employees shall be hired if Employees on the Seniority list are available at adjoining Centers and willing to perform the work. Part-timers who have worked to fill vacancies in the package car or feeder classifications, who successfully bid into a permanent opening, shall have all days worked filling vacancies during the twelve months prior to the first day worked on the bid job deducted from the applicable progression. It is understood that the filling of vacancies in the feeder classification occurs in the Peak season only.

All employees hired to perform bargaining unit work shall pay union dues in the same manner as seniority employees of

the collective bargaining unit. Upon attaining seniority an employee shall be required to pay the Union initiation fees.

Section 44.2. Probationary Employees-Orientation Meetings

a) A probationary employee shall work under the provisions of this Agreement but shall be employed only on a forty (40) working day trial basis, during which period he/she may be terminated without further recourse; provided however, that the Employer may not terminate or discipline for the purpose of evading this Agreement or discriminating against Union members. After working forty (40) days within a ninety (90) consecutive day period, the employee shall be placed on the regular seniority list, and his/her seniority date shall revert back to the first day of the forty (40) day period in which the employee gained seniority.

b) Attendance at orientation meetings, not to extend beyond three (3) days, shall not count as working days. People attending orientations shall be paid a daily rate of ninety dollars (\$90.00) for full time and fifty dollars (\$50.00) for part time.

c) Business agents shall be permitted to attend new employee orientations for the sole purpose of talking 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. The Business agent shall give the Labor Relations Manager forty-eight (48) hour notice of attendance.

Section 44.3. Posting List

A current list of employees arranged in the order of their seniority and hiring date shall be posted quarterly in a conspicuous place at each Center.

Copies of the lists shall be sent to the Union on the first work day of the calendar quarter.

The Employer shall not post or make available for viewing in the work place any employee's social security number or home telephone number.

In areas where bidding systems require both a signature and a phone number, an employee shall have the option of providing his/her phone number privately to the person controlling the bid.

Section 44.4. Lay Offs

The Employer shall make an effort to reduce assigned overtime in any classification where employees may be laid off.

Full-Time

When it becomes necessary to reduce the working force in a classification, the employee in that classification with the least amount of Company Seniority shall be laid off first. For the duration of the layoff the employee shall have one choice of the following options.

1. a) If a full-time feeder driver is laid off he/she may exercise his/her company seniority in the same classification and displace the employee with the least amount of full-time company seniority in the classification on the following Monday in Local 705's jurisdiction.
- b) If a full-time package car driver is laid off he/she may exercise his/her company seniority in the same classification and displace the employee with the least amount of full-time company seniority in the classification on the following Monday in Local 705's jurisdiction.
- c) If a full-time Article 22.3 combination employee is laid off, the employee performing the job being reduced may exercise his/her company seniority and displace the full-time combination employee with the least amount of company seniority at their location, if qualified. (The

location is defined as the same sort combination that comprises the laid-off employee's bid). If unable to displace the junior Article 22.3 at their location he/she may exercise their seniority to displace the least senior Article 22.3 employee on the following Monday in the District, if qualified. No combination employee will be laid off if a part-time employee is scheduled to perform the work that is being reduced.

d) If any other full-time employees are laid off he/she may exercise his/her company seniority and may displace the employee with the least amount of full-time company seniority in the classification on the following Monday in the District, if qualified.

2. If a full-time employee, as stated above, is laid off and is unable to exercise full time company seniority within the classification, he/she may displace the employee with the least amount of company seniority in any full-time classification within the District after five (5) working days (Monday through Friday) provided they are qualified.
3. Laid off full time seniority employees, in order of their company seniority, may elect to take (instead of the above options) the work of the two (2) least senior part-time employees within their building, if any, for the duration of the layoff, provided they are qualified. In such cases, the full-time employees shall be guaranteed a minimum of eight (8) hours of work.
4. If the laid off full time employee elects to take a layoff rather than exercise the right to one of the above options, he/she shall be considered a laid off employee for lack of work for the purpose of unemployment compensation.
5. Employees displaced from their original domicile due to layoff shall remain on the job and location to which they are displaced provided they have the company seniority

and shall be entitled to select in the location and classification they are working. Their seniority shall be dovetailed for this purpose.

6. When the layoff is over the employee shall return to his/her regular Center. Seniority employees should be offered any available job even if on a temporary basis.
7. Any full-time employee exercising his/her seniority rights to displace another employee under the provisions of this Section shall not suffer any reduction in the employee's rate of pay and benefits he/she enjoyed prior to the layoff.

Part-Time

When it becomes necessary to reduce the part time workforce on a shift or sort in a building, the employee with the least amount of company seniority shall be laid off first.

