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National Master United Parcel Service Agreement
For the Period:

August 1, 2002 through July 31, 2008

covering:

operations in, between and over all of the states, territories, and possessions of the United States and operations into and out of all contiguous territory. The UNITED PARCEL SERVICE, INC., an Ohio Corporation, and a New York Corporation, in their Common Carrier Operations hereinafter referred to as the "Employer," and the TEAMSTERS UNITED PARCEL SERVICE NATIONAL NEGOTIATING COMMITTEE representing Local Unions affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, and Local Union No. ___ which Local Union is affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, agree to be bound by the terms and conditions of this Agreement:

ARTICLE 1. PARTIES TO THE AGREEMENT

No Change

Section 1 - Operations Covered

No Change

Section 2 - Employees Covered

Employees covered by this Agreement shall be construed to mean, where already recognized, feeder drivers, package drivers, sorters, loaders, unloaders, porters, office clerical, clerks, mechanics, maintenance personnel (building maintenance), car washers, United Parcel Service employees in the Employer's air operation, and to the extent allowed by law, employees in the export and import operations performing load and unload duties, and other employees of the Employer for whom a signatory Local Union is or may become the bargaining representative.

In addition, effective August 1, 1987, the Employer recognized as bargaining unit members clerks who are assigned to package center operations, hub center operations, and/or air hub operations whose assignment involves the handling and progressing of merchandise, after it has been tendered to United Parcel Service to effectuate delivery. These jobs cover: package return clerks, bad address clerks, post card room clerks, damage clerks, rewrap clerks; and hub and air hub return clerks. This Agreement also governs the classifications covered in Article 39 - Trailer Repair Shop. Effective no later than February 1, 2003 the Employer recognizes as bargaining unit members FDC/ODC clerks, international auditors, "smart label" clerks and revenue auditors who work in the operations facilities.

Section 3 - Transfer of Company Title or Interest

No Change

Section 4.

The employer agrees that it will be a violation of this Section if it, any affiliate, or any other entity under its control enters into a business so as to duplicate the Employer's common carrier operations as defined in Article 1 in

any area. Affiliate for purposes of this Section means any entity which is owned, managed or controlled by the Employer or its parent. This Section will also cover an entity if the Employer or its parent maintains the ultimate right to control or approve a decision by such entity.

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

ARTICLE 2. SCOPE OF THE AGREEMENT

Section 1. Single Bargaining Unit

All employees ~~Unions and the employer~~ covered by this Master Agreement and the various Supplements, Riders and Addenda thereto, shall constitute one (1) bargaining unit. ~~It is understood that~~ The printing of this Master Agreement and the aforesaid Supplements, Riders and/or Addenda in separate agreements is for convenience only and is not intended to create separate bargaining units.

To the extent provided by law, this Agreement shall be applied to all subsequent additions to, and extensions of, current common carrier operations of the Employer and newly established operations of the Employer which are utilized as a part of such current operations of the Employer, without additional evidence of Union representation of the employees involved (provided that newly acquired operations of the Employer, which are not utilized as a part of such current common carrier operation of the Employer, shall not be deemed additions to, or extensions of, operations of the Employer). If the Employer purchases a related common carrier business, the Employer, to the extent allowed by law, recognizes the Teamsters UPS National Negotiating Committee as the bargaining representative and will meet to ~~negotiate proper terms to be included in that new bargaining agreement.~~ determine which applicable Supplement covers those employees, and negotiate a new Addendum covering economic terms if current Supplements do not cover the new job classifications, or, if a current collective bargaining agreement is in place for the acquired employees, then that agreement shall continue by its terms until expiration.

Section 2. Riders

No Change

ARTICLE 3. RECOGNITION, UNION SHOP AND CHECKOFF

Section 1. Recognition

(a) No Change

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

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

Business agents and/or a steward shall be permitted to attend new employee orientations in the right-to-work states. The Employer agrees to provide the Local Union at least one week's notice of the date, time, and location of such orientation. The sole purpose of the business agent's or steward's attendance shall be to encourage new employees to join the Union. The steward shall remain on the clock for up to fifteen (15) minutes for that purpose if the orientation is held during his or her normal working hours at his or her normal place of work.

Section 2. Union Shop and Dues

(a) No Change

(b) No provision of Section 2(a) of this Article shall apply to the extent that it may be prohibited by state law. In those states where subsection (a) above may not be validly applied, the Employer agrees to recommend to all new employees that they become members of the Union and maintain such membership during the life of this Agreement.

Section 3. Dues Checkoff and Joint Dues Committee

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

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

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

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

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

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

Where law requires written authorization by the employee, the same is to be furnished in the form required. No deduction shall be made which is prohibited by applicable law.

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

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

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

The Employer agrees to deduct certain specific amounts each week from the wages of those employees who shall have given the Employer written notice to make such deductions. The Employer will remit amounts deducted to the applicable credit union once each week. The amount so deducted shall be remitted to the applicable credit union once each month or weekly. The Employer shall not make deductions and shall not be responsible for remittance to the credit union for any deductions for those weeks during which the employee's earnings shall be less than the amount authorized for deductions.

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

Section 5.
No Change

Section 6.

~~When the Employer institutes an electronic funds transfer (EFT) system the employee shall have the option of participating.~~

Employees shall have the option of participating in the Employer's electronic funds transfer (EFT), the Employer's check card payment system, or a paper payroll check system. New employees shall make this election during orientation. Recognizing the mutual benefits and advantages of these systems over a paper payroll check, the Union agrees to encourage all employees to select either EFT or a check card as method of payment. No bargaining unit employee currently performing work in the payroll department will be laid off or suffer a loss of their current payroll type position as a result of this section.

Section 7. Supervisors Working

(a). The Employer agrees that the function of supervisors is the supervision of employees and not the performance of the work of the employees they supervise. Accordingly, the Employer agrees that supervisors or other employees of the Employer who are not members of the bargaining unit shall not perform any bargaining unit work, except to train employees or demonstrate safety, or as otherwise provided in the applicable supplement, rider or addendum. The employer shall make every reasonable effort to maintain a sufficient workforce to staff its operations with bargaining unit employees. The Employer also agrees that supervisors or other employees of the Employer who are not members of the bargaining unit shall not perform bargaining unit work in preparing the work areas before the start of the Employer's hub, preload or reload operation, nor shall the Employer send any bargaining unit employee home and then have such employee's work performed by a supervisor or other employees of the employer who is not a member of the bargaining unit.

~~The Employer agrees that supervisors or other employees of the employer who are not members of the bargaining unit shall not perform any bargaining unit work except where permitted by the applicable supplement, rider or addendum and only after exhausting all procedures set forth in such supplement, rider or addendum.~~

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

(c) If there is no established local practice the following shall apply with regard to inside work. Within each building each operation will maintain appropriate lists by seniority of those part time employees requesting coverage work. It will be the employees' responsibility to sign up on the appropriate list. The company shall post such lists and employees who are interested in adding their names to the lists shall do so on the first working day of each month. It will be the employee's responsibility to make sure his/her contact information is correct. Employees who are unavailable to work on three (3) separate occasions within a calendar month shall have their names removed from the coverage list. Those employees shall be eligible to re-sign the list the following month. When coverage work is available, the company will use the appropriate list to fill the required positions, and such employees will work as assigned. The employee must be qualified for the available work and double shift employees shall have seniority among themselves. No

employee is allowed to work more than two shifts in any twenty-four hour period. Local call verification practices and procedures shall remain in place.

Nothing contained in this Section shall change existing practices or procedures covering full-time work.

(d) If it is determined at any step of the grievance and/or arbitration procedure that this Section, or a "supervisor working" provision in a Supplement, Rider or Addendum, has been violated, the aggrieved employee will be paid as follows (i) if the actual hours worked by the supervisor amounts to two (2) hours or less, the aggrieved employee will be paid for the actual hours worked by the supervisor at the rate of one and one-half times the employees rate of pay at the time of the incident; (ii) if the supervisor works more than two (2) hours, the aggrieved employee shall be paid four (4) hours at straight time or actual hours worked at one and one-half times the employee's rate of pay at the time of the incident, whichever is greater. If no aggrieved employee can be identified, the payment will be made to the grievant. Such remedy shall be in addition to any other remedies sought by the Union in the appropriate grievance procedure.

Article 4. STEWARDS

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

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

Job Stewards and alternates have no authority to take strike action or any other action interrupting the Employer's business, except as authorized by official action of the Local Union. The Employer recognizes these limitations upon the authorized

Job Stewards and their alternates, and shall not hold the Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper, nondiscriminatory discipline, including

discharge. However, in the event the Job Steward or the designated alternate has led, or instigated or encouraged unauthorized strike action, slowdown or work stoppages in violation of this Agreement he/she may be singled out for more serious discipline, up to and including discharge. Stewards and/or alternate stewards shall not be subject to discipline for performing any of the duties within the scope of their authority as defined in this Section, in the manner permitted by this Section.

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

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

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

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

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

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

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

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

premises.

ARTICLE 5. SANITARY CONDITIONS

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

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

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

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

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

ARTICLE 6

Section 1. Extra Contract Agreements
No Change

Section 2. Workweek Reduction
No Change

Section 3. New Equipment
No Change

Section 4. Technological Change

1. Technological change shall be defined as any significant change in equipment or materials which results in a significant change in the work of the bargaining unit or significantly diminishes the number of workers in the bargaining unit.
2. The employer and the union agree to establish a National Teamster/UPS Committee for Technological Change, consisting of an equal number of representatives from the union and UPS. ~~The Committee shall meet at the request of either party.~~ The committee shall meet in conjunction with the

National Grievance Panel as necessary to review any planned technological changes covered by this section.

3. No change
4. No Change
5. The Employer will meet with the local union, or, if requested, the National Teamster/UPS Committee for Technological Change, promptly after notification to negotiate regarding the effects of the proposed technological changes.

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

6. No Change
7. No Change

Section 5. Hourly Training

- 1 .No Change
2. No Change
3. No Change
4. No Change
5. No Change
6. No Change
7. No Change
8. No Change
9. No Change
10. No Change
11. No Change
12. No Change

ARTICLE 7. LOCAL AND AREA GRIEVANCE MACHINERY

Except in cases involving cardinal infractions under the applicable Supplement, Rider or Addendum, an employee to be discharged or suspended shall be allowed to remain on the job, without loss of pay unless and until the discharge or suspension is sustained under the grievance procedure. Notwithstanding the foregoing, any superior provisions in Supplements, Riders or Addenda shall prevail. The Union agrees it will not unreasonably delay the processing of such cases.

Provisions relating to local, state and area grievance machinery are set forth in the applicable Supplements, Riders or Addenda to this Agreement. The procedures set forth in the local/ state and area grievance procedure may be invoked only by the authorized Union representative or Employer.

All monetary grievance settlements shall be submitted by separate check payable to the grievant or grievant(s) and a copy of the same sent to the Local Union for their records. Such settlements shall be paid within ten (10) working days of the settlement. In addition, any monetary awards based on panel decisions will be made within 10 business days of receipt by the Company of the written panel decision.

Authorized representatives of the Union may file grievances alleging violation of this Agreement, under local grievance procedure, or as provided herein. Time limitations regarding the processing of grievances, if not set forth in the respective Supplemental Agreements, Riders or Addenda, must appear in the Rules of Procedures of the various grievance committees and shall apply equally to the Employer, the Union and the employees,

ARTICLE 8. NATIONAL GRIEVANCE PROCEDURE

Section 1.
No Change

Section 2. Work Stoppages
No Change

Section 3.
The Union and Employer may under this section review and reverse, if necessary, decisions by any area, regional or local grievance committee which interprets Master language erroneously.

The National Grievance Committee may consider and review decisions raising an issue of interpretation of Master Agreement language which are submitted by the Union (~~either the Parcel and Small Package Director or the General President's designee~~ Chair of the Teamsters National United Parcel Service Negotiating Committee or his designee) or the designated Employer representative. The committee shall have the authority to reverse and set aside the majority decision of any area, regional, local grievance committee, if; in its opinion, such decision is contrary to the language of the National Master Agreement. The decision of the National Grievance Committee shall be final and binding. The National Grievance Committee shall determine whether a decision submitted to it raises an issue of interpretation of Master Agreement language.

