

AGREEMENT - SUPPLEMENT

Agreement for the period of August 1, ~~2013~~ **2018** through July 31, ~~2018~~ **2023**

This agreement has been entered into between UNITED PARCEL SERVICE, INC., or its successors, hereinafter referred to as the Employer, and the below listed Local Unions of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA, hereinafter collectively referred to as the Unions

70, 87, 137, 150, 287, 315, 386, 431, 439, 533, 665, 856, 890, 912, 948, 2785.

The Union consists of any Local Union which may become a party to this Agreement and any Addenda as hereinafter set forth. Such Local Unions are hereinafter designated as "Local Union".

ARTICLE 3 - SENIORITY AND LAYOFFS

SECTION 1 - PROBATIONARY PERIOD/TRIAL PERIOD

(a) Full-time employees hired from October 1st through December 31st of any year shall not accrue seniority. Any such employee will be responsible for any Hiring Hall fees required by the Local Union involved. A new full-time employee shall attain seniority when he/she has worked thirty (30) days within a one hundred twenty (120) consecutive day period.

A new full-time employee hired into the package car classification may have up to an additional ten (10) working days at the beginning of his/her probationary period, which may result in a total probationary period of up to forty (40) worked days within a one hundred twenty (120) consecutive day period, provided that all such additional time is spent in classroom training. Prior to attaining seniority, as defined in this Section, the employee, other than those employees attempting to transfer from part-time to full-time positions, shall be considered a probationary employee and may be discharged without such discharge being subject to the grievance procedure. However, the employer shall not discharge or otherwise discipline a probationary employee for purposes of evading the terms of this provision or to discriminate against Union members. Upon completion of the probationary period, the employee shall be given a seniority date as of his/her first day worked within such one hundred twenty (120) day period.

(b) Seniority order for all purposes for employees with ~~common~~ **the same fulltime** hiring dates shall be determined **first by the employee with the highest part-time building seniority date being the highest seniority employee. In the event that the part-time dates are also the same, then seniority will be determined** by the drawing of lots. Such drawing shall be made in the presence of a Union representative and an Employer representative.

(c) A part-time employee who has gained full-time seniority shall have his/her accrued vacation cashed out within ten (10) days after gaining full-time seniority.

SECTION 3 - NOTICE OF LAYOFF

All employees are to be given notice posted ~~on~~ in a bulletin board designated location which the Labor Manager and the Union will mutually decide, for the assignments of the work week, start times of and impending layoffs not later than the beginning of the last shift worked prior to the commencement of such layoffs. It is the responsibility of the employer to notify by phone, any affected employees that are not working the day of the posting. All phone calls will be verified by a shop steward of the Local Union and a log be maintained. It is the responsibility of the employee to insure his/her contact information is accurate. The Union will be provided a copy of the layoff notices by fax or by email on the same day they are posted. The above notice of layoff shall not apply during any emergency beyond the Employer's control, provided notification is given to the employee at least one (1) hour prior to the start of the employee's shift.

SECTION 6 - CLOSED OR PARTIALLY CLOSED CENTERS OR HUBS

Whenever a center or hub is closed or partially closed, the employees affected will be entitled to follow the work and their seniority will be dovetailed in the new location. In the event the employees affected elect not to follow the work, it shall be offered to the other employees at the center or hub in seniority order. In the event no employee elected to follow the work and it becomes necessary to reduce the working force, the provisions of Article 3, Section 2 Application of Seniority, shall apply. In the event of closing or partially closing any hub or operating center, the Employer shall notify the Union of its intent and post the amount and type of positions affected and the date of such contemplated action at least thirty (30) days in advance.

(a) Transfers: In cases of proven need it is agreed by the Employer and the Local Union involved, that an employee shall be permitted to transfer from one (1) company facility to another, provided said employee has a Transfer Request Form on file stating his/her ~~reasons and~~ desired facility into which they wish to transfer. Any such transfer shall take place only within the area covered by the Northern California Supplemental Agreement and only prior to hiring from the outside. Any such transfers shall be limited to ~~four (4) people, two (2) full-time and two (2) part-time,~~ per year per destination facility. Such employees shall retain company seniority for the purpose of fringe benefits but shall be placed at the bottom of the appropriate seniority list. It is the employee's responsibility to verify all benefits at the requested transfer location. Benefits may vary by state and location. The medical, dental, vision, retiree medical coverage and pension rates may be less or non-existent in the location you desire. Contact the Local Union having jurisdiction over the area you wish to transfer to for all information pertaining to the area benefits.

SECTION 8 - SENIORITY LIST

The Employer shall post and maintain a current seniority list at all times in a conspicuous place at each operating center. Said list shall be considered to be correct as posted unless a protest is registered with the Employer and the Union within thirty (30) days from date of posting. At the time of posting, a copy will be faxed, ~~or mailed~~ or emailed to the Local Union, ~~or e-mailed upon~~

request of the Local Union. **These lists will include a master full-time, feeder, package, and 22.3 list. The Company will provide a copy of these lists every six (6) months.**

ARTICLE 7 - GRIEVANCE PROCEDURE

SECTION 5 - SELECTION OF AN IMPARTIAL ARBITRATOR

The parties shall choose an impartial arbitrator and the decision of the impartial arbitrator shall be final and binding on both parties. Said impartial arbitrator shall be selected from an agreed upon list mutually selected by the parties.

The Arbitrators mutually agreed to are:

1. Ames, Claude
2. ~~Askin, Charles~~ **Katherine Thompson**
3. Brogen, Margaret
4. Durick, Michael
5. Kagel, John
6. ~~Staudohar, Paul~~ **Guy Prihar**
7. Winograd, Barry
- 8. Stephan Hayford**
- 9. Mark Brustein**

If any of the above becomes unavailable, the replacement shall be mutually agreed on within forty-five (45) days of knowledge.

After a toss of a coin to decide which party shall move first, the representative of the Employer and the representative of the Union shall alternately strike one (1) name from the list until one (1) name remains and such person shall be the arbitrator for the case. The last name stricken shall be the alternate arbitrator to serve in the event the first (1st) arbitrator is not available. This procedure shall be followed until there is an available arbitrator. It is understood that the time limits referred above may be waived by mutual agreement of the parties.

ARTICLE 12 - GENERAL PROVISIONS

SECTION 1 - REST PERIODS

All employees shall be allowed to take a rest period **of fifteen (15) minutes** during the first (1st) half of any shift and a rest period **of fifteen (15) minutes** during the second (2nd) half of any shift. **A third break of ten (10) minutes will be allowed at ten (10) hours.** House rules regarding the time for such periods shall be mutually agreed upon between the Employer and the Principle Officer or other full-time employee of the Union. Disagreements under this Section will be referred to United Parcel Service and the Union Policy Committee.

SECTION 6 - TIME CLOCKS

The Employer shall install time clocks. Such time clocks must be kept accurate. Employees shall punch in on such time clocks when they report to work and shall punch out when all work is completed. The Employer shall not alter an employee's time card in any manner without clearing the alteration with the employee. Upon request, an employee may inspect the record of his/her time for the previous day's work. An employee will be allowed to view the operation report for the current pay period for the purpose of checking his/her hours worked. The Employer agrees to provide forms for the employee to record his/her daily starting and ending times. The Company agrees to audit, on a regular basis, to ensure the availability of time clocks in all operations at the same locations as any other device used to record employees work time.

In accordance with Article 12 of the NMUPSA an employee's hours worked and rate of pay shall be available for review electronically by the affected employee on a Company maintained website.

All time clocks shall be converted so as to record time in hundredths.

SECTION 9 - PHYSICAL EXAMINATIONS

If the Employer requests an employee to take a physical examination, including examinations required by the Department of Motor Vehicles, Public Utilities Commission or Interstate Commerce Commission, the Employer shall bear the costs of such examination and shall compensate the employee for the time involved in taking the examination. The Employer shall also bear the cost of pre-employment physical examination if such examination is required. Time spent for pre-employment examinations shall not be paid for, this includes part-time to full-time employment.

~~The company shall be prohibited from including on any medical forms language obligating the employee to release medical records regarding his/her medical history.~~

The Company will not ask employees to sign any medical release forms that give it unlimited access to employees' medical history/information. UPS may request employees sign a form to release the minimum medical information/history necessary to address employee issues (e.g., ADA release form shall not require release of any medication history/information except for the information relevant to the restrictions that require an accommodation) or to comply with applicable law (e.g. Workers' Compensation, DOT drug test results). Both parties agree that there are certain third party administrators of UPS programs (i.e. Workers' Compensation, FMLA, LTD) that may utilize their own release forms. However, when signing a release with the third party administrator, the Company will have no access to that medical history/information, with the exception of information that the third party administrator must share with the Company due to applicable laws and regulations or that is necessary for UPS to administer the program according to its terms and/or applicable law. Any information released to UPS in accordance with this section will

be retained in accordance with the Company's Record Retention Schedule and in no event will they be used or disclosed except as otherwise permitted by this section.

The Employer reserves the right to select its own medical examiner or physician and the Union may, if it believes an injustice has been done an employee, have said employee re-examined at the employee's expense.

In the event of disagreement between the physician selected by the Employer and the physician selected by the employee, the Employer and the employee's physician shall together select a third (3rd) physician within thirty (30) days whose opinion shall be final. The third (3rd) physician's fees shall be equally divided between the employee and the Employer.

The Employer or its designee shall not visit an employee at his/her home, without his/her consent. No representative of the Employer shall be permitted to accompany an employee while he/she is receiving medical treatment and/or being examined by a medical provider, without the employee's consent.