1. If a part time employee is laid off for one week, (Monday through Friday) he/she may place their name on a list to exercise his/her seniority within the building, to displace the least senior part time employee.
2. If the laid off part time employee elects to take a layoff rather than exercise his/her right to displace, he/she shall be considered a laid off employee for lack of work for the purpose of unemployment compensation.
3. When the layoff is over, the employee shall return to his/her regular sort.
4. Any part-time air driver exercising his/her seniority rights to displace another employee under the provisions of this section shall continue to receive his/her current air driver rate of pay. If he/she is not recalled to air driving after a period of six (6) months, his/her rate shall revert to the appropriate inside rate of pay.

Section 44.5. Filling Vacancies

a. In manning a new operating Center those employees whose territory is being transferred shall have the option of moving to a new operating Center. Any additional permanent assignments that are needed shall be filled by posting such jobs for all employees in the classification company-wide, until all such vacancies are filled by qualified employees.

b. In filling permanent vacancies in an existing Center (including swing drivers) the employees in the Center shall be given first choice at such vacancies in order of seniority. Permanent vacancies except at Christmas time shall be understood to be any job which has existed for a period of thirty (30) working days. A permanent vacancy is currently defined as a vacancy in a "bid" position due to a newly created bid position(s), an employee's death, resignation, retirement, discharge for just cause and/or successful promotion or bid to another job classification.

c. Filling all permanent vacancies shall be in such manner so as to cause minimal disruption to the Employer's operations, with said vacancies being bid no later than fifteen (15) days from date of vacancy. A vacancy resulting from a promotion shall not occur until the promoted employee has successfully completed his/her trial period.

d. All feeder drivers and package car drivers shall be permitted to bid new permanent vacancies in the porter or carwash classification. The work shall be at the prevailing rate of pay for the classification of work he/she performs in addition to all fringe benefits.

Section 44.6. Route Changes

Temporary:

When a bid area is changed fifty percent (50%) or more, the employee shall have the right to follow the portion in excess of fifty percent (50%) of the delivery stops. If the temporary change involves more than a two-way split, the driver shall be assigned by seniority.

Permanent:

When a driver's bid area is permanently changed by fifty percent (50%) or more of the stops, start time change of more than one (1) hour, or a change of fifty percent (50%) or more of the area or loop, he/she shall have the right to follow whichever portion of his/her bid area he/she desires or allow the job to proceed through the bidding procedure and work as directed. In the event that there are two (2) or more drivers that choose the same split under the above language, seniority shall prevail.

In centers where drivers bid on delivery areas, the bid shall contain a description of the area or loop and identify the base line. It is understood that day-to-day adjustments may be made. The above language shall also apply to full-time combination jobs.

All job bids shall be filled within ten (10) working days after completion of the bidding process.

Section 44.7. Bidding

When any permanent vacancy or opening occurs, it shall be posted for bid and remain posted for five (5) working days. After completion of the job bidding process, a copy of the bid sheet will be given to the Union Steward upon request.

Package car drivers shall be limited to three (3) successful bids in a calendar year.

Swing and coverage drivers shall bid from a weekly center bid list which shall be posted the week prior. Swing and coverage drivers may elect to cover a weekly bid or cover daily vacancies. If a swing driver or coverage driver elects to bid daily coverage work, he/she shall not bump a driver bidding on weekly coverage work. Weekly coverage is defined as those areas open for the entire week.

Section 44.8. Training Routes

In order to provide for more favorable training for new employees, vacated or newly created routes at each center

shall be used as a training areas. These training areas shall be bid in each center. Training routes shall be posted on the center's bulletin board. Employees who presently hold bid areas shall not lose their bids as a result of this provision. In centers where more than one (1) training route exists, these training routes shall be used on a rotating basis, for a period of time not to exceed one (1) year or when a new route(s) become available whichever event occurs earlier. When a new training route is established the oldest established training route(s) shall be removed from the training route list.

The following shall be the maximum number of training routes allowed in a center:

- 1 - 20 Package Car routes – 1 Training Area
- 21- 40 Package Car routes – 2 Training Areas
- 41- 60 Package Car routes – 3 Training Areas
- 61- 80 Package Car routes – 4 Training Areas

Section 44.9.

Full-time Combination employees shall be offered extra work for their assigned shift using full-time seniority. When scheduling extra work on a holiday or special sort qualified full-time combination employees shall be offered extra work, within their sort, using total full-time seniority. It is understood the employees performing this work shall be paid for the hours worked on these days at the applicable overtime rate provided they complete their bid work week.

Section 44.10 Full-time Employee Jurisdictional Transfer

A full-time employee with at least one (1) year of seniority, who becomes aware of an opening in the same classification at another location under Local 705's jurisdiction, may request to transfer at his or her own expense. If more than one employee expresses an interest in the position, seniority shall prevail. The employee shall end tail onto the seniority

list and shall maintain company seniority for the purpose of determining benefits. The employee will become ineligible for another transfer for a period of no less than one (1) calendar year from the date of transfer.

ARTICLE 45. GUARANTEES

Section 45.1. Monday Through Friday Full Time Employees.

Any employee who is assigned to work the regular work week as defined in Section 46.1 shall be guaranteed not less than eight (8) continuous hours of work or the full equivalent in pay in any one (1) day.