In order for such cases to be reviewed, the decision must interpret Master language. A decision raising an issue of interpretation of Master Agreement language is one in which (1) Master Agreement language was interpreted by a

lower panel (2) the interpretation sets a precedent for future grievances; and (3) a reasonable case can be made that the lower panel interpretation was contrary to the true meaning of the Master Agreement. If the National Grievance Committee deadlocks on whether a decision meets these criteria, arbitration may be requested pursuant to Article 8, Section 4.

Prior to such cases being placed on the Master docket, the moving party (~~either the Parcel and Small Package Director or the General President's designee~~ Chair of the Teamsters National United Parcel Service Negotiating Committee or his designee) the designated Employer representative) shall confer with his counter part and discuss the matter.

Cases that are docketed will be presented in the following manner:

- 1) The representatives of the moving party, as described above, present first.
- 2) The presenter will cite the specific Master language that the lower panel interpreted;
- 3) Any evidence to prove that the interpretation was contrary to the provisions set forth in the Master Agreement must be presented.
- 4) The representative of the responding party will present any responsive evidence he deems necessary.
- 5) If the Master Panel is unable to reach agreement, then either party may appeal the issue presented to final and binding arbitration.

Decisions made by lower panels that are properly submitted to the National Grievance Committee pursuant to this Article and Section shall be reviewed by the National Grievance Committee. A decision will be entered by the National Grievance Committee based upon its interpretation and the facts of that case. Such decision will be final and binding upon the parties.

Arbitration decisions under any Supplement, Rider or Addendum' which interpret Master Agreement language may also be submitted to the National Grievance Committee provided the three above-referenced criteria are satisfied. If an arbitration decision is reviewed by the National Grievance Committee it shall be processed in accordance with this section except that the Committee will make a final and binding decision rather than refer the case back to the arbitrator. Article 8, Section 4 shall not apply if the National Grievance Committee deadlocks upon review of an arbitrator's decision.

Section 4.
No Change

Section 5.
No Change

Section 6.
No Change

Section 7.

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

1. The arbitration process will be administered by the offices of the American Arbitration Association, whose offices located in the following cities will administer deadlocked cases arising from the following corresponding geographical Regions of the International Brotherhood of Teamsters:

New York City	<u>Somerset</u>	Eastern
Chicago		Central
Los Angeles	<u>Fresno</u>	Western
Atlanta		Southern

~~2. The parties will jointly designate twenty-four (24) arbitrators who will each commit to hear one (1) case during each contract year of the Agreement. The~~ current arbitrators will continue to serve until the parties jointly designate twenty-eight arbitrators (which may include the incumbents). Cases will be assigned to arbitrators on a rotating alphabetical basis within each Region based upon the date of the original grievance that gave rise to the deadlocked case.

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

Eastern	8	11
Central	7	5
Southern	4	
Western	5	8

4. The parties shall attempt to agree on the four (4) panels within thirty (30) days of the conclusion of negotiations. Failing agreement within that timer the parties shall exchange lists of two (2) times the remaining number of arbitrators to be assigned to each regional panel within fifteen (15) days thereafter and at the conclusion of an additional fifteen (15) days will alternatively strike from the lists until the correct number of arbitrators is left for each panel. Unless the parties mutually agree otherwise, any arbitrator proposed by the Employer or Union must be a member of the National Academy of Arbitrators and reside within the geographical area covered by the panel. ~~Within thirty (30) days of the panel's selection, the parties and arbitrators will agree upon arbitration hearing dates for the following contract year.~~

~~5. Each arbitrator shall offer one or more potential hearing date(s) agreed to by the parties for each contract year.~~

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

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

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

~~7. Either the company or the union may request by June 1 of each year of this Agreement that any panel be replaced. Any cases already assigned to an arbitrator will be concluded. A new panel will be selected in accordance with the selection procedures set forth in paragraph 4 above prior to the conclusions of the next National Grievance Committee meeting. If there is no request for a new arbitrator, the parties will conclude the scheduling for the following year by July 1. The parties may mutually agree in writing to remove any individual arbitrators from the panel at any time. Each party may unilaterally remove two (2) arbitrators during the month of June each year upon giving ten (10) calendar days notice specifying the arbitrator to be removed. The other party shall have the right to remove two (2) arbitrators within ten (10) calendar days from receiving the notice. The parties shall fill any vacancy pursuant to the procedures set forth in paragraph 4.~~

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

~~9. Deadlocked cases from each National Grievance Committee meeting will be assigned in the order of the dates of the respective underlying grievances to the arbitrators on the appropriate panel in the order of their scheduled dates. If there is more than one (1) deadlocked case on the same contractual issue, the date of the earliest dated grievance on the issue will determine the location of the hearing.~~

~~10. In the event that an arbitration will not be scheduled until more than six (6) months from the National Panel Decision, the American Arbitration Association ad hoc selection procedure used by the parties as of July 31, 1997 will be used through the appropriate AAA office listed above to select an arbitrator and schedule the hearing.~~

~~11. 9.~~ There shall be no more than one (1) cancellation of arbitration dates by either party in the hearing of any single arbitration case, except as permitted by the arbitrator with good cause.

~~12. 10.~~ The American Arbitration Association and arbitrator's fees and expenses shall be shared equally by the parties. The parties shall share equally the American Arbitration Association's and the arbitrator's fees and expenses for the arbitration or settlement (including rental of the hearing room). The party requesting a cancellation will pay any cancellation fees.

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

~~14. 12.~~ Any or all of the foregoing may be modified in writing by mutual agreement

of the parties at any time .

ARTICLE 9. PROTECTION OF RIGHTS

Section 1. Picket Line

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

Section 2. Struck Goods

No Change

Section 3.

No Change

Section 4.

No Change

Section 5. Grievances

No Change

ARTICLE 10. LOSS AND DAMAGE

Section 1.

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

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

An employee who is charged for loss or damage by the Employer shall not be subject to both discipline and reimbursement. The Employer will clearly notify the employee and the Union of it's intent to either discipline or seek reimbursement. No employee shall be subject to discipline or reimbursement unless the Employer brings the loss or damage to the employee's attention within fifteen (15) business days after receiving a written shipper notice of claim.

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

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

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

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

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

This Article is not to be construed as permitting charges for loss or damage to equipment or for any damage to merchandise as a result of a vehicular accident. under any circumstances.

Section 2.

Employees handling money shall account for and remit the same to the Employer at the completion of each day's work. An employee's cash turn-in may be verified or audited by the Employer. If the Employer fails to verify and deposit an employee's cash turn-in, when requested, no deduction or disciplinary action shall be taken. Upon request by the Local Union, the Employer and the Local Union shall meet to review any the problems of cash C.O.D.'s in high crime areas and the protection of the employees who work in these areas relating to transportation of cash via feeders or cashier's check rules. The subjects for review and implementation if agreed upon shall include but not be limited to these listed below. The employer shall not unreasonably withhold its agreement on the following issues:

1. ~~Installation of safes in package cars,~~
2. ~~C.O.D. curfews,~~
3. ~~Review of special information about high crime areas with substitute drivers,~~
4. ~~Cashiers checks rules, and~~
5. ~~The transportation of cash via feeders.~~

~~The parties will discuss the use of improved technology, including but not limited to, credit or debit cards to reduce the use of cash C.O.D.s.~~

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

In cases of proven bona fide error (in addition or subtraction) of the cash turn-in, the employee will be responsible for making proper restitution for such shortage. In such cases of bona fide error, the Employer and an employee, with the participation of the Local Union and where permitted by applicable law, shall execute a written document providing for an agreed upon amount and

schedule of reimbursement and/or deduction. A copy of any such agreement will be provided to the Local Union.

The Employer shall make a reasonable effort to collect for losses due to bad checks. The employee shall not be held liable for restitution or disciplined if he/she accepts an irregular check if a reasonable person would have accepted the check. No employee shall be subject to restitution or discipline unless the Employer brings the bad check to the employee's attention within fifteen (15) business days after receiving a written shipper notice of claim.

The Employer will not post or make available for viewing in the work place any employee's social security number or home telephone number. In areas where bidding systems require both a signature and a phone number, an employee will have the option of providing his/her phone number privately to the person controlling the bid.

Section 3.

The Employer shall reimburse employees for loss of personal money or personal property in a holdup while on duty, up to a maximum of two hundred dollars (\$200.00) per employee, provided the employee promptly reports such holdup to the Employer and the police, and cooperates in the investigation of such holdup. Employees shall be paid for all time involved. However, reimbursement for cash loss shall be limited to one hundred dollars (\$100.00).

ARTICLE 11 - BONDS

Delete Entire Article

ARTICLE 12. POLYGRAPH / TIMECLOCKS

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

Upon request, an employee or the Union may inspect the record of an employee's time recorded on the DIAD or other device for previous days' work. An employee will be permitted to examine the operation record for the current pay period for the purpose of ascertaining his/her hours worked.

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

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

ARTICLE 13. PASSENGERS

No Change

ARTICLE 14 COMPENSATION CLAIMS

Section 1.

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

The Employer agrees to cooperate toward the prompt disposition of employee on-the-job injury claims. No employee will be disciplined or threatened with discipline as a result of filing an on-the-job injury report. The Employer or its designee shall not visit an injured worker at his/her home without his/her consent.

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

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

An employee who is injured on the job, and is sent home, or to a hospital, or who must obtain medical attention, shall receive pay at the applicable hourly rate for the balance of his/her regular shift on that day. Upon receiving an employee's timely report of injury, the Employer shall not pressure an employee to continue to work. When, because of such pressure, an employee spends time in a clinic after his or her normal finish time, the time spent shall be the subject of a pay claim through the grievance procedure.

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

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

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

Section 2. Temporary Alternate Work

The Company may continue a modified work program on a nondiscriminatory basis. This program is designed to provide temporary work opportunity to those employees who are unable to perform their normal work assignments due to an on-the-job injury. Employees shall be provided their guaranteed hours for the duration of TAW, provided the work is available. These guaranteed hours will be reduced as medical restrictions dictate.

~~In areas where the Company wants to further implement this procedure, the program will be reviewed with the Local Union for their approval. If either party wants to include non work related injuries or illnesses under the TAW program the parties will meet and agree upon such amendment. Any unresolved issues will be referred to the National Safety and Health Grievance Committee for resolution.~~

The Employer will develop a list of possible TAW assignments by location. It is understood that this list may not be all-inclusive and management maintains the right to determine the availability and designation of all TAW assignments.

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

Section 3. Permanently Disabled Employees

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

The Company shall make a good faith effort to comply in a timely manner with requests for a reasonable accommodation because of a permanent disability. Any grievance concerning the accommodation not resolved at the center level hearing will be referred to the appropriate Union and Company co-chairs for the Local Area or to the Region Grievance Committee, if applicable. If not resolved at that level within ten (10) days, the grievance shall be submitted directly to the National Safety and Health Grievance Committee.

If the Company claims that the individual does not fall within the protections of the Americans with Disabilities Act, then the grievance must follow the normal grievance procedure in order to resolve that issue before it can be docketed with the National Safety and Health Committee.

Any claim in dispute concerning rights under this Section shall be addressed under the grievance and arbitration procedures of this Agreement. A grievance

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

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

Section 3.1

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

Agreed to:

Mike Goebel
For the Union

Ed Lenhart
For the Employer

ARTICLE 15. MILITARY CLAUSE

Employees in service in the uniformed services of the United States, as defined by the provisions of the Uniform Services Employment and Reemployment Rights Act (USERRA), Title 38, U.S. Code Chapter 43, shall be granted all rights and privileges provided by USERRA and/or other applicable state and federal laws. This shall include continuation of health coverage as provided by USERRA, and pension contributions for the employee's period of service, as provided by USERRA. Employees shall be subject to all obligations contained in USERRA which must be satisfied for the employees to be covered by the statute.

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

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

ARTICLE 16. LEAVE OF ABSENCE

Section 1.
No Change

Section 2.
No Change

Section 3. Loss of License

Section 3.1 Leave of Absence

When an employee, in any job classification requiring driving, loses his or her operating privilege whose license has been suspended or revoked for reasons other than those for which the employee can be discharged by the Employer, leave shall be granted for such time as the employee's operating privilege or license had been suspended or revoked, but not for a period longer than one (1) year, provided the driver whose operating privilege or license has been suspended or revoked notifies the employee's immediate supervisor before the employee's next report to work of such suspension or revocation. ~~And further provided that such suspension or revocation was not the result of driving under the influence of narcotics until and unless the employee enters into and completes a drug rehabilitation program in accordance with Article 35, Sections 3.12 and 3.13.~~ The above provision need only apply to the first (1st) suspension or revocation except for suspension of commercial drivers license (CDL) of one (1) year or less duration.