ARTICLE 20 - TERM OF AGREEMENT

This Agreement shall become effective August 1, ~~2013~~ **2018** and shall continue in full force and effect to and including July 31, ~~2018~~ **2023**, and shall be considered as renewed from year to year thereafter unless either party hereto shall give written notice to the other of its desire to modify or terminate the Agreement, and such notice must be given a least sixty (60) days prior to the expirations of this Agreement

ARTICLE 21 – JOB CLASSIFICATION AND RATE OF PAY

SECTION 1

Job classifications and straight time hourly rates of pay are as follows:

| | <u>8/1/18</u> | <u>8/1/19</u> | <u>8/1/20</u> | <u>8/1/21</u> | <u>8/1/22</u> |
|--|----------------|----------------|----------------|----------------|----------------|
| Package Driver | <u>\$37.19</u> | <u>\$37.94</u> | <u>\$38.74</u> | <u>\$39.64</u> | <u>\$40.64</u> |
| Delivery Center Positioner | <u>\$37.11</u> | <u>\$37.86</u> | <u>\$38.66</u> | <u>\$39.56</u> | <u>\$40.56</u> |
| Automotive Service | <u>\$36.66</u> | <u>\$37.41</u> | <u>\$38.21</u> | <u>\$39.11</u> | <u>\$40.11</u> |
| Center Clerks | <u>\$36.18</u> | <u>\$36.93</u> | <u>\$37.73</u> | <u>\$38.63</u> | <u>\$39.63</u> |
| Forklift Drivers | <u>\$37.19</u> | <u>\$37.94</u> | <u>\$38.74</u> | <u>\$39.64</u> | <u>\$40.64</u> |
| Air Shuttle Drivers | <u>\$37.19</u> | <u>\$37.94</u> | <u>\$38.74</u> | <u>\$39.64</u> | <u>\$40.64</u> |
| Tractor Drivers and Hostlers: (Including Casuals) | | | | | |
| Single | <u>\$37.36</u> | <u>\$38.11</u> | <u>\$38.91</u> | <u>\$39.81</u> | <u>\$40.81</u> |
| Doubles | <u>\$37.54</u> | <u>\$38.29</u> | <u>\$39.09</u> | <u>\$39.99</u> | <u>\$40.99</u> |
| <u>LCV (2-40 or Triples)</u> <u>(Long Combination Vehicles)</u> | <u>\$38.19</u> | <u>\$38.94</u> | <u>\$39.74</u> | <u>\$40.64</u> | <u>\$41.64</u> |

All full-time employees who have attained seniority as of August 1st, ~~2013~~ **2018** shall receive the following general wage increases:

Effective Date **Amount**

| | |
|-----------------------|---------------|
| <u>August 1, 2018</u> | <u>\$.70</u> |
| <u>August 1, 2019</u> | <u>\$.75</u> |
| <u>August 1, 2020</u> | <u>\$.80</u> |
| <u>August 1, 2021</u> | <u>\$.90</u> |
| <u>August 1, 2022</u> | <u>\$1.00</u> |

Full-time employees still in progression on the effective date of this Agreement shall receive the above contractual increases and will be paid no less than what they are entitled to in accordance with Article 41, Section 2 of the ~~2013-2018~~ **2018 – 2023** Master Agreement.

Article 22.3 Positions (inside/inside) see Article 41.3 of the National Master Agreement.

Article 22.4 Positions (drivers-driver hub) see Article 41.4 of the National Master Agreement)

~~(Inside/Air & Driving)~~ see Article 40.6 and 41.3 of the National Master Agreement.
(All above rates reflect a 12¢ per hour COLA increase given in 2011)

Full time Employees Hired During Seasonal Period (November 1 through January 15th) 75% of start rate

Any employee who is assigned to deliver packages other than from a package car (i.e. bicycles, golf carts, etc.), including delivering out of another location, will be paid at their appropriate package rate of pay.

| | | | | | |
|---------------------|------------------|------------------|-------------------|-------------------|-------------------|
| | 20138 | 20149 | 201520 | 201621 | 201722 |
| Inside Peak | | | | | |
| Season Helper | <u>\$15.80</u> | <u>\$15.80</u> | <u>\$15.80</u> | <u>\$15.80</u> | <u>\$15.80</u> |
| Off the Street Peak | | | | | |
| Season Helper | <u>\$11.00</u> | <u>\$11.00</u> | <u>\$11.00</u> | <u>\$11.00</u> | <u>\$11.00</u> |

Class “C” drivers pulling pup trailers or scat trailers with a package car shall be paid thirty (\$.30) cents per hour in addition to their normal rate of pay for the entire day.

Vans (Bobtails): All drivers who operate large vans (bobtails) will have an additional ten (\$.10) cents per hour added to their existing wage rate when working in this classification.

SECTION 2

- a. **The wage progression for employees entering a regular package car driving or other full-time job (other than feeder, an air driver or a job covered by Article 41, Section 2 of the 2018-2023 Master Agreement) position after August 1, 2018 shall be as follows:**

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

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

Part-time employees on the payroll as of July 31, 2013 ~~2018~~, who are subsequently promoted to full-time employment under this progression, will be red circled until such time as the calculated progression rate exceeds that rate. The transfer date will become his/her full-time start date for purposes of applying the above progression.

When a part-time employee bids to a full-time classification under this progression where the top rate of the full-time classification is less than his/her current rate, the employee shall be placed at the top rate of the new classification immediately.

- b. **Full time wages for Article 22.4 Jobs (In accordance with Article 41 Section 4) Part-time employees whose rates are higher than those set forth below who bid into a full-time 22.4 job covered by this Section shall be paid their current inside wage rate plus the general wage increases.**

Employees in the Article 41 Section 4 of the National Master Agreement in progression of the prior Agreement as of the date of ratification shall be slotted into the new progression above.

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

| | |
|---------------------------------------|------------------------|
| <u>Start</u> | <u>\$20.50</u> |
| <u>Twelve (12) months</u> | <u>\$21.25</u> |
| <u>Twenty-Four (24) months</u> | <u>\$22.75</u> |
| <u>Thirty-Six (36) months</u> | <u>\$25.00</u> |
| <u>Forty-Eight (48) months</u> | <u>Top Rate</u> |

The top rate shall be \$30.64 plus the general wage increases provided in Article 41, Section 1 of the National Master Agreement.

Full-time employees who bid into a full-time 22.4 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.

- a. The following wage progression schedule shall cover all full-time employees except apprentices, who are in progression as of August 1, 2013. The three (3) year progression will also remain in

~~effect from the date this Agreement becomes effective until August 1, 2013 for those employees entering during this period a full-time job other than package, feeder, air or one covered by Article 41, Section 3 of the 2013-2018 Master Agreement.~~

| | |
|------------------------------------|-----------------------|
| Start | \$16.10 |
| Seniority | \$17.25 |
| Twelve (12) months | \$18.45 |
| Twenty-four (24) months | \$20.75 |
| Thirty-six (36) months | (top rate) |

~~Part-time employees on the payroll as of July 31, 2008, who are subsequently promoted to full-time employment under this progression, will be red circled until such time as the calculated progression rate exceeds that rate. The transfer date will become his/her full-time start date for purposes of applying the above progression.~~

~~When a part-time employee bids to a full-time classification under this progression where the top rate of the full-time classification is less than his/her current rate, the employee shall be placed at the top rate of the new classification immediately.~~

~~b c.~~ 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 job and has not previously held a job which includes driving duties. In such event, the employee will have a break-in rate equal to the employee's current wage rate until six (6) months from the date the employee entered the job. The employee will then go to the prevailing top rate. A part-time air driver who has completed the Article 40 progression, bids a full-time inside job and then a driver job within two (2) years shall have the same break-in period.

~~c.~~ The progression for employees entering a package car driving or other full-time job (other than feeder, an air driver or a job covered by Article 41, Section 3 of the 2013-2018 Master Agreement) position after August 1, 2013 shall be as follows:

| | |
|------------------------------------|-----------------------|
| Start | \$18.75 |
| Seniority | \$18.75 |
| Twelve (12) months | \$19.50 |
| Twenty-four (24) months | \$21.00 |
| Thirty-six (36) months | \$25.00 |
| Forty-eight (48) months | (Top Rate) |

Part-time employees on the payroll as of July 31, ~~2013~~ **2018** who subsequently are promoted to full-time employment under this paragraph will be red circled until such time as the calculated progression rate exceeds that rate.

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.

Notwithstanding Article 41 of the National Master United Parcel Service Agreement, the Company recognizes the past practice in Nor Cal that there is no progression for full-time or part-time employees who successfully qualify in a tractor trailer/feeder classification, and the pick up or delivery of ground packages (Utility work) initiates full-time progression for a part-time employee.

Full-time Inside Wages – See Article 41, Section 3 of the National Master Agreement

ARTICLE 22 - HOURS OF WORK

SECTION 3 - OVERTIME

The overtime rate shall be one and one half (1 1/2) times the regular straight time rate. However, the rate of double (2) time shall be paid for all work performed on Sundays. The overtime rate shall be paid for all hours worked:

- (a) Before the employee's regular starting time or after the employee's regular quitting time;
- (b) In excess of eight (8) hours in any workday;
- (c) In excess of forty (40) straight time hours in any work week;
- (d) For all hours worked on a sixth (6th) day of ~~work during~~ the **scheduled** work week;
- (e) ~~For work on Saturdays for those employees on a Monday through Friday workweek.~~ **Double time (2 times) for all hours worked on a seventh (7th) day of the scheduled work week.**
- (f) Weekend work, holidays, special sorts, Article 22.3 employees are eligible to work based on building seniority and qualifications with the eight (8) hour shift guarantee waived if there is not eight (8) hours of work. Daily extra work, double shifting will be subject to building seniority and qualifications.

The Employer agrees that extra overtime in a classification (over-time that is not part of the employee's daily assignment) shall be offered to the senior employee in that classification on the seniority list who is available for the assignment. This shall be confined to the original assignment and one (1) further move by seniority.

All 9.5 protections and violations of said protections, will fall under Article 37 Section 1 of the National Master Agreement.

~~The Company shall continue its efforts to reduce overtime where requested. If the review does not indicate that progress is being made in the reduction of assigned hours of work, the following language shall apply. An employee shall have the right to file a grievance if the Company has continually caused him to work over nine and one half (9 1/2) hours per day. The Company agrees to abide by the language approved at the National table. In addition, the Company will continue its panel practice regarding excessive overtime when deemed applicable by either mutual agreement of the Labor Management parties involved or by the grievance committee. This procedure shall not apply in the peak season of November 1st through January 15th. The company recognizes the desirability to minimize the number of employees working during holiday periods.~~

ARTICLE 26 - HEALTH AND WELFARE

The existing Health and Welfare Plans contained in the Local Rider agreements attached hereto shall be continued during the life of this Agreement. The present level of benefits under the Health and Welfare Plans shall be maintained during the life of this Agreement. Any increase in premium necessary to maintain the present level of benefits during the life of this Agreement shall be borne by the Employer.