Any employee who is called to work but not assigned shall be guaranteed not less than eight (8) continuous hours of work or the full equivalent in pay in any one (1) day not including the ten percent (10%) employees unless assigned.

Section 45.2. Saturday and Sunday

Any employee called or put to work on Saturday or Sunday shall be guaranteed not less than eight (8) continuous hours of work or the full equivalent in pay at Saturday or Sunday rates, except for those employees on an alternate work week schedule whose pay rate shall be determined as provided in Article 46, Section 1 (b).

Section 45.3. Trial Period

Any employee promoted to a higher rated job shall be given a trial for a period not to exceed forty (40) days, at the rate of the higher job. If at the end of the trial period, it is determined that the employee is not qualified or adapted to the new position he/she shall return to the old position, at the same rate of pay which was formerly paid for the old position. The employee shall be afforded this opportunity after a twelve (12) month ineligibility period.

Section 45.4. Overtime - Full Time Employees

Time and one-half rate shall be paid for all work performed by an employee before and after his/her regular scheduled workday. Time and one-half rate shall be paid after eight (8) hours in one (1) day and after forty (40) hours in any one (1) week, except as otherwise provided in this Agreement, but overtime shall not be paid twice for the same hours worked. Overtime for all employees shall be prorated on a minute basis for all overtime worked.

Section 45.5. Sundays

Double time shall be paid for all work performed on Sundays except for those employees on an alternate work week schedule, as defined in Article 46, Section 1(b), and with respect to Washers and Porters, where the present practices shall prevail.

Section 45.6. Holidays

Holidays shall be paid at the appropriate rate and hours as provided in this Agreement.

Section 45.7. Weekly

The first ninety percent (90%) by seniority of employees in any Center called or put to work during any day of the regular work week shall be guaranteed forty (40) straight time hours of work or its equivalent in pay for such regular work week, but the Employer shall be exempt from such weekly guarantee if (1) an employee at his/her own initiative takes off a regular scheduled work day during such work week or is laid off or discharged for just cause, or (2) the Employer had not directly or indirectly caused a work stoppage, such as fire, floods, destruction or national or local emergency, which as a proximate result thereof caused a complete stoppage of all or part of the Employer's operation, or (3) the week of Christmas and the week of New Year.

Hours worked prior to the employees posted starting time shall not be credited toward the forty (40) hour guarantee.

ARTICLE 46. WORK WEEK AND DAYS

Section 46.1.

a) The straight time work week for all employees shall consist of five (5) days, Monday through Friday inclusive (except as provided in (b) below), of eight (8) continuous hours each, with time and one-half to be paid for work performed on Saturday, except for Washers and Porters where the present working conditions shall prevail.

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

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

For those employees scheduled on the above alternate work weeks, all work performed on the employee's sixth (6th) day shall be paid at time and one-half (1&1/2). All work performed on the employee's seventh (7th) day shall be paid at double time.

Section 46.2.

a) Full time employees on nights have the option to work Sunday instead of Friday night at package center as scheduled by the Employer with the approval of the Union.

b) A full-time seniority employee's uniform starting time must be scheduled by Friday of the preceding workweek for

the following workweek. If an employee is called to start work before his/her posted starting time he/she shall be paid one and one-half times the regular straight time rate for the hours worked before the posted starting time. For those employees covered by Article 46, Section 1(b), starting times shall be posted on their last scheduled work day each week.

c) All employees shall be paid in full each week. Not more than five (5) days' pay may be held back. Employees who are laid off shall be paid in full on their next scheduled pay period

ARTICLE 47. DUTIES

(a) Duties of Parcel Drivers:

Parcel driver's regular duties may include sorting and loading the packages assigned to their routes. Records of such deliveries shall be made by the parcel drivers on their routes, if not previously recorded / sheeted.

(b) Full-Time Combination Jobs:

The Employer shall determine the classifications to be used when creating new full-time jobs as outlined in Article 22. All new full-time jobs shall contain a job description of duties and qualifications that shall be required to successfully qualify for the job.

(c) General Utility Employees:

Employees who put up additions to bins, perform minor repairs and act as handymen.

(d) Washers and Porters:

Washers, who wash vehicles and check gas and oil, and porters who keep the premises, inside and out, clean and neat and store records.

(e) Feeder Drivers:

Feeder drivers shall load and unload as directed regardless of domicile. Feeder drivers may be required to sort during those

hours when the regular sorting crews are off and in those locations that do not have sorters assigned.

(f) TDP Drivers

All TDP/Package combination areas or any vacated TDP/Package combination areas shall be bid to all full-time qualified package drivers in that building. TDP/Package combination employees shall work in the package driver classification. Drivers who successfully bid a TDP/Package combination in such facilities shall be afforded the right to attend Tractor / Trailer school, if needed, and shall have a forty (40) working day qualification period. However, they shall not be placed on the feeder qualified list.