Employees who take a leave of absence under this Section whose loss of operating privilege or license is the result of driving under the influence of drugs or alcohol will be allowed alternative work and to return to their job in accordance with Section 3.3 below.

Section 3.2 Alternate Work

(Other than Alcohol/Controlled Substance)

No change

Section 3.3 Alternative Work

(Alcohol/Controlled Substance)

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

Any driver cited for Driving Under the Influence who does not have his/her license suspended, or who has limited driving privileges, shall be assessed by a SAP within five (5) working days of the citation. If the SAP determines the driver does not require rehabilitation, then he/she shall be allowed to return to driving. Until the assessment is completed, the driver shall be allowed to work inside in accordance with the paragraph above. If rehabilitation is required, the above paragraph shall also be applicable. The one time right to rehabilitation provided in Article 35, Section 4.11 shall not be applicable to a driver who completes a rehabilitation program under this paragraph, unless, as a result of the DUI citation, the driver is convicted or loses his/her license for driving.

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

Section 3.4 CDL Qualification

No Change

Section 4. Maternity and Paternity Leave

It is understood that maternity leave for female employees shall be granted with no loss of seniority for such period of time as her doctor shall determine that she is physically unable to return to her normal duties and maternity leave must comply with applicable state and federal laws.

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

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

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

Section 5. Rehabilitation Program -Leave of Absence

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

The leave of absence must be requested prior to the commission of any act subject to disciplinary action except as provided in Article 35, Section 3 and Section 4.

The leave of absence shall be for a maximum of ninety (90) days; additional time may be granted if it is mutually agreed between the Company and the Union, or requested by the Substance Abuse Profession [sic] (SAP). ~~Treatment care professional or the Medical Review Officer.~~ While on such leave, the employee shall not receive any of the benefits provided by this Agreement, Supplements, Riders and/or Addenda, except the continued accrual of seniority.

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

1. Before returning to work, the Employer MRO shall ensure that the employee is "alcohol/drug free," ~~based on an alcohol/drug test that shows no positive~~

~~evidence of the presence of alcohol, a drug or drug metabolite in a person's system. This requirement shall be satisfied when the employee has provided a negative drug test result, as per cutoff levels contained in Section 3.3 or Section 3.4 of Article 35, as applicable, and/or an alcohol test with an alcohol concentration less than .02.~~

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

3. Unannounced alcohol/drug testing for the above-mentioned employee, if required, shall be determined by the ~~SAP aftercare treatment professional, in consultation with the MRO,~~ as provided in this Article. The date, time and place of collection for alcohol/drug testing, if required, shall be determined by the ~~SAP aftercare treatment professional, in consultation with the MRO and administered through the MRO.~~

4. Failure to comply with the after-care treatment plan or a positive specimen as part of the after-care treatment plan will result in discipline pursuant to Article 35, Sections 3.13 and 4.12.

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

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

Section 6. Family and Medical Leave Act (FMLA)

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

Additionally, any employee not covered above, that has worked for the Company for a minimum of thirty-six (36) months and accrued at least ~~750~~ 625 paid hours during the past twelve (12) months is eligible for unpaid leave as set forth below, except that the amount of leave allowed will be computed at one half (1/2) of the time provided by the FMLA.

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

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

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

The Employer may require the employee to substitute accrued paid vacation or other paid leave for part of the 12/6 week leave period .

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

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

ARTICLE 17. PAID FOR TIME

All employees covered by this Agreement shall be paid for all time spent in service of the Employer. Rates of pay provided for by this Agreement shall be minimums.

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

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

Wages for properly selected vacations, in all instances, will be paid to the employees no later than the workday prior to their vacation. If the employee does not receive his/her vacation check, the Employer will make all reasonable efforts to provide the check the following day including delivery by Saturday or Next Day Air. Other shortages involving more than thirty dollars (\$30) for full-time employees, and fifteen dollars (\$15) for part-time employees, will be corrected and the payment will be made available to the employee at his/her reporting location on his/her second scheduled workday after reporting the shortage. If the Employer fails to make the payment available on the employee's second scheduled workday and the shortage was the result of the Employer's error, the employee will be paid an additional amount equal to one-half (1/2) of his/her daily guarantee at his/her regular hourly rate for every full pay period in which the shortage is not paid after the second (2nd) scheduled work day, until corrected.

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

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

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

ARTICLE 18. SAFETY AND HEALTH EQUIPMENT, ACCIDENTS AND REPORTS

Preamble

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

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

To address safety and health issues, the Employer and the Union have developed the following:

A. A National UPS/IBT Safety and Health Committee

B. A National UPS/IBT Safety and Health Grievance Committee to respond to safety, health, ergonomic and climatic issues and concerns; and

C. A Safety and Health Committee, chaired by the UPS Director of Health and Safety and the IBT Director of Safety and Health, will be formed to address present and future safety and health solutions.

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

Notwithstanding the employee's right to contact federal, state or local agencies, it is the recommendation of the committee that issues and concerns, regarding this Agreement, should first be brought before the National Safety and Health Committee.

Section 1 -Employees' Rights -Equipment, Vehicles and Conditions

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

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

It shall not be a violation of this Agreement, or cause for disciplinary action, where employees refuse to operate equipment or a vehicle when such operation constitutes a violation of any state or federal rules, regulations, standards or riders applicable to commercial motor vehicle safety or health, or because of the employee's reasonable apprehension of serious injury to himself/herself or the public due to the unsafe conditions as set out in any state or federal rules, regulations, standards or orders applicable to commercial motor vehicle safety or health to include Part 392.14 of the Federal Motor Carrier Regulations.

Section 2. Out of Service Equipment and Vehicle Reports

No Change

Section 3. Accidents and Reports

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

When required by the Employer, the employee, before the end of the employee's shift, shall complete a report of the accident including all available names and addresses of witnesses to the accident. The reference number will be given to the employee, and when requested, a copy of the accident report will be furnished to the employee within two (2) working days of such request. A copy of the accident report will also be furnished to the Local Union if requested by a Local Union official. In cases of equipment accidents where a Driver's Report of Accident form is completed, the employee will be given a copy of the form the same day, when requested. In facilities with no copy equipment the employee will be provided a copy as soon as practicable.

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

A serious accident is defined as one in which:

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

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

The Employer and the Union mutually agree that the employee's rights to Union representation will be protected pursuant to Article 4 of the National Master UPS Agreement.

Section 4. Seats

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

When replacing the seat cushion in package cars where the seat is attached to a post, the Employer will use the new soft ride cushion agreed to. When replacing the seat back, the Employer agrees to provide the new seat back with the

adjustable lumbar support feature. Seat backs will be replaced as needed subject to availability from the manufacturer. In all new P-32 through P-120 vehicles, the Employer agrees to provide multi-adjust seats. ~~Upon ratification of the contract the Employer agrees to initiate a new research and development study for the purpose of identifying a multi-adjustable seat with a three point seat belt for existing package cars. The Employer agrees to notify the Chairs of the National Safety and Health Committee of the number and locations of testing sites and to submit the test results to the Chairs.~~

Section 5. Sun Visors

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

Section 6. Building Heat

Centers will be heated, where practical.

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

Section 6.1 - Indoor Air Pollution

1. Motor vehicles shall be physically connected to a local exhaust ventilation system when the operations in the shop require that the vehicle engine be idled or otherwise operated. Shop areas shall be designated as separate walled-in areas.
2. The Employer will instruct drivers of motor vehicles not to allow vehicles to unreasonably idle while indoors.

Section 7. Trailer Configuration

No Change

Section 8. Radios

Transistor radios will be allowed in package cars.

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

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

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

Section 9. Tires

No Change

Section 10. Shocks

No Change

Section 11. Mirrors

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

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

~~As soon as practicable, but no later than thirty (30) months after the ratification of the Agreement, the Employer will equip package cars with rear cross over mirrors or other devices, to further enhance safety during backing.~~

The Employer shall continue to install and maintain the agreed to camera/monitor backing system devices in all package cars for the furtherance of safety while backing. If technological advances would allow a more effective system or enhancements in the current system, the Employer shall meet with the Union to discuss and review any potential changes.

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

Section 12. Dollies

No Change

Section 13. Exhaust Systems

No Change

Section 14. Package Cars

All new package cars, P-32 and larger, added to the fleet after January 1, 1994, shall be equipped with package compartment venting. Upon ratification of this Agreement, the Climatic Conditions Committee shall meet to evaluate and, if Needed, recommend appropriate method(s) for venting the package compartments. ~~The method of venting will be dictated by technology and will vary according to climatic conditions.~~ The installation of cab compartment fans will be determined by individual districts.

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

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

Gear shift extensions shall be addressed on a case-by-case basis.

All new package cars placed into service after August 1, 1997, shall be equipped with power steering.

The Employer will replace package cars at a rate no less than the percent replaced over the duration of the prior contract that expired July 31, 2002. The

Union will be notified if the Employer cannot meet this schedule because of volume downturns.

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

Section 14.1 Driver Safety and Security

No Change

Section 15. Heaters and Defrosters

No Change

Section 16. Noise Abatement

No Change

Section 17. Vehicle Integrity

No Change

Section 18. Vehicle and Personal Safety Equipment

No Change

Section 19. Qualification on Equipment

No Change

Section 20. National UPS/IBT Safety and Health Committee

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

The Employer and the Union shall maintain a National UPS/IBT Safety and Health Committee. The Committee shall be governed by the terms of this Agreement and by an agreed to set of rules of procedure.

It is the responsibility of the Committee to provide guidance and recommendations on all factual issues, involving safety and health (including ergonomic issues) and equipment, affecting employees covered by the National Master United Parcel Service Agreement. The Committee is also charged with the responsibility to review and approve the development and implementation of the CHSP. At the discretion of the chairmen, it may also consider any subject pertaining to the safety and health of the employees covered by this Agreement which it deems significant. Such Committee shall convene on a regular basis, with an agenda to be agreed to by the respective chairmen.

As agreed by the chairmen, the Committee may establish such subcommittees as it deems necessary to address matters affecting safety and health.

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

No Change

Section 20.3 Climatic Conditions Committee

No Change

Section 20.4 Safety and Health Committees:

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

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

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

Each committee shall perform functions including, but not limited to:

1. Creating sub-committees, on an as needed basis, to investigate specific issues of safety and health concern. These committees shall report to the full committee.
2. Developing and maintaining minutes for all meetings, with copies to all committee members and posted on designated safety bulletin boards.
3. Conducting periodic inspections of the facility to ensure that there is a safe, healthful and sanitary working environment in each center.
4. Accompanying governmental, union, and/or company health and safety professionals on facility inspection tours. The Employer may limit the number of bargaining unit members of the committee accompanying such an inspection tour.
5. Receiving information pertaining to lost workday injury/accident causes and review results of the investigation of such injuries/accidents.
6. Receiving copies of the center's OSHA Illness and Injury logs and the facility's man-hours.
7. Receiving the Company sponsored training to enable committee members to effectively perform their respective functions as safety and health committee members.

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

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

Section 21 - Hazardous Materials Handling Program
No Change

Section 22. Incompatible Package Handling
No Change

Section 23. Union Liability
No Change

No Change

ARTICLE 19. POSTING

ARTICLE 20. EXAMINATION AND IDENTIFICATION FEES

Section 1. Required Examination

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

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

Section 2. Return to Work Examination

No Change

Section 3. Third Doctor Procedure

No Change

Section 4. Disqualified Driver - Alternative Work

No Change

Section 5. Identification

No Change

ARTICLE 21. UNION ACTIVITY

No Change

ARTICLE 22. PART-TIME EMPLOYEES

Section 1.

No part-time employee shall drive except:

- (a) when no full-time employee or combination full-time employee is on the premises;
- (b) to avoid delay in the work; or,
- (c) as provided for in Article 40 Air Operation.

Section 2.

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

Section 3.

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

This commitment shall include the obligation to create at least ten thousand (10,000) new full-time jobs from existing part-time jobs during the life of this Agreement throughout its operations covered by this Agreement; ~~2,000~~ two thousand five hundred (2,500) jobs during each year beginning in the third year of this Agreement. The Employer shall, wherever possible, reschedule part-time employees to make additional full-time jobs or combination full-time jobs. No part-time employee shall be laid off or suffer a loss of a job as a result of creating a full-time job under this Article or Article 40.