A total of \$1.00 per hour has been negotiated for Health and Welfare and Pension contributions for each year of the contract. If maintenance of benefits for Health and Welfare increases are less than \$1.00 per hour, the remainder will be allocated for pension contributions on August 1st of each contractual year.

~~8/1/13 ————— \$.50 per hour contributed to the pension.~~

8/1/14 18 \$1.00 per hour Health and Welfare increase to be determined by plan.

8/1/15 19 \$1.00 per hour Health and Welfare increase to be determined by plan.

8/1/16 20 \$1.00 per hour Health and Welfare increase to be determined by plan.

8/1/17 21 \$1.00 per hour Health and Welfare increase to be determined by plan.

8/1/18 22 \$1.00 per hour Health and Welfare increase to be determined by plan.

In the event the Health and Welfare plans increase is over \$1.00 per hour in a contractual year, maintenance of benefits will cover all increases over \$1.00 per hour and there will be no pension increases for the affected contractual year. (Pension rates will vary depending on Health and Welfare costs which may be different in each plan.)

The Employer shall post on the bulletin board in each center a copy of the reporting forms sent to the Administrators of the Security Funds.

It is further understood where any individual health and welfare trust listed in any of the local Rider Agreements which are part of this Agreement provides for uniform contributions by all Employers which may exceed the above contributions, the Employer agrees to make such required uniform contributions to such individual trust commencing on the date such additional contributions may be due.

Any questions regarding your health and welfare, please contact your Local Union.

ARTICLE 28 - LEGAL SERVICES TRUST FUND

The Employer agrees to contribute ten cents (10 cents) per hour up to a maximum of seventeen dollars and thirty cents (\$17.30) per month for each regular employee into the Western Conference of Teamsters Legal Services Trust Fund for the purpose of providing for employees and their dependents, legal benefits as provided by the Trust. Effective August 1, 2008, an additional five cents (5¢) per hour shall be allocated from the new increase in pension monies to the Western Conference of Teamsters Legal Services Trust Fund for each regular employee and the maximum amount per month shall be increased to twenty-five dollars and ninety-five cents (\$25.95).

Effective August 1, 2018 the Employer will contribute only ten cents (\$0.10) per hour up to a maximum of seventeen dollars and thirty cents (\$17.30) per month for each regular employee in the Western Conference of Teamsters Legal Services Trust Fund and each local union will divert the five cents (\$0.05) per hour allocation established on August 1, 2008 to offset retiree contribution amounts for retiree medical coverage or to employee pensions. The diversions shall be to the applicable trust fund and in accordance with established remittance rules and practices. The diversion shall be paid by the employer for all hours compensated including overtime hours, up to a maximum of 2080 hours per year. Allocations may only be diverted in accordance with the Memorandum of Understanding (MOU).

ARTICLE 29 - MISCELLANEOUS PROVISIONS

SECTION 12 - 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. Time off shall not extend beyond the day of the funeral unless an additional day is required for travel, except as provided below. In no event will total compensated time off exceed four (4) scheduled work days. The employee will be reimbursed at eight (8) times the employee's straight time hourly rate for each day lost from work for those employees whose regularly scheduled workweek is five (5) days, and ten (10) times the straight time hourly rate for those employees whose regularly scheduled workweek is four (4) days.

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.

Members of the employee's family means spouse, child, stepchild, grandchild, father, mother, brother, sister, grandparents, mother-in-law, ~~and father-in-law~~ **and step parents**. ~~Part-time employees will enjoy the same benefits as above, paid at four (4) times the employee's hourly rate.~~

An employee shall be allowed one (1) day off to attend the funeral of a sister-in-law or a brother-in-law. Reimbursement for this day shall be the same as outlined above.

ARTICLE 31 - FEEDER DRIVERS

SECTION 8 - INTERPRETATION OF BREAKDOWN AND IMPASSABLE HIGHWAYS

In any instance of breakdown or impassable highway, which prevents an employee from proceeding to his/her destination (or if instructed, from returning to the point of departure) the employee shall be paid the applicable hourly wage for all time the employee is required to remain with the equipment and until such time as the employee arrives at a place of lodging, with overtime payments if appropriate but in no event less than the daily guarantee the employee was otherwise entitled to.

Once an employee arrives at a place of lodging, the employee shall be considered as released from duty without pay for the next ~~eight (8)~~ **ten (10)** hours (or any portion thereof) and shall thereafter be paid the daily guarantee for the first eight (8) or ten (10) hours applicable (or portion thereof) out of each succeeding twenty-four (24) hour period until such time as he/she is able to resume his/her trip.

Actual hours necessary to complete the trip upon leaving the place of lodging shall be paid at the applicable hourly wage rate and all hours paid shall be considered in computing weekly overtime. The employee shall be reimbursed for all meals and lodging upon presentation of proper receipts.

**FOR INTERNATIONAL BROTHERHOOD OF
TEAMSTERS**

By: Marty Frates
Negotiating Committee Chairman

FOR NEGOTIATING COMMITTEE

By: Dave Hawley
By: Marty Frates
By: Peter Nunez
By: Alberto Ruiz
By: Perry Hogan
By: Joseph Cilia
By: Mike Yates
By: Debbie Calkins
By: Mark Hawkins

FOR UNITED PARCEL SERVICE

By: Robert Pina
Negotiating Committee Chairman

FOR NEGOTIATING COMMITTEE

By: Lindsay Marshall
By: Brian Person
By: Michael Carnefix
By: Robert Pina
By: Frank Cademarti
By: Veronica Angin
By: Chad Crouch
By: Robert Lawson

By: Lori Seymour
By: Sal Mignano
By: Mark Oty
By: Ryan Thibodeau

IN WITNESS WHEREOF, the parties hereto have set their hands and seals, except as to those areas where it has been otherwise agreed to between the parties.

FOR TEAMSTER LOCAL UNIONS:

No. 70 By: Marty Frates, Mark Hawkins
No. 87 By: Joseph Sumlin
No. 137 By: Dave Hawley, Ken Malcolmson
No. 150 By: Perry Hogan, Dale Wentz, Alan Daurie
No. 287 By: Jerry Sweeney
No. 315 By: Don E. Garcia, Alberto Ruiz, Nick Berry
No. 386 By: Jeff Berdian, Bryan Ronngren
No. 431 By: Peter Nunez
No. 439 By: Geoff Donnelley, Steve Lins, Alex Roybal
No. 533 By: Debbie Calkins
No. 665 By: Mike Yates
No. 856 By: Malia Vella
No. 890 By: Jose Perez
No. 912 By: Steven Lua
No. 948 By: Adam Ochoa
No. 2785 By: Joseph Cilia, Troy Mosqueda

ADDENDUM NO. 2

LOCAL 856

Scope of Agreement

(a) The execution of this Supplemental Agreement on the part of the Employer shall cover office and clerical employees employed by the Employer excluding, however, the classifications set forth immediately below.

(b) The following classifications of employees are specifically excluded from the coverage of this Supplemental Agreement.

(1) Confidential employees, supervisory and professional employees within the meaning of the Labor Management Relations Act of 1947 as amended;

(2) Employees already covered by an existing Union contract;

(3) Dispatchers exercising independent judgment with respect to the responsibility for directing the work or recommending hiring and firing. It is the intention of the parties hereto that the aforesaid exclusions shall be governed by the duties commonly and regularly performed by employees and shall not depend upon mere title.

Employment Agency Fees

If employees are hired through an employment agency, the Employer is to pay the employment agency fee. However, if the Union was given equal opportunity to furnish employees under Article 2, Section 2(b) of the Agreement, and if the employee is retained through the probationary period, the fee need not be paid until the thirty first (31st) day worked by the employee. After contacting the Local Union, temporary agency employees may be used only when the Local Union is unable to furnish temporary employees. Temporary employees will be defined as any employee who will work one (1) week or less.

Shift Differential

A shift differential shall be paid in accordance with Article 29, Section 9, of the Agreement; provided, however, a full-time employee on the payroll of the Employer as of ratification date who

is receiving ten percent (10%) shift differential, and who would suffer a reduction in earnings shall receive the equivalent in cents per hour based on their straight time hourly rate in effect on July 1, 1973, and shall continue to receive such cents per hour shift differential as long as such employee remains on such shift.

Transfers and Job Bidding:

Moves within a District will be handled in the following manner:

(a) Jobs Posted For Bid:

Seniority employees desiring to move to another location within the district must submit a written request to their Manager and a copy to the Local Union. The request will be retained in the Personnel office.

All written requests must designate the exact building desired. The request must be signed, dated and filed in the Employer's Personnel department and with the Union prior to any job posting. Only written transfer requests on file prior to a job posting will be considered as bids for a job.

These letters must be updated yearly by the employee in order to remain active. Only the most current letter of transfer to one specific building from any one employee will be considered. These requests require legitimate reasons to be considered.

All permanent jobs not bid in any location will be awarded to the highest senior employee on the relief list. Relief Clerks shall not be allowed to bid permanent openings within their location.

(b) Layoffs of Over One Week Duration:

- 1) Laid off employees may elect to displace any junior employee in a bid job at another location in order to continue working providing however, that such employee is qualified to perform the work of the displaced employee. (Operational Clerks will be given the opportunity to qualify for all operational positions).

If a laid off employee refuses work during the five (5) day period, they will not be eligible to displace another employee. The five (5) consecutive day chain will be considered broken.

- 2) Employees electing to displace the junior employees at another location may bid future jobs posted in that location after being relocated, and will be awarded the bid provided such employee is the most senior bidder.

- 3) Employees laid off may elect to take the layoff until recalled.

(c) In reference to the above understanding, it is agreed that the seniority will be dovetailed for all purposes.

(d) Job Reassignment: Job reassignments will be on an as-needed basis only, due to reduction or transfer of the work. Seniority will be recognized in all job reassignments.