ARTICLE 48. FEEDER DRIVERS

Section 48.1. Job Bids

In March and September of each year, all feeder jobs in each building shall be posted for bid by classification seniority. Twenty-five percent (25%) of the employees in their classification shall bid weekly. Those who fail or decline to make their selection by the required time period shall be assigned. Such bidding procedure shall be completed by the end of said months. After completion of the job bidding process, a copy of the bid sheet shall be given to the union Steward upon request. In addition to the March and September bid of each year, the feeder drivers shall have unlimited bidding.

If a permanent vacancy, or newly established bid, becomes available in a building, the feeder driver in that building may bid on such openings in seniority order. Any unfilled vacancy shall be first filled from the Local 705 jurisdiction Feeder intent list.

The ten most senior employees who get the necessary certification (permit) will be trained for purposes of gaining their CDL qualifications. Once qualified, these ten

employees will be the first employees, eligible in seniority order for peak season and permanent feeder job opportunities only. These ten may be expanded by mutual agreement.

If a feeder driver's start time is changed by one (1) hour or more or eliminated, he/she shall have the right to exercise their seniority and displace any junior employee within the feeder classification in their building.

Local 705 shall receive a current, and any future updated list of employees in seniority order, that are on the feeder qualified list, on a monthly basis.

Section 48.2. Cross Town Operation

The cross town operation shall be scheduled pursuant to Article 46, Section 1(b).

Section 48.3. Tractor-Trailer School

All employees who are interested in qualifying as a tractor-trailer driver, shall so notify the Employer. Such employees in seniority order shall be permitted to attend on their own time, the Employer training program which may be established from time to time as the need occurs. The Employer agrees to furnish the necessary equipment and instructors.

To qualify for attendance at the tractor-trailer school a Union employee must have one (1) year safe driving record and a clean DMV Abstract Report for the year preceding his/her application to attend the school. Only the DMV Abstract Report shall be required for employees who do not have driving responsibility and the ability to attain one (1) year safe driving.

Upon completion of tractor-trailer school, the Employer shall determine whether the employee is qualified to drive tractor-trailers and whether the employee shall be placed on the qualified list.

Section 48.4.

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

ARTICLE 49. LUNCH PERIOD AND BREAKS

- (a) The lunch period shall be one (1) hour, which shall be taken between the third and sixth hour by all employees, except feeder drivers shall take their lunch between the fourth and the end of the sixth hour.
- (b) All employees shall receive at least one (1) ten (10) minute paid break.
- (c) Employees who presently enjoy two (2) paid breaks shall continue this practice.
- (d) All paid for time shall be counted in computing overtime.

ARTICLE 50. MAINTENANCE OF STANDARDS

All conditions of employment in the Employer's individual operation relating to wages, hours of work, over time, differentials and general working conditions shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement and the conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in this Agreement. (Errors found at any time shall be corrected immediately and over or under payments shall only be adjusted for 90 calendar days.) Any disagreement between the Union and the Employer with respect to this matter shall be subject to the Grievance Procedure (Article 7). This provision does not give the Employer the right to impose or

continue wages, hours, and working conditions less than those contained in this Agreement.

ARTICLE 51. HOLIDAYS

Section 51.1 Holiday Pay

Employees shall be paid: eight (8) hours pay for full time employees, four (4) hours pay for part time employees, at the straight time hourly rate for the following holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, December 31st, and four (4) optional holidays, and regardless of the day of the week on which it falls, provided, they comply with the qualifications set forth hereinafter. Part-time employees hired prior to August 1, 2011 will receive five (5) hours of pay for his/her optional holidays. Holidays, which fall on Sunday, shall be observed on Monday. Where the Employer schedules work on a holiday, such work shall be offered in order of seniority and if not fully staffed the least senior employee(s) shall work the holiday.

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

Section 51.2. Holiday Rate

Employees called to work on any of the above listed holidays shall be guaranteed a minimum of eight (8) continuous hours work or its equivalent in pay at double the regular rate in addition to the eight (8) hours pay above referred to. Part time employees shall be guaranteed four (4) hours of work or pay on the same basis as above.

Section 51.3. Qualifications

(a) In order to qualify for eight (8) hours of straight time pay for holidays not worked, an employee must be employed for

ninety (90) days or more and must work his/her regular work day which immediately precedes or follows the holiday unless the Employer agrees to give the employee the extra time off.

Section 51.4. Weekly Guarantee

If the holiday falls on a weekday, Monday through Friday, employees shall be guaranteed forty (40) hours at straight time pay for that week without having to work the holiday. If a holiday falls on a Saturday, employees shall be guaranteed forty-eight (48) hours at straight time pay for that week without having to work that Saturday except for employees on an alternate work week schedule as defined in Article 46, Section 1(b). In the event the holiday falls on their regularly scheduled work day, these employees shall be guaranteed forty (40) hours straight time pay for that week without having to work the holiday. If a holiday falls on their sixth or seventh day during the week, these employees shall be guaranteed forty- eight (48) hours at straight time pay for that week without having to work their scheduled day off.