The Employer's obligation under this Article and Article 40 of this Agreement to create full-time jobs from part-time jobs shall be satisfied by the creation of 10,000 full-time jobs during the life of this Agreement notwithstanding any other provisions in this Agreement, any Supplement, Rider or Addendum.

In order to enable the Union to enforce and monitor this provision, the Employer shall provide a quarterly report to the Parcel and Small Package Trade Division Director containing the location of each job created under this Section during the previous quarter and the identity of the jobs combined to create the positions.

~~Part-time employees shall be selected for full-time openings in accordance with the procedures contained in the applicable Supplement, Rider or Addendum. If there is a reduction in volume causing layoffs, the Employer's obligation under this Section shall be null and void.~~

The number of full-time jobs created under Article 22, Section 3 of the 1997-2002 Agreement shall not be reduced.

Section 4.

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

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

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

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

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

Sections 5. Wages

(a) Part time Employees

All part-time employees who have attained seniority as of August 1, 1997 2002 will receive the following general wage increases:

~~August 1, 1997 sixty cents per hour (\$0.60)~~
~~August 1, 1998 sixty cents per hour (\$0.60)~~
~~August 1, 1999 sixty cents per hour (\$0.60)~~
~~August 1, 2000 sixty cents per hour (\$0.60)~~
~~August 1, 2001 seventy cents per hour (\$0.70)~~

August 1, 2002 seventy-five cents per hour (\$0.75)
August 1, 2003 seventy-five cents per hour (\$0.75)
August 1, 2004 eighty cents per hour (\$0.80)
August 1, 2005 eighty cents per hour (\$0.80)
August 1, 2006 ninety cents per hour (\$0.90)
August 1, 2007 one dollar per hour (\$1.00)

In addition to the general wage increases above, part-time employees who attained seniority as of August 1, ~~1997~~ 2002 and were not red-circled in or before 1982 shall receive the following increases:

~~August 1, 1997 fifteen cents per hour (\$0.15)~~
~~August 1, 1998 fifteen cents per hour (\$0.15)~~
~~August 1, 1999 twenty cents per hour (\$0.20)~~
~~August 1, 2000 twenty five cents per hour (\$0.25)~~
~~August 1, 2001 twenty five cents per hour (\$0.25)~~

August 1, 2002 ten cents per hour (\$0.10)
August 1, 2003 fifteen cents per hour (\$0.15)
August 1, 2004 fifteen cents per hour (\$0.15)
August 1, 2005 twenty cents per hour (\$0.20)
August 1, 2006 twenty cents per hour (\$0.20)

August 1, 2007 twenty cents per hour (\$0.20)

Part-time employees still in progression on the effective date of this Master Agreement shall receive the above contractual increases and will be paid no less than what they are entitled to in accordance with the wage schedules in Article 22, Section 5 (b) below.

(b) Newly hired part-time employees

All part-time employees, who are hired or reach seniority after August 1, ~~1997~~ 2002 will be paid according to the following wage schedules:

	Hourly Rate	
	Preloader Sorter	All Others
Start	\$ 9.50	\$8.50
<u>Start plus ninety (90) calendar days</u>	<u>\$10.00</u>	<u>\$9.00</u>
Seniority plus one (1) year	\$10.00 <u>\$10.50</u>	\$9.00 <u>\$9.50</u>
Seniority plus two (2) years	\$10.50 <u>\$11.00</u>	\$9.50 <u>\$10.00</u>
Seniority plus three (3) years	\$11.00 <u>\$11.50</u>	\$10.00 <u>\$10.50</u>
Seniority plus four (4) years	\$11.75 <u>\$12.25</u>	\$10.75 <u>\$11.25</u>

Employees working high volume direct or low volume direct shall receive the preloader/sorter rates.

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

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

Section 6. Part-Time Employee Transfer
No Change

ARTICLE 23. SEPARATION OF EMPLOYMENT

No Change

ARTICLE 24. INSPECTION PRIVILEGES

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

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

ARTICLE 25. SEPARABILITY AND SAVINGS

No Change

ARTICLE 26. COMPETITION

No Change

ARTICLE 27. EMERGENCY REOPENING

No Change

ARTICLE 28. SYMPATHETIC ACTION

No Change

ARTICLE 29.

Section 1. Jury Duty
No Change

Section 2. Funeral Leave

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

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

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

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

Time off shall not extend beyond the day of the funeral unless an additional day is required for travel, except as provided above. 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 regular scheduled workweek is five (5) days, and ten (10) times the straight-time hourly rate for those employees whose regular scheduled workweek is four (4) days. Part-time employees will receive the same benefits as above, paid at four (4) times the employee's hourly rate. Better conditions contained in Supplements, Riders or Addenda will be maintained by present employees. All employees hired after July 2, 1982 will be covered by the above language.

Section 3. Tax Deferred Savings Plan 401(k)
No Change

ARTICLE 30. JURISDICTIONAL DISPUTES

No Change

ARTICLE 31. GARNISHMENTS

No Change

ARTICLE 32. SUBCONTRACTING

No Change

ARTICLE 33. COST-OF-LIVING (COLA)

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

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

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

Effective August 1, 2003, and every August 1 thereafter during the life of the agreement, a cost-of-living allowance will be calculated on the basis of the difference between the Index for May 2003 (published June 2003) and every May thereafter, and the base Index for May 2002 (published June 2002) and every May thereafter, as follows:

For every 0.2 point increase in the Index, over and above the base (prior year's) Index plus 3.0% there will be a 1 cent increase in the hourly wage rates payable on August 1, 2003, and every August 1 thereafter. These increases shall only be payable if they equal five (\$.05) cents in a year.

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

Mileage paid employees will receive cost-of-living allowances on the basis of 0.25 mills per mile for each 1 cent increase in hourly wages, subject to the threshold set forth above.

~~The Central Conference package driver wage and benefit contribution rates shall be summed and referred to as the "Compensation Rate". The annual percentage increase in the Compensation Rate, resulting from negotiated wage and benefit increases, shall be referred to as the "Compensation Rate Percentage".~~

~~Cost of living allowances shall be effective on April 1, 2001 and April 1, 2002.~~

~~The April 1, 2001 adjustment shall be calculated by the difference between the January, 2000, Index and the January, 2001, Index.~~

~~The April 1, 2002 adjustment shall be calculated by the difference between the January, 2001, Index and the January, 2002, Index.~~

~~The cost of living allowances shall be calculated as follows:~~

~~For every 3.4 increase in the Index, over and above the prior year's Index increased by the Compensation Rate Percentage, there shall be a lump sum payment, in the month of April, of one hundred dollars (\$100) for covered full-time employees and fifty dollars (\$50) for part-time employees.~~

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

In the event that the Index shall be revised or discontinued and in the event the Bureau of Labor Statistics, U.S. Department of Labor, does not issue information which would enable the Employer and the Union to know what the Index would have been had it not been revised or discontinued, then the Employer and the Union will meet, negotiate, and agree upon an appropriate substitute for the Index.

Upon the failure of the parties to agree within sixty (60) days, thereafter, the issue of an appropriate substitute shall be submitted to an arbitrator for determination. The arbitrator's decision shall be final and binding.

ARTICLE 34. HEALTH & WELFARE AND PENSION

Section 1.

Health & welfare and/or pension contributions shall be increased by twenty-six dollars (\$26) per week on August 1, 1997; 2002 and twenty-four dollars (\$24.00) per week on August 1, 1998; 2003; - and twenty-four dollars (\$24.00) per week on August 1, 1999 2004; and twenty-four dollars (\$24.00) per week on August 1, 2000 2005 and twenty-four dollars (\$24.00) per week on August 1, 2001. 2006; and twenty-eight dollars (\$28.00) per week on August 1, 2007. , Where the employees are covered by both Teamster Health & Welfare and Pension Funds in a Supplement, Rider or Addendum, the weekly health & welfare and pension contributions shall be allocated by the respective Joint Supplemental Area Negotiating Committees, subject to the approval of the Joint National Negotiating Committee. In those Supplements, Riders or Addenda, where some of the employees are covered by a Teamster Health and Welfare Plan and some of the employees are covered by the Company Health and Welfare Plan, the amount of money allocated to the Company Health and Welfare Plan shall be the same as the amount allocated to the Teamster Health and Welfare Plan in the Supplement, Rider or Addendum. The

applicable Supplement, Rider or Addendum will reflect the appropriate agreed-to increases to the Teamster Pension Plans in those Supplements, Riders or Addenda where all the employees are in the Company Health and Welfare Plan and/or covered by Section (f) of this Article. These increases shall be allocated as follows: twenty-five cents (\$0.25) per hour to Health and Welfare in each year of the contract. The remainder of the contribution increase each year will be paid into pension.

It is the intent of the Employer and the Union that health & welfare and pension monies will be allocated in a manner to keep wage increases uniform. The increases accrued under this Article on August 1st, of each year, can only be allocated to health & welfare and/or pension. Any dispute concerning the allocation of health & welfare and pension money shall be determined and/or resolved by the Joint National Negotiating Committee.

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

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

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

(e) All contractual provisions relating to health & welfare and pensions shall be provided in the respective Supplemental Agreements, Riders and Addenda.

(f) The agreements on Maintenance of Benefits for Teamster Health and Welfare Plans in the Western Conference of Teamsters Supplemental Agreement and in the Northern California Supplement Agreement shall continue in full force and effect during the life of this Agreement.

(g) The Employer shall not be required to contribute to any jointly trustee health and welfare plan, consistent with the practices and rules and regulations of such plan in effect as of August 1, ~~1997~~ 2002 an amount greater than the amount it contributed on July 31, ~~1997~~ 2002 plus the increases required by this Master Agreement. except as may be required by law notwithstanding any language to the contrary in any Trust Agreement, Participation Agreement or similar document. The only exception to the above is the Maintenance of Benefits provision in paragraph (f) above.

(h) In the event that national health care legislation is enacted, the parties agree to meet and discuss any ramifications of that legislation on the provisions of this Article.

(i) UPS Part-time Pension Plan

(1) The UPS Pension Plan will be improved to provide monthly benefits for part-time employees not covered by Teamster Pension Plans as follows: The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants will be increased effective August 1, 2004 to fifty-five dollars (\$55) for each year of past and future Credited Service to a maximum of 35 years of Credited Service.

For example, the total monthly benefit will be equal to the following provided the employee meets the Credited Service requirement. I

~~\$1,750~~ 1,925 for retirement at any age after 35 years of part-time Credited Service

~~\$1,500~~ 1,650 for retirement at any age after 30 years of part-time Credited Service

~~\$1,250~~ 1,375 for retirement at age 60 with 25 years of part-time Credited Service

~~\$1,000~~ 1,125 for retirement at any age with 25 years of part-time Credited Service

(based on \$45.00 per year of Credited Service)

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

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

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

~~(5) The improved benefits will become effective as of August 1, 1999. Effective August 1, 2002, the Employer will grant additional years of Credited Service in accordance with the terms of the Plan to all full-time and part-time employees on the payroll on August 1, 2002, who worked for UPS after they were 21 but were denied Credited Service solely because the UPS Pension Plan required that an employee be age 25 or older to participate in the UPS Pension Plan.~~

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

(j) Long-Term Disability

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

(2) Long-term disability benefits will equal sixty percent (60%) of the employee's base weekly pay to a maximum of five hundred dollars (\$500) per week for UP to five (5) years. Long-term disability benefits begin when short-term disability coverage ends or after twenty-six (26) weeks from date of disability, whichever is later.

- (3) Average weekly base pay is computed by averaging paid hours (maximum of 40 hours per week) each week during the last full calendar quarter the employee worked and multiplying that by the hourly rate of their base job. Weeks of unemployment in the prior quarter will not be counted in the calculation. If there were substantial weeks of unemployment, the prior full calendar quarter may be used for the calculation.
- (4) The definition of disability, termination of eligibility, offsets, exclusions, limitations, claim procedures and any other related issues will be controlled by the Summary Plan Description.
- (5) The long-term disability coverage will become effective on August 1, 2004 for eligible employees who become disabled after that date. However, pre-existing conditions will not affect the employee's eligibility for LTD.

(k) Part-time Retiree Coverage

- (1) Effective August 1, 2002 the Employer will provide health insurance coverage to all part-time employees, not covered by a Union plan, who retire on or after that date.

Details of the Plan are still being worked out.