(e) When a senior employee is laid off, he or she may exercise their seniority to displace any junior employee at their location for which they are qualified to perform the work. The displaced employee may use his or her seniority to displace any junior employee at the location for which they are qualified to perform the work, or they may elect to take the layoff.

With respect to permanent job openings occurring during the periods from October 1 through and including December 31, any new hires taking such job openings during this “seasonal non-seniority period of time”, shall accrue seniority and other contract benefits as if they had been hired during any other part of the year.

Any newly established job classification will be negotiated at the time the job is created.

Any employee laid off on the workday immediately preceding or immediately following one of the holidays shown in Article 24 of the Agreement shall receive eight (8) hours pay at such employee’s regular rate of pay for each such day laid off. The above shall not apply when the layoff is the result of bona fide lack of work or for other reasons beyond the control of the Employer. It is intended to discourage a layoff for the sole purpose of working an employee less than the full week, during a week in which a holiday falls.

When a lead clerk is appointed by the Company, he/she will receive fifty cents (\$.50) per hour above their current rate of pay. The Company has the sole right in appointing lead clerks. Seniority has no application in the classification and therefore, no bidding will be conducted. Also the Company has the right to use or not use this position as it sees fit, without the Union’s interference.

Temporary Job Bids: In cases of temporary job openings caused by some type of absenteeism, the Employer should determine the actual or anticipated length of the absence. If the length of the absence is known from the outset to exceed thirty (30) working days, the Employer shall post a temporary job bid for such job opening stating not only qualifications, but the estimated length of the temporary job opening. If the actual length of absence at the outset is not known and it becomes known within thirty (30) working days that the absence will be at least sixty (60) days from the outset, the aforementioned temporary job bidding procedure shall take place.

The bidding procedure will be conducted in the usual contractual manner. If the job is successfully filled by a Local 856 union employee, the second opening thus created should be filled by assignment in the usual contractual manner.

Any employee who holds a permanent bid position and is in a temporary position may exercise his or her seniority in bidding any other permanent position or temporary position which becomes available. If no bid clerk should bid such available position, Relief Clerks who are not assigned to a position, will be assigned to the available position in seniority order. Relief Clerks are only allowed to bid on jobs where they have a Letter of Transfer on file. Relief Clerks domiciled in that location who have more seniority will be placed in the open position in the usual contractual manner.

When the absent employee returns to work, the temporary job bidder shall return to his/her job. When and if it is determined the temporary job opening is to be a permanent job opening, it shall then be bid as such according to the contract. It is understood by the Employer and the Union that temporary Job Bids are confined to the location at which the absence occurs. Should no one bid a temporary job opening, the Employer shall fill such by the usual contractual manner.

Both UPS and Local 856 agree that Local 856 shall not be signatory to or subject to any Sort Agreement unless otherwise mutually agreed to.

Job Classification and Straight-Time Hourly Rates of Pay

All full-time seniority employees on the payroll as of July 31, 2013 **2018**, including employees on the wage progression schedule, will receive the following general wage increase as follows:

| <u>Effective Date</u> | <u>Amount</u> |
|-----------------------|---------------|
| August 1, 2013 | \$.70 |
| August 1, 2014 | \$.70 |
| August 1, 2015 | \$.70 |
| August 1, 2016 | \$.40 |
| February 1, 2017 | \$.40 |
| August 1, 2017 | \$.50 |
| February 1, 2018 | \$.50 |

| <u>Effective Date</u> | <u>Amount</u> |
|-----------------------|---------------|
| August 1, 2018 | \$.70 |
| August 1, 2019 | \$.75 |
| August 1, 2020 | \$.80 |
| August 1, 2021 | \$.90 |
| August 1, 2022 | \$1.00 |

Group 4
All Groups

| | | | | | |
|-------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Effective: | 8/1/2013 | 8/1/2014 | 8/1/2015 | 8/1/2016 | 2/1/2017 |
| Start | \$18.75 | \$18.75 | \$18.75 | \$18.75 | \$18.75 |
| Seniority | \$18.75 | \$18.75 | \$18.75 | \$18.75 | \$18.75 |
| Twelve (12) months | \$19.50 | \$19.50 | \$19.50 | \$19.50 | \$19.50 |
| Twenty-four (24) months | \$21.00 | \$21.00 | \$21.00 | \$21.00 | \$21.00 |
| Thirty-six (36) months | \$25.00 | \$25.00 | \$25.00 | \$25.00 | \$25.00 |
| Forty-eight (48) months | \$32.47 | \$33.17 | \$33.87 | \$34.27 | \$34.67 |

| | | |
|--------------------|---------------------|---------------------|
| Effective: | 8/1/2017 | 2/1/2018 |
| Start | \$18.75 | \$18.75 |
| Seniority | \$18.75 | \$18.75 |
| Twelve (12) months | \$19.50 | \$19.50 |

| | | |
|-------------------------|--------------------|--------------------|
| Twenty-four (24) months | \$21.00 | \$21.00 |
| Thirty-six (36) months | \$25.00 | \$25.00 |
| Forty-eight (48) months | \$35.17 | \$35.67 |

| Effective: | 8/1/2018 | 8/1/2019 | 8/1/2020 | 8/1/2021 | 8/1/2022 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Start | \$21.00 | \$21.00 | \$21.00 | \$21.00 | \$21.00 |
| Twelve (12) months | \$23.00 | \$23.00 | \$23.00 | \$23.00 | \$23.00 |
| Twenty-four (24) months | \$24.00 | \$24.00 | \$24.00 | \$24.00 | \$24.00 |
| Thirty-six (36) months | \$28.75 | \$28.75 | \$28.75 | \$28.75 | \$28.75 |
| Forty-eight (48) months | \$36.37 | \$37.12 | \$37.92 | \$38.82 | \$39.82 |

(All above top rates reflect a 12¢ per hour COLA increase given in 2011)

COLA (refer to National Master)

It is understood that if the training period is changed in the Supplemental Agreement that this change would be applicable to the operations groups listed above.

Rates of pay in this Addendum are applicable to all employees hired in the General Locals of the Agreement which are performing the classifications of work listed in this Addendum. Job descriptions for the above job classifications have been mutually agreed to by Local Union No. 856 and the Employer and are considered to be part of this Addendum No. 2.

Miscellaneous Provisions:

- 1) There shall be one (1) seniority list at each location of the Employer regardless of the fact that an employee has full-time or part-time status.
- 2) With regard to the six (6) month lock-in in the bidding process, such shall not apply to Union members of Local 856, but it is understood that a given employee shall not make excessive bidding moves. Changes of one (1) hour or more in start time will be handled under Article 3, Section 11 of the Supplemental Agreement, the intention being that employees whose starting times are changed by one (1) hour or more, first have the right to follow their job before requesting the bid procedure.
- 3) It is understood that part-time employees may be utilized as Customer Counter Clerks during the period commencing with Thanksgiving until Christmas, inclusive, in both the East Bay and North California districts. It is understood that part-time employees will not replace full-time employees and that part-time employees will not be scheduled back –to-back.
- 4) With respect to that certain letter of understanding pertaining to “RED CIRCLE” employees under the 1970-1973 Agreement, it is understood the intent is not to prohibit such employees from bidding to any classification and retraining the “RED CIRCLE” rate of classification bid into.

5) It is understood that the 1970-1973 Letter of Understanding regarding the “RED CIRCLE” employees will remain in effect throughout the life of this Agreement.

6) All newly hired employees who are referred to the Employer by Local 856 and who have one or more years experience in the transportation industry, shall be hired at the maximum rate provided for the classification hired, provided such employees are capable of performing the work for which they are employed.

7) The conditions under which regular part-time employees may be hired must first be approved by Local 856 except when already agreed to.

8) It is understood that employees who accept a permanent bid in the payroll department will be subject to a forty-five (45) working days qualification period where they will have to demonstrate proficiency in Excel and in 10-key skills. Those who do not satisfactorily qualify in these skills will be returned to their previous position. (Qualifications will be reviewed prior to awarding the bid).

9) The lunch period shall be no less than one half (1/2) hour in duration, unless otherwise mutually agreed to between the employee and the employer. The lunch period shall commence not less than four (4) hours after the employee starts work, and shall be completed not later than six (6) hours after the commencement of the employee’s actual start time.

JOB DESCRIPTIONS

General Ledger Clerk

- Post and balance general ledger reconciliations
- Analyze, verify and follow up on open balance detail until resolution
- Work with other entities to resolve un-reconciled items
- Analyze and reconcile bank statements
- Prepare office cash deposits for cashbook as needed
- Prepare various district tax returns
- Prepare and remit written correspondence
- Process stop payments using the banking on line computer system
- Prepare journal entries for monthly accounting close
- Must utilize advanced accounting, tax and accrual methods
- Maintain files and records in retention areas
- Prepare district year-end tax reporting
- Must utilize capitalization and accrual accounting principles
- Perform other duties as needed.

Payroll Clerk

- Employee must have an ability to work with payroll data and maintain confidentiality while working in a team environment
- Employee must possess excellent communication skills, both verbal and written
- Employee must have a strong math background, computer skills, 10 key skills and be able to interpret and apply Union contract rules

- Primary job responsibilities will be paying district payroll, auditing for accurate payroll details, auditing various payroll reports, including health and welfare pay, sick and vacation pay entitlements
- Processing payroll adjustments, separations, assignment changes and wage levy assignments
- Performs additional duties as directed
- Position requires working overtime as necessary.
- Minimum typing requirement 35 wpm.

Human Resource Clerk

- Maintains and controls HRIS
- Prepares safety reports and records
- Enters all appropriate information into electronic records system as necessary
- Performs other clerical duties as needed.

Data Key Entry Operator

- Key enters data into computer.
- Monitors activity on CRS.
- Send, process and print various jobs.
- Monitor and process check printing operation.
- Performs other duties as needed.

Automotive Clerk

- Handles all telephone inquiries
- Prepare, sort, post, record, maintain and file all appropriate automotive reports
- Compile, distribute and control Preventive Maintenance Inspection data
- Performs related duties as needed.