Section 51.5. Holiday Shift

- a) If an employee is regularly scheduled or starts to work on the day before the holiday and continues to work into the holiday he/she shall be guaranteed eight (8) hours of continuous work at the regular straight time hourly rate.
- b) If an employee is regularly scheduled or starts to work on a holiday and continues to work into the following day, he/she shall be guaranteed eight (8) hours of work at two (2) times his/her regular straight time rate.

Hours worked prior to his/her regular scheduled starting time shall not be credited to his/her eight (8) hours' guarantee.

Section 51.6. Holidays Falling During Lay-off, Illness or Injury

If any holiday falls within the thirty (30) day period following an employee's lay off due to lack of work or because of his/her illness or injury, and such employee is also recalled or returns to work during the same thirty (30) day period but did not receive any holiday pay, then in such case he/she shall receive an extra day's pay for each holiday, in the week in which he/she returns to work. Said extra day's pay shall be equivalent to eight (8) hours at the straight time hourly rate specified in the Agreement. Such employee who was ill or injured shall receive the difference between the appropriate rate for the extra day's pay and any amount collected from worker's compensation. An employee who was laid off because of lack of work or was ill or injured and is not recalled to or does not return to work within the aforementioned thirty (30) day period is not entitled to the extra pay upon his/her return. Under no circumstances shall the extra pay referred to herein be construed to be holiday pay, nor shall it be considered as hours worked for weekly overtime.

Section 51.7. Saturday and Sunday Shift

An employee who is regularly scheduled to work on a Friday shift and works into Saturday shall be compensated at the straight time hourly rate. An employee, who starts to work on Saturday and works into Sunday, shall be compensated at the Saturday rate for all hours worked. An employee who starts to work on Sunday and works into Monday shall be compensated at the Sunday rate for all hours worked.

The above language shall not apply to those employees on an alternate workweek schedule as defined in Article 46, Section 1(b). Those employees shall be paid as follows: An employee who is regularly scheduled to work on their fifth day and works into their sixth day shall be compensated at the straight time hourly rate. An employee who starts to

work on their sixth day and works into their seventh day shall be compensated at the sixth day rate for all hours worked. An employee who starts to work on their seventh day and works into the next day shall be compensated at their seventh day rate for all hours worked.

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

ARTICLE 52. VACATIONS

Section 52.1. Eligibility - Full Time Employees

a. An employee, who in his/her first year of employment has been employed for one (1) year from his/her anniversary date of hiring and has worked 1,250 hours, shall be entitled to one (1) week vacation with pay computed at fifty (50) times his/her straight time hourly rate of pay.

b. An employee, other than in his/her first year of employment, who has worked not less than 1,250 hours, in a year from his/her anniversary date of hiring, shall be entitled to vacation with pay according to the following schedule:

Years of Service	Total Weeks of Vacation
1	1
3	2
9	3
15	4
20	5
25	6
30	7

Employees shall pick vacations by full time seniority with thirty (30) days to pick November 1st through November 30th, and schedule vacations from December 26th through the week ending Friday, the day after Thanksgiving. The employee shall be ready to pick when asked, at the rate of 25% per week in seniority order. If not ready, the employee

shall be passed over and pick what is available when ready. Upon the completion of the vacation selection process and not later than, January 1st, the Employer shall provide the Union with a copy of all vacation selections sent to the attention of the Union's Secretary-Treasurer.

c. With the exception of Delivery Information Employees where the prohibition is in effect from the third (3rd) Monday in January to the third (3rd) Monday in March.

d. Any employee who is eligible for a full vacation, and who resigns or whose services are terminated, shall receive pay for the number of weeks vacation as set forth in subsection (b) for his/her then completed years of service. Any such regular full-time employee, with more than one (1) year of service who resigns or whose services are terminated shall receive prorated pay for the number of weeks vacation as set forth in this Article for his/her then completed years of service.

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

125 hours	10% of full vacation
250 hours	20% of full vacation
312 hours	25% of full vacation
625 hours	50% of full vacation
937 hours	75% of full vacation
1,250 hours	100% of full vacation

Any full-time employee who displaces a part time employee shall have those hours counted towards his/her hours worked for a full-time vacation.

e. If a holiday falls during an employee's vacation, he/she shall indicate at the time of selecting said week which of the following options he/she wishes:

1) Take eight (8) hours pay in lieu of the holiday to be paid with the vacation.

2) The Friday prior to starting vacation off as the paid holiday, or the last scheduled work day for those employees on an alternate work week schedule, as defined in Article 46, Section 1 (b).

3) The Monday following vacation off as the paid holiday, or the first scheduled work day for those employees on an alternate work week schedule, as defined in Article 46, Section 1 (b).

4) Hold the paid holiday and use as an additional optional holiday. Note: The Friday before and the Monday after a week with a holiday in it shall be restricted to only one person each day and assigned to those looking to exercise that option by seniority. The locking in of these two (2) days supersedes any option request days.