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

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

No Change

Section 2. Suspension or Revocation of License

No Change

Section 3. Controlled Substances Testing

The parties have agreed that the procedures as set forth in Article 35, Section 3 shall be the methodology for all testing and will be modified only in the event that further federal legislation or Department of Transportation regulations require revised testing methodologies or requirements during the term of this Agreement. To the extent that a subject is not covered by this Article the appropriate regulation shall control.

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

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

Section 3.1 Employees Who Must Be Tested

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

In addition to testing mandated employees, controlled substance testing will be part of prequalification conditions for feeder driver employment, and those

persons transferring to a feeder driver position. Individuals who are on a "bid list" for tractor-trailer employment or other similar classification type jobs are subject to being tested for controlled substances before being accepted into such a position.

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

Section 3.2 Testing

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

Section 3.3 Screening Test

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

Substance	Initial Test Level (ng/ml)
Marijuana Metabolites	50
Cocaine Metabolites	300
Opiate Metabolites	300 <u>2000</u>
Phencyclidine	25
Amphetamines	1,000

~~*25 ng/ml is immunoassay specific for free morphine~~

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

Section 3.4 Confirmatory Test

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

Substance	Confirmatory Test Level (ng/ml)
Marijuana Metabolite (1)	15
Cocaine Metabolite (2)	150
Opiates:	
Morphine	300 <u>2000</u>
<u>6-Acetylmorphine (3)</u>	<u>10</u>
Codeine	300 <u>2000</u>
Phencyclidine	25
Amphetamines:	
Amphetamine	500
Methamphetamine (4)	500

- (1) Delta-9-tetrahydrocannabinol-9-carboxylic acid
- (2) Benzoylecgonine
- (3) Test for 6-AM when morphine concentration is greater than or equal to 2000 ng/ml.

(4) Specimen must also contain amphetamine at a concentration greater than or equal to 200 na/ml before reporting methamphetamine positive.

In the event the initial urine test indicates a positive response the confirmatory test must be done. These substances and test levels are subject to change by the Department of Transportation as advances in technology or other considerations warrant.

Section 3.5 Laboratory Testing

All laboratories selected by UPS for analyzing Controlled Substances Testing must be ~~SAMHSA~~ HHS certified.

Section 3.6 Types of Testing Required

No Change

Section 3.7 Pre-Qualification Testing

No Change

Section 3.8 Reasonable Cause Testing

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

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

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

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

Note: (Reasonable Cause)

At the time the urine specimen is collected, the employee may opt to also give a blood sample. If the employee takes this option, the blood sample must confirm positive presence for the substance confirmed in the urine test. If no positive is confirmed in the blood specimen, the employee will be given a warning letter, and offered an opportunity for rehabilitation as set forth in this Article, and the employee will be required to otherwise satisfy the requirements imposed by the DOT regulations. However, if there is a second occasion where reasonable cause testing results in a positive urine test, the employee will then be subject to discharge.

PAGE 48 IS MISSING HERE!!!!

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

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

Section 3.11 Notification

No change

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

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

The employee will be permitted to return to work after the SAP has determined that the employee has successfully complied with prescribed education and/or treatment and the employee has provided a negative drug test result, as per cutoff levels contained in Section 3.3 or Section 3.4 of this Article, as applicable, and/or an alcohol test with an alcohol concentration less than 0.02.

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

Substance Abuse Professional (SAP)

Each Substance Abuse Professional (SAP) must be a licensed Doctor of Medicine or Osteopathy, or a licensed or certified psychologist, social worker, employee assistance professional, or drug and alcohol counselor (certified by the

National Association of Alcoholism and Drug Abuse Counselors Certification Commission) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substance-related disorders and be knowledgeable of the SAP function as it relates to Employer interest in safety-sensitive functions and applicable DOT agency regulations. In addition, the SAP shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing education requirements.

The SAP is responsible for performing the following functions:

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

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

Employer Responsibilities

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

A. Ensure that the individual or employees is "drug free", based on a drug test that shows no positive evidence of the presence of a drug or a drug metabolite in the person's employee's system.

B. Ensure that the employee has been evaluated by a rehabilitation program counselor Substance Abuse Professional for drug use or abuse.

C. Ensure and confirm with after care treatment professional the Substance Abuse Professional that the employee demonstrates compliance with all conditions or requirements of a rehabilitation program in which he or she participated.

Section 3.13 Disciplinary Action

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

1. Reasonable Cause Testing. ;
 - a. A positive test is a dischargeable offense unless the Union and the Employer expressly agree to a lesser penalty. Any such agreement will not be precedent setting.
 - b. Refusal to submit to a reasonable cause drug test is a dischargeable offense.
2. Post-Accident Testing
 - a. A positive test is a dischargeable offense.
 - b. Refusal to submit to a post-accident drug test is a dischargeable offense.
3. Random Testing

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

4. Pre-qualification

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

5. Other Dischargeable Offenses:

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

Section 3.14 Preparation for Testing

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

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

- Photo identification issued by the Employer or a federal, state or local government;
- An unsigned authorization form for urinalysis drug screening

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

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

Section 3.15 Specimen Collection Procedures

The Employer agrees to continue use of the Specimen Collection Checklist. The checklist, approved by the National UPS/IBT Safety and Health Committee, is to be used with the affected employees at the collection site by the person performing the collection services for the Employer.

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

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

No unauthorized personnel will be allowed in any area of the collection site. Only one (1) controlled substances testing collection procedure will be conducted at a time and the specimens can only be handled by the collection site person.

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

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

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

The employee will provide his or her specimen in a stall or otherwise partitioned area that allows for privacy. The Employer agrees to recognize all employee's rights to privacy while being subjected to the collection process at all times and at all collection sites. Further, the Employer agrees that in all circumstances the employee's dignity will be considered and all necessary steps will be taken to insure that the entire process does nothing to demean, embarrass or offend the employees unnecessarily. Authorization for collection under the direct observation of a collection agent ~~(of the same gender)~~ will ~~only be made under specific circumstances~~ will be in accordance with Department of Transportation regulations. All procedures shall be conducted in a professional, discreet and objective manner. ~~Direct observation will be necessary in cases where there is reason to believe that an employee has adulterated the initial specimen.~~ Refusal to provide a specimen under direct observation when requested shall be considered a refusal to test and a terminable offense.

The employee shall be instructed to provide at least forty-five (45) milliliters of urine in the ~~first~~ collection container. The employee shall hand the specimen to the collection agent. The specimen shall remain in the sight of both the collection agent and the employee at all times. A minimum of ~~fifteen (15)~~ thirty (30) milliliters of urine shall be placed in the ~~second~~ primary specimen container by the collection agent. The collection agent then ~~shall determine that the first container contains at least thirty (30) milliliters of urine must pour at least fifteen (15) milliliters of urine from the collection container into the second specimen bottle to be used for the split specimen.~~ If the individual is unable to provide forty-five (45) milliliters of urine, the collection agent shall direct the individual to drink fluids, not to exceed forty (40) ounces distributed reasonably over a period not to exceed three (3) hours or until a sufficient specimen is provided, whichever occurs first. Then ~~after a reasonable time not to exceed three (3) hours, the employee shall again attempt to provide a complete sample using a new specimen container.~~ (The original specimen, if any, should be discarded, unless it was out of temperature range or showed evidence of adulteration or tampering.) If the individual is still unable to provide forty-five (45) milliliters of urine, he/she will be taken out of service and a medical evaluation will be conducted within five (5) business days by a licensed physician who has the expertise in this type of medical issue, and is approved by the Employer to determine if there is a medical reason for the inability to provide a specimen. If it is not determined that there is a medical reason, the individual will be treated as having refused to take the test. If the employee fails for any reason to provide forty-five (45) milliliters of urine, the collection agent should contact a third party

administrator (TPA) and either the District Safety and Health Manager or another Employer designee.

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

In the event of suspected specimen adulteration, a second specimen will be immediately collected if possible under direct observation and the entire procedure should be repeated including initiation of a new chain-of-custody and control form and separate packaging for shipping. If an employee refuses to provide a second specimen, it shall be noted as a refusal to test and shall be a terminable offense.

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

Specimen handling (from one (1) authorized individual or place to another) will always be conducted using chain-of-custody procedures. Every effort must be made to minimize the number of people handling specimens. Both specimen containers shall be sealed and then forwarded to an approved laboratory for testing.

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

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

If an employee is told that the first sample tested positive, the employee may, within seventy-two (72) hours of receipt of actual notice, request that the second urine specimen be forwarded by the first laboratory to another independent and SAMSHA EHS approved laboratory of the parties' choice for GC/MS confirmatory testing of the presence of the drug. If an employee chooses to have the second sample analyzed, he/she shall at that time execute a special checkoff authorization form to insure payment by the employee. If the second test is positive, and the employee wishes to use the rehabilitation option, the employee shall reimburse the Employer for the costs of the second confirmation test and handling and shipping charges before entering the rehabilitation program. For those employees who choose to have the second specimen tested, disciplinary action can only take place after the MRO verifies the first test as positive ~~first laboratory reports a positive finding~~ and the second laboratory confirms the presence of the drug. However, the employee may must be taken out of service once the first test result is verified as positive by the MRO laboratory reports a positive finding while the second test is being performed. If the second laboratory report is negative, the employee will not be charged for the cost of the second test and will be reimbursed for all lost time. It is also understood that if an employee opts for the second specimen to be tested, contractual time limits on disciplinary action in the Supplements are waived.

Section 3.16 Specimen Shipping Preparations

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

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

A double-pouch bag will be used for shipping, with one (1) side for the urine specimen and the other for paperwork.

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

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

The collection agent places the sealed specimen bag in the shipping box and seals the box with the tape provided.

Section 3.17 District Medical Review Officer

Each Any person serving as a Medical Review Officer (MRO) for the Company must be a licensed doctor of medicine or osteopathy with knowledge of substance abuse disorders, issues relating to adulterated and substituted specimens, possible medical causes of specimens having an invalid result, and a applicable DOT agency regulations. In addition the MRO shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing education requirements.

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

1. Reviewing the results of UPS's drug testing program.
2. Receiving all positive and negative drug test reports as prescribed under the DOT regulations, and making all reports of drug test results to the Employer.
3. Within a reasonable time, notifying an employee of a confirmed positive test result.
4. Reviewing and interpreting each confirmed positive test result in order to determine if there is an alternative medical explanation for the specimen's testing positive. The MRO shall perform the following functions as part of the review of a confirmed positive test result:
 - a. Provide an opportunity for the employee to discuss a positive test result.
 - b. Review the employee's medical history and relevant biomedical factors. A driver is allowed to use a controlled substance (except for methadone) only when taken as prescribed by a licensed medical practitioner who is familiar with the driver's medical history and assigned duties.
 - c. Review all medical records made available by the employee to determine if a confirmed positive test resulted from legally prescribed medication or other possible explanation.
 - d. Verify that the laboratory report and assessment are correct. ~~The MRO shall be authorized to request that the original specimen be reanalyzed to determine the accuracy of the reported test result.~~
5. Processing an employee's request to test the split sample. Such testing will be conducted at the employee's expense. The employee shall be reimbursed by UPS for any such expense should the retest provide a negative result. If a reanalysis is negative, then the MRO will declare the test canceled.

~~10. Review and determine with the after care treatment professionals whether and when a return to work agreement can be made for an employee. The MRO shall also review any rehabilitation program in which the employee participated.~~

~~11. Reviewing with after care treatment professionals the schedule of unannounced testing for an employee who has returned to duty after failing a drug test conducted in accordance with the return to work agreement, or after refusing to submit to a drug test required by the return to work agreement.~~

Section 3.18 MRO Determination

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

Based on a review of laboratory reports, quality assurance and quality control data and other drug test results, the MRO may conclude that a particular confirmed positive drug test result should be cancelled ~~is scientifically insufficient for further action~~. Under these circumstances, the MRO shall report ~~conclude that the test is negative for the presence of drugs or drug metabolites in the employee's system that the test is cancelled~~.