Data Processing Machine Operator

- Assigns, directs and checks the work of a group of data entry operators.
- Trains less experienced operators
- Assists in the scheduling of data entry jobs
- Monitors the activity and storing of information on Lan
- Monitors the flow of reports and information between Data Processing and other functions
- Responsible for reports and activities regarding CRS and Feeders.
- Capable of handling data entry requirements
- Capable of handling the processing of data through various software programs
- Capable of changing JCL language when necessary
- Performs other duties as needed

OPERATIONS GROUP

Bad Address Clerk

- Corrects addresses on parcels using phone book or other resources (electronic references), cross directories and reference material
- Telephones inquiries to last known phone number
- Completes proper records, logs and post cards.

Air Department Clerk

- Completes required inbound and outbound reports and records using various reporting systems, including but not limited to: ACARS, OPSLINK, GSS, ARINC, IDIS.
- Fills out required forms and correspondence
- Processes air merchandise as corrected origin or destination points
- Checks airport equipment such as scanners and radios in and out
- Downloads IPLD scanners and prints reports as needed
- Works with COMPASS system for flight information system
- Communicates with Swissport as necessary.
- Communicates with flight crews using ARINC
- Answers telephone calls
- Performs general office filing and tracking
- Communicates any special circumstances involving NDA volume
- Advises extended area of extra feeder aircraft needs
- Arranges movement of inbound late Lear volume
- Coordinates the exchange of mis-sorted air packages
- Monitors DHIPS
- Assists BA Clerk when time permits
- Verifies crew transportation and meals
- Performs other related duties as needed

Center Clerk

- Handles telephone inquiries about deliveries
- Traces lost or damaged merchandise
- Handles necessary receiving counter volume
- Sorts and transmits outbound tracers and messages
- Processes inbound interdistrict tracers and messages
- Fills in time processing tracers and claims
- Communicates with customers by telephone or written correspondence
- Performs related duties as needed such as sorting and auditing pickup records

Supply Clerk

- Receives and inventories supplies and uniform requisitions
- Maintains records appropriate to inventory
- Performs other related duties as needed

ALL DEPARTMENTS

Lead Clerk

- Performs duties of some diversity requiring application of various standard procedures and preparation of use of several types of forms, reports or records
- Requires extensive knowledge of the business and some independent judgments
- Directs the work of others and checks their completed work for errors
- Receives inquiries from customers and the general public regarding a variety of subjects
- Works under a minimum level of supervision
- Performs other related duties as needed

ADDENDUM NO. 4

LOCALS 87, 137, 150, 386, 431, 439, 533, 948

SECTION 1-PAYMENTS

Premiums and benefits in effect during the life of the ~~2007-2013~~ **2018-2023** Agreement will be continued. The Employer shall pay into the Western Conference of Teamsters Pension Trust Fund for the account of each employee working under this Agreement, the applicable sum as listed below:

(a) Monthly contributions for each employee on the payroll during the full calendar month who has been compensated for one hundred sixty (160) hours or more during such month are:

Effective August 1, ~~2013~~ **2017** - ~~\$1,481.97~~ **\$1776.63** per month
Effective August 1, ~~2014~~ **2018** - To be Determined per Article 26 NCSA
Effective August 1, ~~2015~~ **2019** - To be Determined per Article 26 NCSA
Effective August 1, ~~2016~~ **2020** - To be Determined per Article 26 NCSA
Effective August 1, ~~2017~~ **2021** - To be Determined per Article 26 NCSA
Effective August 1, 2022 - To be Determined per Article 26 NCSA

(b) For each employee not covered under (a) above, the payment shall be computed at the rate of:

Effective August 1, ~~2013~~ **2017** - ~~\$8.55~~ **\$10.25** per compensable hour
Effective August 1, ~~2014~~ **2018** - To be Determined per Article 26 NCSA
Effective August 1, ~~2015~~ **2019** - To be Determined per Article 26 NCSA
Effective August 1, ~~2016~~ **2020** - To be Determined per Article 26 NCSA
Effective August 1, ~~2017~~ **2021** - To be Determined per Article 26 NCSA
Effective August 1, 2022 - To be Determined per Article 26 NCSA

For probationary employees hired on or after August 1st, 2013, the Employer shall pay an hourly contribution rate of ten cents (10¢), (including one cent (1¢) for PEER/80 for full-time employees) during the probationary period as defined in Article 3, Section 1, but in no case for a period longer than the first ninety (90) days from an employee's first date of hire. If and when this period is completed, the full standard contribution rate shall apply. Contributions shall be calculated on the same basis as described in this Article.

Effective January 1, 2008 the employer shall pay twenty five cents (25¢) per hour for all hours compensated including overtime hours, up to a maximum of 2080 hours per year for all fulltime Employees to the Northern California General Teamsters Security Fund (the Trust) in accordance with established remittance rules and practices. These monies are to be used to offset required retiree contribution amounts for retiree medical coverage. *(The monies for this twenty five cents*

were obtained as follows: Ten cents was obtained from negotiating the probationary break in rate in 2002. Fifteen cents was negotiated as new monies in 2007 to become effective 1/1/2008)

(c) Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement (PEER). The contributions required to provide for PEER will not be taken into consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

| Contribution | Basic | PEER/80 | Total Contribution |
|---------------------------------------|---|----------------------|-----------------------|
| August 1, 2013 2017 | \$7.34 \$8.80 | \$1.21 \$1.45 | \$8.55 \$10.25 |
| August 1, 2014 2018 | To be Determined per Article 26 NCSA | | |
| August 1, 2015 2019 | To be Determined per Article 26 NCSA | | |
| August 1, 2016 2020 | To be Determined per Article 26 NCSA | | |
| August 1, 2017 2021 | To be Determined per Article 26 NCSA | | |
| August 1, 2022 | To be Determined per Article 26 NCSA | | |

(d) Time paid for but not worked, such as holidays and vacation time, shall be considered as time worked for the purpose of this Article.

(e) The total amount due for each calendar month shall be remitted in a lump sum not later than the 10th day of the following month. The Company agrees to abide to such rules as may be established by the Trustees of said Trust Fund to facilitate the prompt and orderly collection of such amounts, and the accurate reporting and recording of such amounts paid on account of the employees. Failure to make the payments herein provided, within the time specified, shall be a breach of this Agreement.

(f) Effective August 1, 2013, and August 1 of all subsequent years, ten cents (10¢) per hour shall be allocated from each new increase in pension and or general wage increase monies to the Northern California General Teamsters Security Fund (the Trust) in accordance with established remittance rules and practices. These monies shall be paid by the employer for all hours compensated including overtime hours, up to a maximum of 2080 hours per year and are to be used to offset required retiree contribution amounts for retiree medical coverage. If the Trustees of the Trust determine that additional monies are needed to maintain this benefit, said additional monies shall be allocated from the aforementioned new pension and or general wage increases. *The total monies that have been diverted from new pension monies under this Section (f) as of August 1, 2012 **July 31, 2018** is one dollar **thirty cents** (~~\$1.00~~ **\$1.30**) per hour. If the trustees of the Trust determine that no additional monies are needed in any year, then those monies will remain in pension or G.W. increases. **August 1, 2018 five (\$0.05) per hour will be diverted from the Legal Services.***

AUTOMOTIVE ADDENDUM NO. 5

(Applies to all Locals with Automotive Jurisdiction)

(a) Overtime and Workweek:

Eight (8) hours shall constitute a maximum day's work at straight time pay. Forty (40) hours shall constitute a maximum workweek at straight time pay. Five (5) consecutive eight (8) hour days computing a total of forty (40) hours shall constitute a maximum workweek at straight time pay. All time worked in excess of eight (8) hours in any one (1) day shall be paid for at the rate of time and one half (1 1/2). Work performed on Saturdays, Sundays or holidays shall be paid for at the rate of time and one half (1 1/2) for the first eight (8) hours and double (2) time thereafter. If the future needs of the Company change, the Company and Local Union will meet to discuss workweek flexibilities.

Any employee requested to work and who performs work on Saturday, Sunday or holidays shall be guaranteed a full day's pay.

(b) Leader:

Service leaders, where designated by the Employer shall receive ten percent (10%) over the highest rate paid to subordinate employees.

(c) Automotive Servicemen's duties may be the following (see attached Job Descriptions):

- (1) All washing of automotive equipment;
- (2) All fueling of automotive equipment;
- (3) All steam cleaning of automotive equipment;
- (4) Moving equipment any place to expedite this work;
- (5) All parts pickup and delivery;
- (6) Lubrication and oil changing of all equipment;
- (7) All tire work including changing and repairing;
- (8) All towing; and,
- (9) Items 6, 7 and 8 shall be paid the tire service rate of pay;

Items 1 through 5 shall be paid the serviceman utility rate.

AUTOMOTIVE SERVICE RATES (CAR WASHER)

Refer to National Master, Article 4I, for wage increases.

Items 1 through 5:

| | | | | | | |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 8/1/13 | 8/1/14 | 8/1/15 | 8/1/16 | 2/1/17 | 8/1/17 | 2/1/18 |
| \$32.76 | \$33.46 | \$34.16 | \$34.56 | \$34.96 | \$35.46 | \$35.96 |

Items 6, 7 and 8:

| | | | | | | |
|--------------------|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|
| 8/1/13 | 8/1/14 | 8/1/15 | 8/1/16 | 2/1/17 | 8/1/17 | 2/1/18 |
| \$33.26 | \$33.96 | \$34.665 | \$35.06 | \$35.46 | \$35.96 | \$36.46 |

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <u>8/1/18</u> | <u>8/1/19</u> | <u>8/1/20</u> | <u>8/1/21</u> | <u>8/1/22</u> |
| <u>\$36.66</u> | <u>\$37.41</u> | <u>\$38.21</u> | <u>\$39.11</u> | <u>\$40.11</u> |

Items 6, 7 and 8:

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <u>8/1/18</u> | <u>8/1/19</u> | <u>8/1/20</u> | <u>8/1/21</u> | <u>8/1/22</u> |
| <u>\$37.16</u> | <u>\$37.91</u> | <u>\$38.71</u> | <u>\$39.61</u> | <u>\$40.61</u> |

(All above top rates reflect a 12¢ per hour COLA increase given in 2011)

Progression rates shall apply only to new employees hired after the date of signing of this Agreement. This Supplement shall not be construed to change existing duties between Teamster Automotive Servicemen and I.A.M. Automotive Mechanics, nor change present operating procedures of the Company.