5) Unused option days shall be paid in full the first week of December each year.

The Employer shall schedule fifteen percent (15%) of the Employees by classification off on vacation from the Monday of the third full week of April, up to and including the week in which Labor Day falls and a minimum of five percent (5%) off the remaining months. Optional weeks are not to be differentiated from regular vacation weeks in selection.

Section 52.2. Vacation Pay

On the payday immediately preceding an employee's vacation he/she shall be entitled to vacation pay computed on the basis of fifty (50) hours per week at the current year's hourly rate.

Section 52.3

Full-time employees who fall short of 1250 straight time hours and part-time employees who fall short of 625 straight time hours in any one qualifying year because of a compensable worker's compensation leave shall be

considered to have qualified in that year for their vacation. This benefit shall be granted only once during the life of the Agreement upon the request of the employee to the labor manager.

ARTICLE 53. Discretionary Days

In lieu of the option week of vacation set forth in Article 53 of the 2013-2018 contract, employees shall receive five (5) discretionary days. To be eligible, employees must have acquired seniority and be on the payroll by January 1st of any year. Full-time discretionary days will be paid at ten (10) hours per day and part-time discretionary days shall be paid at five (5) hours per day at the employee's rate of pay when accrued on January 1st.

These days may be used for any purpose; including illness, appointments, care of family members, observance of religious holidays, etc. An employee may request payment for discretionary days; payment will be made no later than the normal payday that occurs no sooner than ten (10) days from written request.

Discretionary days may be combined into a single week to be picked during the vacation selection period.

Any discretionary days not used shall be paid off during the payoff period at the end of the year.

In accordance with Section 1-24-060 of the City of Chicago Municipal Code, the Employer and the Union waive the city's paid sick leave requirements of Section 1-24-045. In accordance with Section 42-5 of the Cook County Code of Ordinances, the Employer and Union also waive the Cook County's Earned Sick Leave Ordinance.

ARTICLE 54. DISCHARGE AND SUSPENSION

The Employer shall not discharge or suspend any employee without just cause. No employee shall be suspended or discharged without first being verbally warned and the warning being documented, except for the following offenses:

- (a) Dishonesty; (an employee's failure to accurately recall details during an investigatory interview shall not by itself be considered dishonesty)
- (b) Drinking of, or under the influence of alcoholic beverages (as specified in Article 35 herein above) or narcotics during the workday;
- (c) Personal possession or the use of drugs, marijuana or L.S.D. during the work day;
- (d) Gross negligence resulting in a serious accident as defined in Article 18.
- (e) The carrying of unauthorized passengers while on the job;
- (f) Failure to report an accident;
- (g) A runaway accident;
- (h) Sexual harassment;
- (i) Fighting on the job.

The warning notice, as herein provided, shall have no force or effect for a period of more than nine (9) months from the date of said warning notice. Warning notices or file write-ups beyond the nine (9) month period set forth above, shall not be considered in the grievance procedure.

Disciplinary action shall be reduced to writing with a copy of the disciplinary warning, suspension or discharge notice

presented, at the time of such notice, to the employee and to the Union Steward.

ARTICLE 55. MISCELLANEOUS

Section 55.1.

The provisions of this Agreement shall apply to all accretions to the bargaining unit including but not limited to newly established or acquired terminals, consolidations of terminals, etc.

This provision shall not apply to wholly-owned and wholly independently operated subsidiaries which are not under contract with the Union. "Wholly independently operated" means, among other things, that there shall be no interchange of freight, equipment or personnel, or common use, in whole or in part of equipment, terminals, property, personnel or state or ICC rights.

The exception set forth above shall not apply to accretions to the collective bargaining unit.

Section 55.2. Incentive Plans-Bonus

The Employer shall not put into effect any new plan of an economic nature affecting employees (such as incentive plans, sick leave schedules, piece rate plans, etc.) without first checking with and securing the approval of the Union. Current plans shall remain in effect unless the Union decides to terminate the plan after voting the employees in the affected Center.

Section 55.3. Employees Not Required to Buy or Lease Equipment.

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

Section 55.4.

All temporary personnel shall wear their company identifying badges while on company property.

Section 55.5.

Prior to any Change of Operation in Local 705 jurisdiction, the Company and the Union shall meet to resolve all issues.

Section 55.6.

It is understood that all unsettled grievances and/ or issues shall be heard at the UPS/705 Panel before it is referred to any other party.

Section 55.7. Local 705 / UPS Chicago Districts Mission Statement

Notwithstanding any contractual provision elsewhere in this Agreement, in an effort to further develop and increase volume and customer confidence in the Local 705 / UPS Districts operating areas, it is understood Teamsters Local 705, it's Agents, and members may take a pro-active role in supporting and promoting participation in any and all company initiated volume development activities.

ARTICLE 56. DURATION

Section 56.1.