~~When there is a question as to the validity or accuracy of a positive test result, only the MRO is authorized to order a re-analysis of the original sample. Not later than seventy-two (72) hours after notification of a confirmed positive test result or refusal to test because of adulteration or substitution, an employee may submit a written or verbal request to the MRO for testing of the split sample. The laboratory used must be certified by the SAMSHA HHS and must follow usual chain-of-custody procedures.~~

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

~~In order to make a recommendation to return an employee to duty after the employee has tested positive for the presence of controlled substances or has refused to submit to a drug test, the Employer shall:~~

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

~~If the MRO, after appropriate review, is in basic disagreement with the treatment or evaluation physician/center as to the appropriate return to work date after evaluation and/or rehabilitation, then the MRO and the treatment/evaluation provider must mutually agree upon a third (3rd) doctor within ten (10) working days, whose decision as to the appropriate return to~~

~~work date shall be final and binding. If the third (3rd) doctor agrees that the employee should have been returned to work at a date earlier than that proposed by the MRO, the employee shall be reimbursed at his/her daily guarantee, less any other monies received, back to the release date of the evaluation and/or treatment facility. It shall exclude any time the employee was not available for examination at work.~~

Section 3.19 Record Retention

No change

Section 3.20 Release of Drug Testing Information

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

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

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

Section 3.21 Paid for Time

No Change

Section 4 Alcohol Testing

No Change

Section 4.1 Employees Who Must Be Tested

No Change

Section 4.2 Testing

No Change

Section 4.3 Screening Test

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

Breath Alcohol Levels:

Less than 0.02 - Negative

0.02 and above - Positive (Requires Confirmation Test)

Section 4.4 Confirmatory Test

All specimens identified as positive on the initial screening test, showing an alcohol concentration of 0.02 or higher, shall be confirmed using an EBT that is capable of providing a printed result in triplicate; is capable of assigning a unique and sequential number to each test; and is capable of printing out, on each copy of the printed test result, the manufacturer's name for the device, the device's serial number, and the time of the test.

A confirmation test must be performed not sooner than fifteen (15) minutes the screening test, but not more than ~~twenty (20)~~ thirty (30) minutes after the screening test.

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

Breath Alcohol Levels:

Less than 0.02 - Negative

0.02 to 0.039 - Positive/Out of service for twenty-four (24) hours from time of the test

0.04 and above - Positive/Out of service and referred to Substance Abuse Professional (SAP).

Section 4.5 Types of Testing Required

No Change

Section 4.6 Reasonable Cause Testing

No Change

Section 4.7 Post-Accident Alcohol Testing

No Change

Section 4.8 Random Testing - Random Employee Selection

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

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

1. An alphabetical total pool list of employees in the Region. ~~and~~
2. A District list of employees shall be printed from the random list in the order in which they are computer selected.
3. ~~An alternate list by District, which is a continuation of the District's random list.~~

An absent employee whose name appears on the random test list must be tested upon return to work immediately after notification provided he/she returns before the next selection period. The lists or true copies of the lists shall be maintained by a third party administrator. Upon request to the District Labor Relations Manager, the lists will be made available for review by Local Union

representatives and company labor relations managers to verify the proper application and use of the lists in the random testing system.

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

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

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

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

Section 4.9 Notification

No Change

Section 4.10 Rehabilitation and Testing after Return to Duty

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

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

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

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

Employer Responsibilities

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

A. Ensure that the employee is "alcohol free", defined as less than .02, based on an alcohol test.

B. Ensure that the employee has been evaluated by a SAP for alcohol use or abuse.

C. Ensure and confirm with the SAP that the employee demonstrates compliance with all conditions or requirements or a rehabilitation program in which he or she participated.

Section 4.11 Discipline

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

1. Reasonable Cause Testing

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

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

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

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

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

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

2. Post Accident Testing

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

3. Random Testing

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

A second positive test of 0.02 to 0.060 or an initial positive test of 0.04 or above will result in the employee being taken out of service and a ten (10) day suspension shall be imposed. The employee will also be referred to a Substance Abuse Professional (SAP) for evaluation. If the SAP requires in-patient treatment and that in-patient treatment is the second such treatment afforded the employee, the cost of such treatment will not be borne by the UPS medical plan.

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

4. Dischargeable Offenses

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

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

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

Section 4.12 Preparation for Testing

Pursuant to Department of Transportation regulations, the Employer reserves the right to utilize on site or off site testing facilities. Under no circumstances shall the Employer utilize UPS personnel to serve as a Breath Alcohol Technician (BAT). ~~Employer forms used in the testing procedure shall be mutually agreed upon by both parties.~~

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

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

~~A consent form will be provided to the BAT by the Employer or third party administrator. The employee shall sign the consent form and the BAT shall sign as a witness.~~

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

Section 4.13 Specimen Testing Procedures

The Employer agrees to implement a "Specimen Testing Checklist". The checklist, approved by the UPS/IBT Safety and Health Committee, is to be used with the affected employees at the testing site by the person performing the testing for the Employer. The checklist is to be used at all locations, but it is understood that failure to use or the refusal to use the checklist does not invalidate a properly conducted alcohol testing procedure, nor does it prohibit an employee's recourse to the collective bargaining agreement and/or the grievance procedure.

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

No unauthorized personnel will be allowed in any area of the testing site. Only one (1) alcohol testing procedure will be conducted at a time.

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

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

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

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

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

~~Section 4.14 Substance Abuse Professional (SAP) and Medical Review Officer (MRO)~~
Each Substance Abuse Professional (SAP) must be a licensed Doctor of Medicine or Osteopathy or a licensed or certified psychologist, social worker, employee assistance professional, or ~~addiction drug and alcohol~~ counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substance-related disorders and be knowledgeable of the SAP function as it relates to Employer interest in safety-sensitive functions and applicable DOT agency regulations. In addition, the SAP shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing educations-requirements.

~~Each Medical Review Officer (MRO) must be a licensed Doctor of Medicine or Osteopathy with knowledge of substance abuse disorders. The SAP and the MRO may be the same individual if they meet the DOT regulations.~~

The SAP, ~~working in conjunction with the MRO~~, is responsible for performing the following functions:

1. Conducting the initial face-to-face clinical assessment and evaluation to determine what assistance is needed by the employee to solve problems associated with alcohol and/or drug use;

2. Referring the employee to an appropriate educational and/or treatment program
3. Conducting a face-to-face follow-up evaluation to determine if the employee has actively participated in the education and/or treatment program and has demonstrated successful compliance with the initial assessment and evaluation recommendations;
4. Providing the Employer with a follow-up drug and/or alcohol testing plan for the employee;
5. Providing the employee and employer with recommendations for continuing education and/or treatment.

~~1. Review and determine with the after care treatment professional whether and when a return to work agreement can be made for an employee. The SAP, working in conjunction with the MRO, shall also review any rehabilitation program in which the employee participated.~~

~~2. Reviewing with after care treatment professionals the schedule of unannounced testing for an employee who has returned to duty after failing an alcohol test conducted in accordance with the return to work agreement, or after refusing to submit to an alcohol test required by the return to work agreement.~~

~~Frequency of such follow up testing shall consist of at least six (6) tests in the first twelve (12) months following the drivers' return to duty. The one (1) year period may be extended by the after care treatment professional in consultation with the SAP, working in conjunction with the MRO, as necessary.~~

~~Section 4.15 SAP/MRO Determination~~

~~In order to make a recommendation to return an employee to duty after the employee has tested positive for the presence of alcohol or has refused to submit to an alcohol test, the SAP, working in conjunction with the MRO, shall:~~

- ~~A. Ensure that the individual or employee is "alcohol free" based on an alcohol test that shows no positive evidence of the presence of alcohol in the person's system.~~
- ~~B. Ensure that the employee has been evaluated by a rehabilitation program counselor for alcohol use or abuse.~~
- ~~C. Ensure and confirm with the after care treatment professional that the employee~~

~~If the SAP, working in conjunction with the MRO, after appropriate review, is in basic disagreement with the treatment or evaluation physician/center as to the appropriate return to work date after evaluation and/or rehabilitation, then the SAP, working in conjunction with the MRO, and the treatment/evaluation provider shall mutually agree upon a third (3rd) doctor within ten (10) working days, whose decision as to the appropriate return to work date shall be final and binding. If the third (3rd) doctor agrees that the employee should have been returned to work at a date earlier than that proposed by the SAP, working in conjunction with the MRO, the employee shall be reimbursed at his/her daily guarantee, less any other monies received, back to the release date of the evaluation and/or treatment facility. It shall exclude any time the employee was not available for examination or work.~~

~~Section 4.165 Record Retention~~

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

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

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

The Employer or its agent must maintain for two (2) ~~five (5)~~ years records pertaining to the calibration of each EBT used in alcohol testing, including records of the results of external calibration checks.

Section 4.176. Release of Alcohol Testing Information

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

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

Section 4.187 Paid for Time

No Change

ARTICLE 36. NONDISCRIMINATION

No Change

ARTICLE 37. MANAGEMENT - EMPLOYEE RELATIONS

Section 1.

No Change

[Section (a) missing from document]

(b) It is the policy of the Employer to cooperate with a package car driver who desires to be relieved of overtime, subject to the understanding that such package car driver will complete his/her assignment, and subject to the provisions below. Any package car driver who desires to be relieved from overtime on a particular day or days shall submit a request in writing at least twenty-four (24) hours in advance. The Center Manager and the Steward shall process such requests based on seniority. The Employer shall allow a minimum of

ten percent (10%) of the package car drivers worked in any center off on a daily basis. No package care driver will be granted more than two (2) requests per month. It is understood that to accomplish the above the Employer may need to provide an earlier start time. It is further understood that the Employer is not obligated to let more than one (1) driver in a loop off at one time. Such requests shall not be submitted during the months of November and December.

(c) The Employer shall make a reasonable effort to reduce package car drivers' workdays below 9.5 hours per day where requested. If a review indicates that progress is not being made in the reduction of assigned hours of work, the following language shall apply, except in the months of November and December:

Drivers shall have the right to file a grievance if the Employer has continually worked a driver more than 9.5 hours per day for any three (3) days in a workweek. If a grievance under this provision (or a Grievance under any excessive overtime provision of a Supplement, Rider or Addendum) cannot be resolved at the local level, the Union may docket the grievance to be heard by the "9.5 Committee." This Committee shall be composed of two (2) Union and two (2) Employer representatives. The 9.5 Committee shall have the authority to direct the Employer to adjust the driver's work schedule. Deadlocked cases shall be referred to the Employer's Vice President of Labor Relations and the Co-Chair of the Teamster United Parcel Service Negotiating Committee for final and binding resolution. The Employer's Vice President and the Union's Co-Chair shall have the discretion to grant the grievant double time pay for hours worked in excess of 9.5 per day and/or to order the Employer to adjust the driver's work schedule. In the event the Employer's Vice President and the Union's Co-Chair cannot resolve a grievance, either party may refer the matter to arbitration in accordance with Article 8. In the even the position of the Union is sustained, the arbitrator shall have the authority to impose any remedy set forth in this Section.

(d) No Change

Section 2.
No Change

Section 3.
No Change

ARTICLE 38. CHANGE OF OPERATIONS

Section 1.

(a) The Employer agrees that prior to any change in its operation that will result in a change of domicile and/or possible layoff of seniority employees, it shall notify the affected Local Union(s) in writing and then meet jointly with them to inform them of the changes and to resolve questions raised in connection with the change. This meeting shall be completed where practical at least forty-five (45) days prior to the change. The change may not be implemented until the forty-five 45 days' notice is provided and the meeting is completed unless the operational change is dictated by emergency conditions. The Union shall not unreasonably delay the scheduling or completion of the requested meeting.

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

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

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

If the Regional Joint Change of Operations Committee is unable to resolve the issues, such issues shall be referred to the Joint National Change of Operations Committee for resolution. If no resolution is reached, outstanding issues shall be referred to the National Grievance Committee for resolution.

The Committee which decides the issues, as described above, shall retain jurisdiction for a period of twelve (12) months following the change of operations decision. The decision of the Committee shall be final and binding. Unless specifically covered in individual Supplements, Riders or Addenda, the following shall apply:

(1) Whenever a center is closed and the work is transferred to or absorbed by another center, the affected employees will be entitled to follow their work and their seniority shall be dovetailed at the new center.

(2) Whenever a center or hub is partially closed and the work of package drivers and all other regular employees, part-time and full-time, excluding feeder drivers, is transferred to or absorbed by another center, the affected employees may either follow their work and have their seniority dovetailed in the new center or be allowed to exercise their seniority in their present center and displace the least senior employee in their respective classifications. If any of the employees whose work is transferred elects not to follow his/her work, then he or she shall have the same rights as the remaining employees on the seniority list from which the work was transferred to bid the work being transferred. Those employees who follow the work shall have their seniority dovetailed in the new center.