It is understood that future expansion in work shall make the parties subject to the job descriptions above. In the event of disagreement between the parties regarding job duties (work jurisdiction), a committee composed of one (1) Teamster representative, one (1) Machinist representative, and one (1) UPS representative, shall fact find and unanimously agree on a solution. If no agreement is reached, the issues shall be submitted to a neutral arbitrator selected from a list supplied by the Federal Mediation and Conciliation Service whose decision shall be final and binding.

(d) In those areas where there is an automotive local as part of this Agreement it is agreed the car wash jobs will have an annual bid. This bid will take place during the same time as the annual feeder bid.

(e) No employee shall be required to use any chemical, solutions or cleaning liquids until proper instructions are given. Under no circumstances will an employee be required, or assigned, to engage in any activity involving dangerous conditions of work, or danger to person or property, or in violation of any applicable statute or court order, or in violation of a government regulation relating to safety of person or equipment.

JOB DESCRIPTIONS

(a) Tire Service (Change)

Change tires as instructed, and remove and remount on company equipment. Keep mileage records on tires, when applicable.

(b) Lube Operator

Grease equipment, change oil, check oil, check and service water, wash windows of cabs, check brake fluid.

(c) Steam Rack Operator

Steam all trucks, trailers and other equipment, when required.

(d) Fuel Pump Operator

Fuel all equipment, drive fuel truck for purpose of servicing equipment. Fuel all tractors and package cars.

(e) Tire Service (Air)

Air tires on equipment.

(f) Washer, Cleaner, Polisher

Wash, clean and polish equipment. Wash tractors, trailers and package cars, check water and oil, clean windows on cab and tractors, clean cabs, clean inside of package cars, check for wheel blocks, replace flares and fire extinguishers as needed, make truck number changes, pull empty package cars off line and replace with cars that drivers leave in the middle of the floor.

(g) Stock Parts Room Employees (when applicable)

Issues parts and tools to mechanics working on equipment. Keep Kardex records, perpetual inventory, records on stock, keeps stockroom in clean condition and assists the parts manager.

(h) Pickup and Delivery Stock and Parts

Picks up stock and parts at dealers as instructed.

(i) Mobile Service Truck Operator

Operates mobile service equipment away from the terminal facilities, in the servicing of equipment.

(j) Tow Truck Driver

Drives tow truck away from terminal facilities to bring in disabled equipment.

(k) Service Truck Driver

Operates Company equipment away from the terminal facility.

NOTE: Employees working in the classifications outlined above shall pick up and re-spot equipment anywhere in yard, when necessary, to perform any of the duties in these classifications. Rates of pay in this Addendum are applicable to all employees hired in the General Locals of this Agreement after the signing of the Agreement, who are performing the classifications of work listed in this Addendum

ADDENDUM NO. 6

LOCALS 70, 287, 315, 665, 856, 890, 912 and 2785

SECTION 1-PAYMENTS

The first pension increase in ~~2013~~ **2018** will be effective August 1, ~~2013~~ **2018**. The employer is obligated to pay \$1.00 per hour for each employee each year of the contract for Health and Welfare and Pension. The Health and Welfare obligation is to be paid first, with the balance of the money going to pension. If the Health and Welfare costs increase and exceed \$1.00 per hour for each employee of each year, then maintenance of benefits will apply with no additional increase to pension for that year.

The pension contributions in each Local Union will vary due to the diversion of new pension contributions to cover the cost of Retiree Health and Welfare benefits.

Premiums and benefits in effect during the life of the ~~2008-2013~~ **2018-2023** Agreement will be continued.

The Employer shall pay into the Western Conference of Teamsters Pension Trust Fund for the account of each employee working under this Agreement, the applicable sum as listed below:

A.

1. LOCAL 70

(a) Monthly contributions for each employee on the payroll during the full calendar month who has been compensated for one hundred sixty (160) hours or more during such month are:

Effective August 1, ~~2013~~ **2017** - ~~\$1,655.30~~ **\$1,915.30** per month

Effective August 1, ~~2014~~ **2018** - TO BE DETERMINED

Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED

Effective August 1, ~~2016~~ **2020** - TO BE DETERMINED
 Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(b) For each employee not covered under (a) above, the payment shall be computed at the rate of:

Effective August 1, ~~2013~~ **2017** - ~~\$9.55~~ **\$11.05** per compensable hour
 Effective August 1, ~~2014~~ **2018** - TO BE DETERMINED
 Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED
 Effective August 1, ~~2016~~ **2020** - TO BE DETERMINED
 Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(c) Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement (PEER). The contributions required to provide for PEER will not be taken into consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

| | Basic Contribution | PEER/80 | Total Contribution |
|---------------------------------------|----------------------------------|---------------------------------|----------------------------------|
| August 1, 2013 2017 | \$8.20 \$ 9.49 | \$1.35 \$1.56 | \$9.55 \$11.05 |
| August 1, 2014 2018 | TO BE DETERMINED | | |
| August 1, 2015 2019 | TO BE DETERMINED | | |
| August 1, 2016 2020 | TO BE DETERMINED | | |
| August 1, 2017 2021 | TO BE DETERMINED | | |
| <u>August 1, 2022</u> | <u>TO BE DETERMINED</u> | | |

2. LOCAL 287

(a) Monthly contributions for each employee on the payroll during the full calendar month who has been compensated for one hundred sixty (160) hours or more during such month are:

Effective August 1, ~~2013~~ **2017** - ~~\$1,611.97~~ **\$1,839.03** per month
 Effective August 1, ~~2014~~ **2018** - TO BE DETERMINED
 Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED
 Effective August 1, ~~2016~~ **2020** - TO BE DETERMINED
 Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(b) For each employee not covered under (a) above, the payment shall be computed at the rate of:

Effective August 1, ~~2013~~ **2017** - ~~\$9.30~~ **\$10.61** per compensable hour
 Effective August 1, ~~2014~~ **2018** - TO BE DETERMINED
 Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED
 Effective August 1, ~~2016~~ **2020** - TO BE DETERMINED

Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED

Effective August 1, 2022 - TO BE DETERMINED

(c) Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement (PEER). The contributions required to provide for PEER will not be taken into consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

| | Basic Contribution | PEER/80 | Total Contribution |
|---------------------------------------|--------------------------------|----------------------|-----------------------|
| August 1, 2013 2017 | \$7.98 \$ 9.11 | \$1.32 \$1.50 | \$9.30 \$10.61 |
| August 1, 2014 2018 | TO BE DETERMINED | | |
| August 1, 2015 2019 | TO BE DETERMINED | | |
| August 1, 2016 2020 | TO BE DETERMINED | | |
| August 1, 2017 2021 | TO BE DETERMINED | | |
| <u>August 1, 2022</u> | <u>TO BE DETERMINED</u> | | |

3. LOCAL 315

(a) Monthly contributions for each employee on the payroll during the full calendar month who has been compensated for one hundred sixty (160) hours or more during such month are:

Effective August 1, ~~2013~~ **2017** - \$1,530.50 **\$1,660.50** per month

Effective August 1, ~~2014~~ **2018** - TO BE DETERMINED

Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED

Effective August 1, ~~2016~~ **2020** - TO BE DETERMINED

Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED

Effective August 1, 2022 - TO BE DETERMINED

(b) For each employee not covered under (a) above, the payment shall be computed at the rate of:

Effective August 1, ~~2013~~ **2017** - \$8.83 **\$9.58** per compensable hour

Effective August 1, ~~2014~~ **2018** - TO BE DETERMINED

Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED

Effective August 1, ~~2016~~ **2020** - TO BE DETERMINED

Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED

Effective August 1, 2022 - TO BE DETERMINED

(c) Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement (PEER). The contributions required to provide for PEER will not be taken into consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

| | Basic Contribution | PEER/80 | Total Contribution |
|---------------------------------------|----------------------------------|---------------------------------|---------------------------------|
| August 1, 2013 2017 | \$7.58 \$ 8.22 | \$1.25 \$1.36 | \$8.83 \$9.58 |
| August 1, 2014 2018 | TO BE DETERMINED | | |
| August 1, 2015 2019 | TO BE DETERMINED | | |
| August 1, 2016 2020 | TO BE DETERMINED | | |
| August 1, 2017 2021 | TO BE DETERMINED | | |
| August 1, 2022 | TO BE DETERMINED | | |

4. LOCAL 665 CAR WASH

(a) Monthly contributions for each employee on the payroll during the full calendar month who has been compensated for one hundred sixty (160) hours or more during such month are:

Effective August 1, 2013 **2017** - \$1,655.30 **\$2,001.96** per month
 Effective August 1, 2014 **2018** - TO BE DETERMINED
 Effective August 1, 2015 **2019** - TO BE DETERMINED
 Effective August 1, 2016 **2020** - TO BE DETERMINED
 Effective August 1, 2017 **2021** - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(b) For each employee not covered under (a) above, the payment shall be computed at the rate of:

Effective August 1, 2013 **2017** - \$9.55 **\$11.55** per compensable hour
 Effective August 1, 2014 **2018** - TO BE DETERMINED
 Effective August 1, 2015 **2019** - TO BE DETERMINED
 Effective August 1, 2016 **2020** - TO BE DETERMINED
 Effective August 1, 2017 **2021** - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(c) Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement (PEER). The contributions required to provide for PEER will not be taken into consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

| | Basic Contribution | PEER/80 | Total Contribution |
|----------------------------|----------------------------------|---------------------------------|----------------------------------|
| August 1, 2013 2017 | \$8.20 \$ 9.91 | \$1.35 \$1.64 | \$9.55 \$11.55 |
| August 1, 2014 2018 | TO BE DETERMINED | | |
| August 1, 2015 2019 | TO BE DETERMINED | | |
| August 1, 2016 2020 | TO BE DETERMINED | | |
| August 1, 2017 2021 | TO BE DETERMINED | | |
| August 1, 2022 | TO BE DETERMINED | | |