This Agreement shall be in full force and effect from August 1, 2018 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 56.2.

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 56.3.

Revisions agreed upon or ordered shall be effective as of August 1, 2018 unless otherwise specifically provided. The Employer or Teamsters Local Union 705 shall be permitted all legal or economic recourse to support their requests for revisions if the parties fail to agree therein.

Section 56.4.

In the event of an inadvertent failure by either party to give the notice set forth in Section 1 and 2 of this 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.

NEGOTIATING COMMITTEE

For the Employees:

TEAMSTERS LOCAL 705 UPS NEGOTIATING COMMITTEE

Juan Campos, Chair
Ken Emanuelson, Co-Chair
Kim Obney, Co-Chair

Rank and File Members:

Horacio Arce	David Bernt
Mark Day	Dan Ginsberg-Jaeckle
David T. Hogdahl	Craig Karnia
Alice Lopez	Raul Medina
Robert L. Montgomery Jr.	Michael R. Prete
David Rosales	Marcos Salgado
Kevin Schnelle	David Sehring
Dean Serna	Andrew Slinkman
Tony Wisniewski	Patricia Wong-Thomas

Local 705 Staff Members:

Carol Martin	Kevin Moore
Michael Moore	Bennette Powell
Eric Redinger	Scott Rein
Jermaine Stoakley	Edward Vallejo

Retired Rank and File Members

James Woods

For the Employer:

UNITED PARCEL SERVICE

Murray Bourque, Chair

Committee Members

Chris Langan

Craig Holmes

Mararet Kuzara

Matthew Mueller

Ryan Thibodeau

Ricardo Mendoza, Sr.

Christopher Opperman

Nicole Pietrangeli

Sylvester Selvie

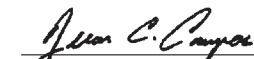
Sybil Thomas

Chris Vale

Mark Aaron

Signed for the Union:


Teamsters Local Union 705


Secretary-Treasurer


President

Signed for the Employer:

United Parcel Service


Region Labor Relations Coordinator

Letters of Understanding

1. Special Operation Weeks – Affected Inside Employees

In January of each year the Employer and Union shall meet and agree on weeks during the year that may require special operations.

Affected Full Time Inside and Full-Time Combination Employees

During special operation weeks affected full time inside employees shall be offered available work to fulfill their daily guarantee as well as their weekly guarantee (except for the weeks of Christmas and New Year). Start times and work assignments may be changed due to the special operation needs. Not less than one week prior to the agreed to special operation week, affected full time inside employees shall be offered available work and start times in seniority order within their building. Employees shall indicate their selection on a form provided by the Employer.

Affected Part Time Inside Employees

If no work is available on a shift in a special operation week, affected seniority part time employees shall be offered work on other shifts in their building. Part time employees who sign up for such work shall work as directed on the shift selected. They shall have seniority among themselves. Not less than one week prior to the agreed to special operation week, affected part time inside employees shall be offered their options within their building in seniority order. Employees shall indicate their selection on a form provided by the Employer.

2. Ninety (90) Minute Gap Review

The Employer shall periodically review full time combination jobs that have over an hour break between segments and where possible shall reduce the gap.

UPS/Local 705 Dues Payroll Agreement

1. At the end of each month, UPS advises the Union of how much money was deducted from member/applicant payroll deductions during the current month. The Union then provides UPS with a monthly listing of how much to deduct each payroll period on each member based on the following criteria.

2. A joint Local 705/UPS Dues Committee agreed to this process for all dues deductions. The maximum weekly catch up rates shall be tied to the member's monthly dues rate plus assessment without regards to full time or part time status. The assessment rate is tied to full-time part-time status as noted below. If a member is current, the standard weekly deductions shall remain one-fourth of the member's monthly dues plus assessment rate.

Monthly Dues/ Assessment	Standard Weekly Rate Deductions	Maximum Weekly Deduction
\$26.00 or less		\$6.50
Over \$26.00 through \$40.00	Over \$6.75-\$10.00	\$13.00 per week
Over \$40.00 through \$50.00	Over \$10.25-\$12.50	\$20.00 per week
Over \$50.00 through \$60.00	Over \$12.75-\$15.00	\$25.00 per week
Over \$60.00 through \$70.00	Over \$15.25-\$17.50	\$30.00 per week
Over \$70.00 through \$80.00	Over \$17.75-\$22.00	\$35.00 per week
Over \$80.00 through \$90.00	Over \$20.00-\$22.50	\$40.00 per week
Over \$90.00 through \$100.00	Over \$22.50-\$25.00	\$45.00 per week
Etc.		\$50.00 per week

3. The IBT Constitution sets the monthly dues at 2 ½ times the member's hourly rate (rounded to the nearest whole dollar) for all members earning in excess of \$11.00 per hour.

In addition, members identified as full time shall be billed a special assessment of \$8.00 per month and members identified as part time shall be billed a special assessment of \$4.00 per month.