(3) In a Change of Operations affecting feeder drivers, the following language will apply: Whenever a center is partially closed and the feeder work is transferred to or absorbed by another center, all feeder drivers, in seniority order, will have the option of following the available work and have their seniority dovetailed in the new center or be allowed to exercise their seniority in their present center, and take whatever jobs become open as a result of other employees following the work or taking a layoff. If a senior feeder driver elects to take a job which has been transferred out, the displaced employee(s) will fill the vacated job(s) by seniority until the next bid.

Section 2.
No Change

ARTICLE 39. TRAILER REPAIR SHOP

No Change

Section 1. Recognition

No Change

Section 2. Employee Classifications

No Change

Section 3. Wage Rates By Classification

Trailer Repair Employee

The wage rate of a trailer repair employee will be ~~eighty percent (80%)~~ eighty-five percent (85%) of the prevailing rate of the UPS automotive journeyman mechanic in the area where the trailer repair shop is located. A new trailer repair employee will start at one dollar (\$1.00) per hour less than the above mentioned rate and will receive a twenty-five cent (\$.25) per hour increase when gaining seniority, an additional twenty-five cents (\$.25) per hour after sixty (60) working days, and an additional twenty-five cents (\$.25) per hour after ninety (90) working days and the final twenty-five (\$.25) per hour at the end of one hundred and twenty (120) working days.

Utility Employee. Full-time and Part-time.

The rate of pay for utility employees will be ~~seventy-five percent (75%)~~ eighty percent (80%) of the prevailing rate of the trailer repair employee in the area where the trailer repair shop is located. A new utility employee, full-time or part-time, will start at fifty cents (\$.50) per hour less than the above-mentioned rate and will receive a twenty-five cent (\$.25) per hour increase when gaining seniority and an additional twenty-five cents (\$.25) per hour after six (6) months of employment.

Section 4. Health and Welfare

No Change

Section 5. Pension

No Change

Section 6. Seniority

No Change

Section 7. General

No Change

Section 8. Movement of Equipment

No Change

Section 9. Amendments

No Change

Section 10. Paint and Body Facilities

No Change

Section 11. Training Program

No Change

Section 12.

No Change

ARTICLE 40. AIR OPERATION

Preamble

In order for the Employer, the Union and the employees to further benefit from the expanding air operations; the following Sections shall supersede language on the same subjects in the Supplements, Riders and Addenda, unless specifically stated otherwise in this Article.

Section 1 -Air Drivers

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

- (1) Delivery of air packages which the regular delivery drivers cannot deliver within guaranteed time commitments.
- (2) Delivery of air packages arriving at the facility after regular drivers have been dispatched
- (3) Delivery and pick up of air packages on weekends and holidays.
- (4) On Call Air pick ups.
- (5) Pick up at air counters and drop boxes.
- (6) Additional late air pickups.
- (7) Air drivers may, on an exception basis, be used to make service on packages which are not air packages.

An exception package is intended to be when an Air Driver is making a pick up, as outlined above, after the regular driver has been at the customer's premises, and the customer has an exception ground package(s) for shipment, the air driver may make service on this package(s). Air drivers may continue to pickup automatic Return Service packages but the features of this service will not be expanded.

Any violation of Section 11(a), (7) shall obligate the Employer to pay the Air Driver involved the difference between his/her rate of pay and the top regular package car driver wage rate existing at that building. Grievances concerning violation or abuse of this shall be referred directly to the National Air Committee

(8) Delivery of early AM Packages

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

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

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

(1) Eight (8) hours scheduled work in the air driver's classification, or a combination of eight (8) hours scheduled work in the air driver's classification and other bargaining unit classifications, except air walker. These employees shall receive all appropriate full-time benefits.

(2) Less than eight (8) hours scheduled work in the air driver classification or a combination of less than eight (8) hours scheduled work in the air driver classification and other bargaining unit classifications, except air walker. The Employer will notify the Union within thirty (30) calendar days in writing when a less than eight (8) hour position is created, and the Union will have thirty (30) calendar days to grieve the implementation if they believe such position is improper. This grievance shall go directly to the National Air Committee. These less than eight (8) hour employees shall receive appropriate part-time benefits. No less than eight (8) hour combination job will be rescheduled to create two (2) part-time jobs.

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

(c) Air Driver Work Week

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

(d) Air Driver Guarantee and Overtime

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

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

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

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

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

(e) Start Times

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

(f) Break Periods

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

(2) This provision is not intended to give less than eight (8) hour air drivers or less than eight (8) hour combination air drivers more than one (1) break unless specifically stated otherwise in the Local Supplement, Rider or Addendum. However any less than eight (8) hour air driver (part-time air driver) or less than eight (8) hour combination air driver (part-time combination air driver) who is dispatched with eight (8) or more hours will be provided the same break or lunch period as that provided to full-time drivers under the applicable Supplement, Rider or Addendum.

(g) Bidding Procedure

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

(h) Exception Air Drivers

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

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

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

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

(i) Personal Vehicles

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

(j) Holiday Work

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

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

(2) When the scheduling needs cannot be met using the above provision, the

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

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

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

(k) Saturday or Sunday Air Work

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

(2) These employees shall be paid at the air driver's straight-time rate of pay in accordance with Section 6 below. Time and one-half (1-1/2) will be paid after eight (8) hours per day or after forty (40) hours per week.

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

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

Section 2 -Air Walkers

(a) Air Walkers may deliver and/or pickup air packages and shall not drive any vehicle which requires a drivers license in the performance of their duties.

(b) Air Walkers will not be used to pick-up or deliver ground packages.

(c) Air walkers shall start and end the day in the area they work.

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

(e) Air Walkers shall be paid in accordance with Section 6 below.

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

(g) The intent of this Section is not to eliminate present full-time air jobs and/or combination jobs.

Section 3 - Air Hub and Gateway Operations

Employees presently working in or hired into existing air hubs and/or gateways shall continue to work under the present agreements covering the air hub and gateway operations. If no agreement exists, Article 40, Section 3 shall apply. However, if Section 3 is silent, the appropriate Supplement, Rider or Addendum will apply.

(a) Workweek

(1) The workweek for air hub and gateway, employees shall consist of any five (5) days in a seven (7) day period.

(2) Air hub and gateway employees hired prior to August 1, 1987 shall have the right to maintain the workweek in existence at that time, if such workweek exists.

(b) Daily Guarantees

The three (3) hour daily guarantees shall apply whenever possible. ~~The implementation of a daily guarantee will be reviewed on a regular basis by the National Air Committee to determine if Local conditions exist that would permit the Employer to provide for or adjust a daily guarantee. Further, the parties agree that in those areas that do not currently have a daily guarantee, the following procedure shall apply: If eighty percent (80%) of the employees reporting to a shift work three (3) or more hours for thirty (30) working days within a forty (40) day period except for peak season such shift shall be entitled to a three (3) hour guarantee. The Employer may also provide a higher daily guarantee to the extent that it does not conflict with the overtime rules in the applicable Supplement, Rider or Addendum. Grievances concerning this issue shall be brought directly to the National Air Committee.~~

(c) Holidays

(1) When it is necessary to operate an air hub and gateway operation on a holiday, those employees worked will be paid overtime in addition to holiday pay if it is not a scheduled workday for those employees.

(2) For those employees not qualified for overtime, as stated above, the holiday will be a normal workday.

(3) The holiday shall be defined as the day the holiday is nationally observed.

(4) Start times on these days may differ from normal workday start times.

(d) Rest Periods

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

(e) Newly Expanded Hubs and Gateways

If an air operation is expanded or altered and is no longer able to effectively operate, the Employer and the Union shall meet to work out any needed modifications, which would be subject to approval of the National Air Committee.

(f) Seniority

(1) Air hub and gateway employees shall work off one (1) seniority list within each operation, unless otherwise mutually agreed. Part-time employees covered under this Section shall be given the same opportunities for full-time positions as described in the appropriate Supplement, Rider or Addendum. Where those Agreements are silent or are not clear, the Employer and the Local Union shall meet and agree upon a method of affording the opportunity for full-time employment.

(2) In air hub and gateways that currently have no procedure to recognize part-time seniority, part-time employees with one (1) or more years of seniority will be allowed in seniority order to fill permanent vacancies on a different shift and/or fill permanent vacancies between the airport sort facility and the ramp in all months except November and December. The employee will be allowed to exercise this procedure once a year.

(g) Start Times

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

(h) Rain Gear

The Employer shall provide all outside ramp employees rain gear, to include, pants and tops. De-ice crews shall be provided with insulated coveralls, insulated gloves, boots and rain gear that is large enough to fit over the insulated coveralls.

(i) Air Gateway

In addition to the Union's right to organize employees at the Company's air gateways in accordance with applicable law, work performed at air gateways shall be performed by United Parcel Service bargaining unit members in accordance with the following procedure:

The Union Chairperson of the National Air Committee shall serve the Company Chairperson of the National Air Committee with written notice of the Union's position that work at a particular gateway is appropriate for conversion to work performed by United Parcel Service bargaining unit members. Upon receipt of the notice, the Union and Company Chairpersons of the National Air Committee shall meet to review the details of the specified gateway operation, including if necessary an inspection of the air gateway. For work at an air gateway/ramp operation (including any sort work performed on the ramp) to be performed by United Parcel Service bargaining unit members, all of the following criteria must be met:

1. The air gateway operation must have an established five (5) day workweek with a minimum of three (3) hours of continuous work on all shifts (excluding rest periods provided in the appropriate Supplement, Rider or

- Addenda) for all employees;
2. There is a minimum of forty (40) potential bargaining unit members on the ramp;
 3. The Company currently owns, rents or leases the appropriate ramp equipment. Disputes over the economic impact of the Company's ability to purchase, rent or lease the necessary ramp equipment will be resolved by the Union and Company National Air Committee Chairpersons; and,
 4. The Company is not prohibited from obtaining legal permission to operate on the airport ramp by the operating authority of that particular airport.

Once the Union Chairperson of the National Air Committee has served the Company Chairperson of the National Air Committee with written notice of the Union's position that a particular air gateway is appropriate for conversion in accordance with the criteria set forth in (1) through (4) above, the Company agrees that subsequent alteration or changes in the four (4) criteria listed above, which are made by the Company, shall not be used as a subterfuge to avoid conversion.

The conversion period shall be no longer than one hundred twenty (120) days from the date the Union and Company Chairpersons verify that the above stated criteria have been satisfied.

The completed conversion of an air gateway to work being performed by United Parcel Service bargaining unite members under the provisions of this Section shall not be affected by subsequent alteration aor changes in the criteria set forth in (1) through (4) above at any such converted air gateway.

Air gateway locations which utilize a Teamster represented vendor contracted by United Parcel Service are not subject to this Section.

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

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

Section 5 .Grievance Procedure

(a) A Joint National Air Committee shall be appointed for the purpose of continually reviewing the progress of the air expansion and the unforeseen problems that may arise. This Committee shall have the authority to amend, alter, add to and delete provisions of this Article as it deems necessary to further the best interests of the employees and the Employer's air operation.

(b) All grievances, controversies and/or disputes concerning the Air Operation shall be subject to the regular grievance procedure. Any decision rendered by a local, state or area panel which interprets Article 40 shall not be precedent setting in any other case.

(c) Any dispute concerning the interpretation or applicability of this Article including cases which have deadlocked at the lower level shall be submitted to the Joint National Air Committee for resolution. Such resolution will include the right to submit the matter to arbitration in accordance with Article 8 Procedures. Decisions made in accordance with this Section shall be final and binding on all parties.

Section 6 - Wages

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

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

Start	\$11.00	<u>\$11.50</u>
Seniority	\$11.50	<u>\$12.50</u>
Seniority Date plus 2 months	\$12.00	<u>\$13.00</u>
Seniority Date plus 8 months	\$12.50	<u>\$13.50</u>
Seniority Date plus 24 months	Top Rate	

(1) The 24 month (top) rate will change August 1st of each year of the Agreement as follows:

August 1, 1997 <u>2002</u>	\$13.00	<u>\$16.25</u>
August 1, 1998 <u>2003</u>	\$13.60	<u>\$17.00</u>
August 1, 1999 <u>2004</u>	\$14.20	<u>\$17.80</u>
August 1, 2000 <u>2005</u>	\$14.80	<u>\$18.60</u>
August 1, 2001 <u>2006</u>	\$15.50	<u>\$19.50</u>
<u>August 1, 2007</u>		<u>\$20.50</u>

(2) All part-time air drivers in progression on August 1, ~~1997~~ 2002 will be slotted into the new progression in paragraph a. above. Part-time employees who are awarded a scheduled part time air driver job shall receive progression credit in accordance with the following: for each four 4 days on which exception air work was performed in the two (2) years immediately prior to the bid award, one (1) month of progression credit shall be granted. In addition, if a bid part-time air driver is dislocated, he will retain his/her progression credit under paragraph a. for any air exception work. Seniority part-time employees entering a part-time air driver job after August 1, ~~1997~~ 2002 will begin at the seniority rate.