5. LOCAL 665 (old 624)

(a) Monthly contributions for each employee on the payroll during the full calendar month who has been compensated for one hundred sixty (160) hours or more during such month are:

Effective August 1, 2013 ~~2017~~ - \$1,568.64 **\$1,833.31** per month
 Effective August 1, 2014 ~~2018~~ - TO BE DETERMINED
 Effective August 1, 2015 ~~2019~~ - TO BE DETERMINED
 Effective August 1, 2016 ~~2020~~ - TO BE DETERMINED
 Effective August 1, 2017 ~~2021~~ - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(b) For each employee not covered under (a) above, the payment shall be computed at the rate of:

Effective August 1, 2013 ~~2017~~ - \$9.05 **\$10.577** per compensable hour
 Effective August 1, 2014 ~~2018~~ - TO BE DETERMINED
 Effective August 1, 2015 ~~2019~~ - TO BE DETERMINED
 Effective August 1, 2016 ~~2020~~ - TO BE DETERMINED
 Effective August 1, 2017 ~~2021~~ - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(c) Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement (PEER). The contributions required to provide for PEER will not be taken into consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

| | Basic Contribution | PEER/80 | Total Contribution |
|--------------------------------|--------------------------------|------------------------------|-------------------------------|
| August 1, 2013 2017 | \$7.77 <u>\$ 9.079</u> | \$1.28 <u>\$1.498</u> | \$9.05 <u>\$10.577</u> |
| August 1, 2014 2018 | TO BE DETERMINED | | |
| August 1, 2015 2019 | TO BE DETERMINED | | |
| August 1, 2016 2020 | TO BE DETERMINED | | |
| August 1, 2017 2021 | TO BE DETERMINED | | |
| <u>August 1, 2022</u> | <u>TO BE DETERMINED</u> | | |

6. LOCAL 856

(a) Monthly contributions for each employee on the payroll during the full calendar month who has been compensated for one hundred sixty (160) hours or more during such month are:

Effective August 1, 2013 ~~2017~~ - \$1,568.64 **\$1,657.55** per month
 Effective August 1, 2014 ~~2018~~ - TO BE DETERMINED
 Effective August 1, 2015 ~~2019~~ - TO BE DETERMINED
 Effective August 1, 2016 ~~2020~~ - TO BE DETERMINED

Effective August 1, 2017 ~~2021~~ - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(b) For each employee not covered under (a) above, the payment shall be computed at the rate of:

Effective August 1, 2013 ~~2017~~ - \$9.05 **\$9.563** per compensable hour
Effective August 1, 2014 ~~2018~~ - TO BE DETERMINED
Effective August 1, 2015 ~~2019~~ - TO BE DETERMINED
Effective August 1, 2016 ~~2020~~ - TO BE DETERMINED
Effective August 1, 2017 ~~2021~~ - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(c) Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement (PEER). The contributions required to provide for PEER will not be taken into consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

| | Basic Contribution | PEER/80 | Total Contribution |
|--------------------------------|--------------------------------|-------------------------------|------------------------------|
| August 1, 2013 2017 | \$7.77 <u>\$ 8.21</u> | \$1.289 <u>\$1.353</u> | \$9.05 <u>\$9.563</u> |
| August 1, 2014 2018 | TO BE DETERMINED | | |
| August 1, 2015 2019 | TO BE DETERMINED | | |
| August 1, 2016 2020 | TO BE DETERMINED | | |
| August 1, 2017 2021 | TO BE DETERMINED | | |
| <u>August 1, 2022</u> | <u>TO BE DETERMINED</u> | | |

7. LOCAL 890

(a) Monthly contributions for each employee on the payroll during the full calendar month who has been compensated for one hundred sixty (160) hours or more during such month are:

Effective August 1, 2013 ~~2017~~ - \$1,655.30 **\$2,001.96** per month
Effective August 1, 2014 ~~2018~~ - TO BE DETERMINED
Effective August 1, 2015 ~~2019~~ - TO BE DETERMINED
Effective August 1, 2016 ~~2020~~ - TO BE DETERMINED
Effective August 1, 2017 ~~2021~~ - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(b) For each employee not covered under (a) above, the payment shall be computed at the rate of:

Effective August 1, 2013 ~~2017~~ - \$9.55 **\$11.55** per compensable hour
Effective August 1, 2014 ~~2018~~ - TO BE DETERMINED

Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED
 Effective August 1, ~~2016~~ **2020**- TO BE DETERMINED
 Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(c) Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement (PEER). The contributions required to provide for PEER will not be taken into consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

| | Basic Contribution | PEER/80 | Total Contribution |
|---------------------------------------|----------------------------------|---------------------------------|----------------------------------|
| August 1, 2013 2017 | \$8.20 \$ 9.91 | \$1.35 \$1.64 | \$9.55 \$11.55 |
| August 1, 2014 2018 | TO BE DETERMINED | | |
| August 1, 2015 2019 | TO BE DETERMINED | | |
| August 1, 2016 2020 | TO BE DETERMINED | | |
| August 1, 2017 2021 | TO BE DETERMINED | | |
| <u>August 1, 2022</u> | <u>TO BE DETERMINED</u> | | |

8. LOCAL 912

(a) Monthly contributions for each employee on the payroll during the full calendar month who has been compensated for one hundred sixty (160) hours or more during such month are:

Effective August 1, ~~2013~~ **2017** - ~~\$1,611.97~~ **\$1,839.03** per month
 Effective August 1, ~~2014~~ **2018** - TO BE DETERMINED
 Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED
 Effective August 1, ~~2016~~ **2020** - TO BE DETERMINED
 Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(b) For each employee not covered under (a) above, the payment shall be computed at the rate of:

Effective August 1, ~~2013~~ **2017** - ~~\$9.30~~ **\$10.61** per compensable hour
 Effective August 1, ~~2014~~ **2018** - TO BE DETERMINED
 Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED
 Effective August 1, ~~2016~~ **2020**- TO BE DETERMINED
 Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(c) Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement (PEER). The contributions required to provide for PEER will not be taken into

consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

| | Basic Contribution | PEER/80 | Total Contribution |
|--|--|--|---|
| August 1, 2013 <u>2017</u> | \$7.98 <u>\$9.11</u> | \$1.32 <u>\$1.50</u> | \$9.30 <u>\$10.61</u> |
| August 1, 2014 <u>2018</u> | TO BE DETERMINED | | |
| August 1, 2015 <u>2019</u> | TO BE DETERMINED | | |
| August 1, 2016 <u>2020</u> | TO BE DETERMINED | | |
| August 1, 2017 <u>2021</u> | TO BE DETERMINED | | |
| <u>August 1, 2022</u> | <u>TO BE DETERMINED</u> | | |

9. LOCAL 2785

(a) Monthly contributions for each employee on the payroll during the full calendar month who has been compensated for one hundred sixty (160) hours or more during such month are:

Effective August 1, ~~2013~~ **2017** - ~~\$1,655.30~~ **\$2,001.96** per month
 Effective August 1, ~~2014~~ **2018** - TO BE DETERMINED
 Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED
 Effective August 1, ~~2016~~ **2020** - TO BE DETERMINED
 Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(b) For each employee not covered under (a) above, the payment shall be computed at the rate of:

Effective August 1, ~~2013~~ **2017** - ~~\$9.55~~ **\$11.55** per compensable hour
 Effective August 1, ~~2014~~ **2018** - TO BE DETERMINED
 Effective August 1, ~~2015~~ **2019** - TO BE DETERMINED
 Effective August 1, ~~2016~~ **2020** - TO BE DETERMINED
 Effective August 1, ~~2017~~ **2021** - TO BE DETERMINED
Effective August 1, 2022 - TO BE DETERMINED

(c) Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement (PEER). The contributions required to provide for PEER will not be taken into consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

| | Basic Contribution | PEER/80 | Total Contribution |
|--|--|--|---|
| August 1, 2013 <u>2017</u> | \$8.20 <u>\$9.91</u> | \$1.35 <u>\$1.64</u> | \$9.55 <u>\$11.55</u> |
| August 1, 2014 <u>2018</u> | TO BE DETERMINED | | |
| August 1, 2015 <u>2019</u> | TO BE DETERMINED | | |

| | |
|----------------------------|-------------------------|
| August 1, 2016 <u>2020</u> | TO BE DETERMINED |
| August 1, 2017 <u>2021</u> | TO BE DETERMINED |
| <u>August 1, 2022</u> | <u>TO BE DETERMINED</u> |

LETTER OF UNDERSTANDING

LETTER OF UNDERSTANDING PEAK SEASON HELPERS 2018 -2022 ~~2013-2018~~

The function of the Peak Season Helper is to work under the direction of a package driver. At no time shall an employee be classified as a Peak Season Helper if he/she is not under the direct supervision of and working in conjunction with a package driver. The following provisions shall apply to Peak Season Helpers:

1. Peak Season Helpers may be used between November 1 and January 15.
2. A minimum of fifty percent (50%) of the helpers working in any given building on any given day shall be from the inside ranks. Such helper work shall be offered by seniority. Utility and Air Drivers may only work as helpers if they are not needed for utility or air work. During this period, when these drivers are needed and thus not available for helper work, they will be guaranteed eight (8) hours that day in combination with their inside job and driving job. This applies to the Peak Season only and there is no obligation to the Company to work anyone on overtime.
3. Inside employees cannot be helpers if it conflicts with their primary job function.
4. The Helper rate of pay will be as follows for all hours spent in the Helper classification:

2013 \$15.20 per hour

2014 \$15.20

2015 \$15.50

2016 \$15.50

2017 \$15.50

2018 \$15.80

2018 - \$15.80

2019 - \$15.80

2020- \$15.80

2021- \$15.80

2022- \$15.80

No Peak season inside helper shall make less than their current inside wage, or the market rate adjustment for outside hires.

The above rates will apply to all seniority employees effective ~~November 1, 2013~~ **November 1, 2018**. Off the street helpers will be paid \$8.25 **\$11.00** per hour.