4. Dues and fees are deducted from all new hires from the first payroll check. The new expanded schedule shall start with the first paycheck in July 2019. (August, 2019 remittance) Until they get added to the Union's computer program at the correct "cap rate", new member deductions shall be at the rate of \$20.00 per week.

5. All union deductions shall show on UPS payroll checks as Dues and shall be applied to dues, initiation and/or assessments in accordance with the rules set in the Union's Bylaws and Constitution.

6. Full Time Combination employees, who have two different pay rates for the two halves of their full-time job shall have their hourly rate for the purpose of monthly dues calculated on the basis of their blended pay rate (Rate 1 plus Rate 2 divided by 2). This is the pay rate at which vacation and holidays are paid.

3. UPS Chicago Area Consolidation Hub / Teamster Local 705 Feeder Department Agreement

United Parcel Service, Inc. and IBT Local 705 agree that the following terms shall apply to the CACH Feeder Department:

1. No more than fifteen percent (15%) of the CACH feeder board shall be Full-time (Non-CDL) Shifter positions (referred to hereafter as Full- Time Shifter). It is understood that this classification is not intended to eliminate the CDL shift jobs. The fifteen (15%) can only be increased by mutual agreement of the Company and the Union.
2. Article 22.3 Combination Shift employees who enjoy a higher rate of pay for the shift portion of the job will be red-circled at that rate until the position is vacated.
3. The top rate of pay for the Full-time Shifter positions shall begin at the midpoint between the Tractor Driver rate and the Inside Jobs (After July 31, 2002) rate.
4. There shall be no cross-over bidding between CDL Feeder and Full-time Shifter feeder boards during the bi-annual bids. (Article 22.3 Combination Shifter employees shall remain separate and do not participate in bi-annual bidding).
5. Full-time Shifters and Article 22.3 Combination Shifters shall have the opportunity to when qualified, add their name to the feeder qualified list should they wish to become CDL Feeder drivers.
6. CDL Feeder drivers desiring a Full-time Shift job shall indicate in writing, to the Company and the Union, their desire to obtain said position at the appropriate rate of pay.
7. No more than twenty-five percent (25%) of any bid start time shall be comprised of bid Full-Time Non-CDL

shift jobs unless by mutual agreement of the Company and the Union.

8. Included in the fifteen percent (15%) described in bullet point #1 above, shall be the current eighteen (18) Article 22.3 employees whose jobs include shifting. These jobs will not be replaced as Article 22.3 shift combination jobs when vacated, but will be reconfigured as other Article 22.3 jobs without shift content. It will be considered a permanent vacancy in accordance with the terms of Article 44. Section 5(b) should an Article 22.3 Combination Shifter work eight (8) hours or more per day in the shifting portion of his/her job. Abuses of this provision will be subject to the grievance machinery.
9. When it becomes necessary to reduce the workforce, the layoffs shall be in reverse order of seniority. Said laid-off employees will have the rights afforded under Article 44. Section 4.
10. When further reductions are necessary, the Feeder Drivers will be laid-off next in reverse order of seniority. Said laid-off employees will have the right afforded under Article 44. Section 4.

Letter of Agreement Chicago Area Wage Adjustment for Part Time Employees

In light of the Market Rate Adjustment (“MRA”) program in the Chicagoland area, and in order to ensure compliance with the ever-changing requirements of Cook County and the City of Chicago, United Parcel Service, Inc. and Teamsters Local 705 agree to apply Article 22.5 of the Teamsters Local 705 and United Parcel Service Agreement as follows:

Seniority employees as of Date of Ratification (“affected employees”) whose hourly wage rate is less than \$15.00 per hour, will have their hourly wage rates converted to \$15.00 an hour. Such wage rate conversions will be prospectively effective January 21, 2019, which is the planned expiration date of the current MRAs.

General wage increases will not be applied until August 1, 2021.

In the event future MRAs are applied to any part time employee whose wage rate did not increase as a result of this LOA, those MRAs will not result in such new employees receiving an MRA hourly rate that exceeds the rate paid to the affected employees. If economic conditions change, the Parties agree to meet and discuss the need for changes to this LOA.

Letter of Agreement
Seasonal Feeder Driver Market Rate Adjustments

United Parcel Service, Inc. and Teamsters Local 705 agree that if any Market Rate Adjustment (“MRA”) is applied to seasonal feeder drivers, all feeder drivers in that location who are currently in progression will have their hourly rates increased to match those of the seasonal feeder drivers for the duration of the MRA.

This is written to clarify the intent of the Parties with respect to Article 40, Section 1(a). The language contained in 40.1(a) is not intended to allow Air drivers to make ground pick ups prior to the regularly scheduled driver's arrival or sweep high volume accounts. An exception has made the pick up, and is an infrequent and non-routine occurrence.

United Parcel Service (UPS) and IBT, Local 705 ("Local 705") agree that Local 705 drivers shall be permitted to wear brown hooded sweatshirts during inclement weather.