5. A Helper bid list will be posted for five (5) days. Any inside employees wanting to be considered for Helper work must sign up during this period. The list of successful job bidders, by seniority, will be posted with a copy to the Union.

6. Part-time employees who choose to work as Helpers shall be guaranteed eight (8) hours per day between their primary jobs and their helper assignments. There will be no obligation to the Company to work Helpers overtime; however, Helpers will be guaranteed to work their full primary shift.

7. Overtime rates shall apply to all hours worked over eight (8) hours per day in addition to overtime on employee's respective part-time shifts. Overtime rates shall be predicated on the job at the time of overtime.

8. All off the street Helpers will be part time employees. The Company shall provide the Local Union with a list of all off the street Helpers within 5 days of their start date.

9. The Company will not be obligated to pay Health and Welfare payments for these temporary employees. If these temporary employees work in any other classification, the Company will be obligated to these payments. If the Company retains the employee past the helper period, the Company would be obligated to make retroactive Health and Welfare payments for all hours the employee has worked.

10. The off the street helpers will receive a guarantee of 3.5 hours and receive overtime after ~~five~~ **eight (8)** hours of work per day.

11. All helpers may start and finish on area.

12. All helpers may use a DIAD board **or other electronic method** to clock on and off.

13. Flexible starting times may be used.

14. Peak Season package driving positions will be offered to employees by seniority in the following order:

- A. Full time 22.3 driver qualified employees.
- B. Utility drivers and air drivers
- C. Peak Season hires.

Once a position is accepted, the employee will continue to work in that position until January 15 or until no longer needed. During this period, the employee will no longer work in their regular position. **A 22.3, Utility driver, and air driver will be paid 8 hours at their driver rate for any holiday that falls in the period of this accepted position and meets the qualifications of Article 24.** The employee will return to his/her regular position upon completion of his/her temporary position or due to lay-off during this period.

15. Helpers are entitled to all personal time outlined in the Labor Contract.

16. In the event UPS enters into any agreement with any Local Union that is superior to what is contained in this agreement, the other Locals will receive that same benefit.

ARTICLE 22.4

ARTICLE 22.4 LETTER OF UNDERSTANDING FULL TIME EMPLOYEE WORK RULES

1. WHERE A LAYOFF IS POSTED ON A FRIDAY AND AN ARTICLE 21 RPCD IS LAID OFF, THE RPCD HAS THE FOLLOWING OPTIONS:
 - (1) THE LAID OFF RPCD MAY EXERCISE THEIR SENIORITY AND DISPLACE ONE (1) OR TWO (2) LESS SENIOR PART TIME EMPLOYEES AT THEIR CURRENT DRIVER RATE OF PAY FOR THE DURATION OF THE LAYOFF.
 - (2) THE RPCD MAY ELECT TO TAKE THE DAY OFF BY SENIORITY.
 - (3) THE RPCD MAY BUMP A 22.4 ON A TUESDAY THROUGH SATURDAY WORKWEEK AND WORK SATURDAY AT THE RPCD'S CURRENT DRIVER RATE OF PAY.
 - (4) THE RPCD MAY WORK A 4-10 WORKWEEK SUBJECT TO THE UNION PROPOSAL ON ARTICLE 22 SECTION 2 NCSA.
 - (5) THE RPCD MAY DISPLACE A LOWER SENIORITY 22.3 EMPLOYEE THEY ARE QUALIFIED TO REPLACE, AND BE PAID AT THEIR NORMAL PACKAGE DRIVER RATE OF PAY.
2. NO ARTICLE 22.4 EMPLOYEE WILL PERFORM ANY DRIVING WORK WHILE ANY RPCD'S ARE LAID OFF.
3. RPCD POSITIONS SHALL BE OFFERRED TO ALL FULL TIME EMPLOYEES BASED ON SENIORITY, THEN TO PART TIMERS. IN ACORDANCE WITH ARTICLE 3 SECTION 10 NCSA.
4. ARTICLE 22.4 EMPLOYEES SHALL BE INCLUDED AND MADE A PART OF THE SINGLE FULL TIME SENIORITY LIST IN EACH BUILDING WHERE THEY ARE LOCATED FOR LAYOFF, BIDDING PURPOSES AND THE ASSIGNMENT OF EXTRA WORK ASSIGNMENTS.
5. ARTICLE 22.4 POSITIONS SHALL BE OFFERRED TO ALL FULL TIME EMPLOYEES BASED ON SENIORITY, THEN TO PART TIMERS. IN ACORDANCE WITH ARTICLE 3 SECTION 10 NCSA AND ARTICLE 3 SECTION 1 NCSR.
6. ARTICLE 22.4 EMPLOYEES SHALL SELECT VACATION WITH PACKAGE PER ARTICLE 25 SECTION 7 NCSA.
7. THE PRACTICE OF USING RPCD'S TO PERFORM EARLY AM PACKAGE AND BULK STOP WORK SHALL REMAIN THE SAME. ARTICLE 22.4 DRIVERS SHALL NOT PERFORM EARLY PACKAGE WORK. ANY MOVEMENT OF AIR PACKAGES TO AIRPORTS AND OTHER LOCATIONS INCLUDING BUT NOT LIMITED TO SERVICE CENTERS, UPS BUILDINGS AND DRIVER MEET POINTS SHALL CONTINUE TO BE PERFORMED BY RPCD'S AND AT NO TIME SHALL SUCH WORK BE PERFORMED BY A 22.4 DRIVER.
8. 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 TIME. START TIMES FOR ALL ARTICLE 22.4 EMPLOYEES THAT PERFORM DRIVE-DRIVE WORK WILL BE 9:00 A.M. – 12:00 P.M. AND MUST BE POSTED ON THE

PRIOR FRIDAY OF THE WORK WEEK FOR WHICH THE SHIFTS ARE TO BE EFFECTIVE, EXCLUSIVE OF SATURDAYS AND SUNDAYS.

9. THE PROTECTED NUMBER OF RPCD'S SHALL INCLUDE ALL FULL TIME DRIVERS CURRENTLY ON ROLL, INCLUDING ANY DRIVER CURRENTLY IN A PROBATIONARY PERIOD.
10. PENSION RATES PAID ACCORDING TO LOCAL ADDENDUM AND ARTICLE 34 NMUPSA.
11. WAGE RATES ACCORDING TO ARTICLE 41 SECTION 4 NMUPSA.
12. WHEN A HOLIDAY FALLS ON A SEVENTH (7TH) DAY OF THE WORK WEEK FOR A 22.4 EMPLOYEE, THE EMPLOYEE SHALL HAVE THE OPTION OF RESCHEDULING THE HOLIDAY AS A FLOATING HOLIDAY TO BE TAKEN AFTER THE ORIGINAL HOLIDAY. THE RESCHEDULING WILL BE DONE IN ADVANCE BY MUTUAL AGREEMENT BETWEEN THE EMPLOYEE AND THE EMPLOYER.
13. 22.4 START TIMES WILL BE OFFERED BY SENIORITY WITHIN THE 22.4 EMPLOYEES IN EACH PACKAGE CENTER
14. THE PARTIES RECOGNIZE THAT DAILY VOLUME FLUCTUATIONS, IN PARTICULAR LIGHT VOLUME ON MONDAYS, MAY PRESENT UNIQUE CHALLENGES FOR SCHEDULING RPCD'S AND 22.4 DRIVERS. ANY LOCAL UNION HAVING A DISPUTE WITH RPCD'S BEING LAID OFF ON MONDAYS WHILE 22.4 DRIVERS WORK A FULL TUESDAY-SATURDAY WORKWEEK SHALL FIRST ATTEMPT RESOLUTION WITH THE LABOR MANAGER. IF THE ISSUE CANNOT BE RESOLVED, IT SHALL BE IMMEDIATELY REFERRED TO THE CO-CHAIR OF THE NOR CAL COMMITTEE AND HE UPS VICE PRESIDENT OF LABOR RELATIONS.

ADDITIONALLY, IT IS NOT THE INTENTION OF THE COMPANY THAT THE ADVENT OF ARTICLE 22.4 DRIVERS WILL MATERIALLY REDUCE THE WORKDAYS OF RPCD'S WHO HAVE NOT OPTED IN TO 9.5 PROTECTION. IF A LOCAL UNION BELIEVES THAT THIS IS TAKING PLACE, THEY SHALL HAVE THE RIGHT TO USE THE DISPUTE MECHANISM SET FORTH IN THE PARAGRAPH ABOVE. THE INDIVIDUALS LISTED ABOVE SHALL FURTHER HAVE THE ABILITY TO MEET, DISCUSS, AND RESOLVE OTHER UNFORSEEN ISSUES THAT MAY ARISE WITH RESPECT TO THE USE OF ARTICLE 22.4 DRIVERS

15. ANY SUPERIOR CONDITIONS CONTAINED IN THE WESTERN REGION OF TEAMSTERS SHALL APPLY.

Memorandum of Understanding

United Parcel Service, Inc. (UPS) and the Northern California Negotiating Committee (Union) agree to the following:

1. Effective August 1, 2018 and each August 1 of this Agreement, the Union may divert allocations provided in Article 34, Section 1(a) to the applicable Fund to offset required retiree contribution amounts for retiree medical coverage. The diversions shall be to the applicable trust fund and in accordance with established remittance rules and practices. The diversion shall be paid by the Employer for all hours compensated including overtime hours, up to a maximum of 2080 hours per year. Allocations may only be diverted in accordance with the Memorandum of Understanding (MOU).
2. The one dollar (\$1.00) per year increase provided by Article 34, Section 1(a) shall first be used to satisfy any required Health & Welfare increase necessary to satisfy maintenance of benefits (MOB). If any portion of the one- dollar (\$1.00) increase is remaining after covering MOB costs, the Union can decide to allocate any money available for pension to the applicable retiree healthcare Fund referenced in paragraph 1 above. If any portion of the Article 34 increase is allocated to a Fund to offset retiree medical costs, then UPS' total increase in contributions cannot exceed one dollar (\$1.00).
3. The Employer agrees that the general wage increases provided in the National Master Agreement may be subject to reallocation to the applicable Fund pursuant to this MOU provided Article 34, Section 4 is followed.