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

Start	\$13.00	<u>\$13.50</u>
Seniority	\$13.50	<u>\$14.50</u>
Seniority Date plus 12 months	\$14.00	<u>\$15.00</u>
Seniority Date plus 18 months	\$14.50	<u>\$15.50</u>
Seniority Date plus 24 months	Top rate	

(1) The 24 month (top) rate will change August 1st of each year of the Agreement as follows:

August 1, 1997 <u>2002</u>	\$15.00	<u>\$18.25</u>
August 1, 1998 <u>2003</u>	\$15.60	<u>\$19.00</u>
August 1, 1999 <u>2004</u>	\$16.20	<u>\$19.80</u>
August 1, 2000 <u>2005</u>	\$16.80	<u>\$20.60</u>
August 1, 2001 <u>2006</u>	\$17.50	<u>\$21.50</u>
<u>August 1, 2007</u>		<u>\$22.50</u>

(2) All full-time air drivers in progression on August 1, ~~1997~~ 2002 will be slotted into the full-time progression in paragraph b. above. Seniority full-

time employees entering a full-time air driver job will be slotted based on their Company seniority.

c. All new hire full-time or part-time air drivers will be placed in the applicable progression in paragraphs a. or b. above.

d. All current full-time or part-time air drivers who are out of progression shall receive the general wage increases provided for in Article 41 on each contract anniversary date, or the Top Rate provided in paragraphs .a. or b. above, whichever is greater.

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

f. Employees who are in existing full-time combination jobs or who hereafter enter a full-time combination job shall be paid the appropriate full-time air rate for air driver work and appropriate inside part-time rate for the hours worked in other classifications. If an employee has no established inside rate, that employee will be paid the appropriate part-time rate in accordance with his Company seniority.

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

h. Part-time air hub and gateway employees and air walkers shall be paid at the all other rate of pay as shown in Article 22. However, if a part-time employee is awarded an air walker job he/she shall continue to receive his/her inside rate in accordance with Article 22. Full-time air hub and gateway jobs shall be paid in accordance with Article 41, Section 3 unless there is an existing agreement in accordance with Section 3 expressly providing a pay rate for such a classification.

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

ARTICLE 41. FULL- TIME EMPLOYEES

Section 1. Full-time Wage Increases

All full-time employees who have attained seniority as of August 1 , ~~1997~~ 2002 will receive the following general wage increases:

August 1, 1997	sixty cents per hour (\$0.60)
August 1, 1998	sixty cents per hour (\$0.60)
August 1, 1999	sixty cents per hour (\$0.60)
August 1, 2000	sixty cents per hour (\$0.60)

~~August 1, 2001 seventy cents per hour (\$.70)~~

<u>August 1, 2002</u>	<u>Seventy-five cents per hour (\$.75)</u>
<u>August 1, 2003</u>	<u>Seventy-five cents per hour (\$.75)</u>
<u>August 1, 2004</u>	<u>Eighty cents per hour (\$.80)</u>
<u>August 1, 2005</u>	<u>Eighty cents per hour (\$.80)</u>
<u>August 1, 2006</u>	<u>Eighty-five cents per hour (\$.90) [sic]</u>
<u>August 1, 2007</u>	<u>One dollar per hour (\$1.00)</u>

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

Section 2. Full-time New Hire Wage Progression

All Supplements, Riders or Addenda will "contain the following wage progression schedule to cover all full-time employees, except apprentices, who ~~have not yet attained seniority as of August 1, 1997~~ are in the progression as of August 1, 2002.

The rate in effect on July 31, ~~1997~~ 2002 will be used to calculate the progression rates for the life of this Agreement.

	<u>Rate in Effect on July 31, 2002</u>
Start	70%
Seniority	75%
Seniority Date plus one (1) year,	80%
Seniority Date plus eighteen (18) months	90%
Seniority Date plus two (2) years	Top Rate

Part-time employees on the payroll as of July 31, 1997 who subsequently are promoted to full-time employment, will be paid their current wage rate 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 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.

No employee shall be required to complete a full-time progression more than one time even if he or she transfers between full-time jobs except as set forth in this paragraph. The sole exception is when an employee is awarded a package car or feeder driver job and has not previously held a full-time job which includes driving duties. In such event, the employee 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.

The progression for employees entering a package car driving or feeder position after August 1, 2002 shall be as follows:

<u>Start</u>	<u>\$14.70</u>
<u>Seniority</u>	<u>\$15.75</u>
<u>Twelve (12) months</u>	<u>\$16.80</u>
<u>Twenty-four (24) months</u>	<u>\$18.90</u>
<u>Thirty (30) months</u>	<u>(current top rate)</u>

This Section shall supercede any provision to the contrary in any Supplement, Rider or Addendum.

Section 3. Full-time Inside Wages

The pay rates for full-time inside only jobs created under Article 22, Section 3 on or after August 1, ~~1997~~ 2002 shall be as follows:

August 1, 1997	\$15.00
August 1, 1998	\$15.60
August 1, 1999	\$16.20
August 1, 2000	\$16.80
August 1, 2001	\$17.50
<u>August 1, 2002</u>	<u>\$18.25</u>
<u>August 1, 2003</u>	<u>\$19.00</u>
<u>August 1, 2004</u>	<u>\$19.80</u>
<u>August 1, 2005</u>	<u>\$20.60</u>
<u>August 1, 2006</u>	<u>\$21.50</u>
<u>August 1, 2007</u>	<u>\$22.50</u>

These rates shall not apply to any full-time inside jobs guaranteed in Article 22, Section 2. ~~created prior to August 1, 1997.~~

Part-time employees whose rates are higher than those set forth above who bid into a full-time inside job created after July 31, ~~1997~~ 2002 shall be paid their current inside wage rate plus the general wage increases.

Other part-time employees who bid into a full-time inside job created after July 31, ~~1997~~ 2002 will be paid 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:

Start	\$13.00	<u>\$13.50</u>
Seniority	\$13.50	<u>\$14.50</u>
Seniority plus one year	\$14.00	<u>\$15.00</u>
Seniority plus 18 months	\$14.50	<u>\$15.50</u>
Seniority plus 24 months	\$17.50	<u>Top Rate</u>

The 24 month (top) rate will change August 1st of each year of the Agreement as follows:

August 1, 1997	\$15.00
August 1, 1998	\$15.60
August 1, 1999	\$16.20
August 1, 2000	\$16.80

~~August 1, 2001~~ ~~\$17.50~~

<u>August 1, 2002</u>	<u>\$18.25</u>
<u>August 1, 2003</u>	<u>\$19.00</u>
<u>August 1, 2004</u>	<u>\$19.80</u>
<u>August 1, 2005</u>	<u>\$20.60</u>
<u>August 1, 2006</u>	<u>\$21.50</u>
<u>August 1, 2007</u>	<u>\$22.50</u>

ARTICLE 42. UNIFORMS

No Change

ARTICLE 43. PREMIUM SERVICES

Section 1. Job Protection

No Change

Section 2. Sleeper Team Operations

~~Existing subcontracted runs which will be replaced with UPS sleeper teams shall be discontinued after a reasonable transition period, and in no event later than February 1, 1998. In addition, the Employer may use subcontractors for new custom contracts for reasonable start-up periods. In no event shall such start-up period exceed thirty (30) days.~~

(1) -Bidding and Mileage

No Change

(b) No Change

(2) -Driver Team

No Change

(3) -Furnished Transportation and Lodging

No Change

Section 3. Mileage Rates

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

	Single	Double	Triple
August 1, 1997	47.15 cents	48.18 cents	49.21 cents
August 1, 1998	48.52 cents	49.58 cents	50.64 cents
August 1, 1999	49.88 cents	50.97 cents	52.05 cents
August 1, 2000	51.23 cents	52.35 cents	53.46 cents
August 1, 2001	52.81 cents	53.97 cents	55.12 cents

	Single	Double	Triple
<u>August 1, 2002</u>	<u>54.53 cents</u>	<u>55.73 cents</u>	<u>56.91 cents</u>
<u>August 1, 2003</u>	<u>56.25 cents</u>	<u>57.48 cents</u>	<u>58.71 cents</u>
<u>August 1, 2004</u>	<u>58.08 cents</u>	<u>59.36 cents</u>	<u>60.62 cents</u>
<u>August 1, 2005</u>	<u>59.91 cents</u>	<u>61.23 cents</u>	<u>62.53 cents</u>
<u>August 1, 2006</u>	<u>61.97 cents</u>	<u>63.34 cents</u>	<u>64.69 cents</u>

August 1, 2007

64.27 cents

65.68 cents

67.08 cents

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

(4) -Safety and Health Committee

No Change

(5) -Sleeper Equipment

No Change

(6) -Subsistence Allowance

No Change

(7) -Delay Time

No Change

(8) -Solo Driving

No Change

(9) -Layover Pay

No Change

(10) -Mileage Determination

No Change

(11) -No Change

Section 4. Joint Premium Service Review Committee

No Change

ARTICLE 44. OVER 70 POUND SERVICE PACKAGE HANDLING

No Change

Section 1. On Area Package Handling

No Change

Section 2. Package Identification

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

Section 3. Inside Package Handling Procedures

No Change

Section 4.

No Change

ARTICLE 45. DURATION

Section 1

This Agreement shall be in full force and effect from August 1, ~~1997~~ 2002 to and including July 31, ~~2002~~ 2008 and shall continue from year to year thereafter unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.

Section 2

Where no such cancellation or termination notice is served and the parties desire to continue said Agreement but also desire to negotiate changes or revisions in this Agreement, either party may serve upon the other a notice at least sixty (60) days prior to July 31, ~~2002~~ 2008 or July 31st of any subsequent contract year, advising that such party desires to revise or change terms or conditions of such Agreement.

Section 3

Revisions agreed upon or ordered shall be effective as of August 1, ~~1997~~ 2002 or ~~August 1st of any subsequent contract year,~~ unless otherwise specifically provided. The Employer or the National Negotiating Committee shall be permitted all legal or economic recourse to support their requests for revisions if the parties fail to agree therein.

Section 4

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

IN WITNESS WHEREOF the parties hereto have set their hands and seals this _____ day of, _____, ~~1997~~ 2002, to be effective as of August 1, ~~1997~~ 2002, except as to those areas where it has been otherwise agreed between the parties:

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

FOR THE UNION:

FOR THE COMPANY:

Ken Hall

James K. Maloney

Date

Date

James P. Hoffa, Chair
Ken Hall, Co-Chair
Leon Cooper, Sgt-At-Arms
Anthony Magrene, Sgt-At-Arms

Memorandum of Understanding

Teamsters United Parcel Service National Negotiating Committee and United Parcel Service, Inc. (OH and NY) ("UPS") agree that it is their intention that Article 1, Section 4 of the parties' National Master Agreement is only intended to prohibit any affiliate, or entity from using its own equipment (either directly or through an employee leasing company) to perform common carrier operations as described in Article 1, Section 4.

Ken Hall, Co-chair
Teamsters United Parcel Service
National Negotiating Committee

James Maloney
Vice-President Labor Relations
United Parcel Service, Inc.

Date: _____

Date: _____

MEMORANDUM OF UNDERSTANDING

United Parcel Service, Inc. (Ohio and New York) ("UPS") and the Teamsters United Parcel Service National Negotiating Committee agree that maintaining sufficient funding levels in Teamster Multi-Employer Pension Funds is in the parties' mutual best interests and in the interest of participating employees. To that end, the Union and the Employer agree that they will jointly approach the trustees of each Teamster Pension Fund in which UPS employees participate and urge those trustees to adopt appropriate funding guidelines and/or policies similar to those used by the Western Conference of Teamsters Pension Fund.

Ken: Hall, Co-chair,
Teamsters United Parcel Service
National Negotiating Committee

Date: _____

James Maloney
Vice-President Labor Relations
United Parcel Service, Inc.

Date: _____

Addendum to Article 40 of the National Master Agreement

United Parcel Service, Inc., the Ohio and New York Corporations, (Employer) and the Teamsters United Parcel Service National Negotiating Committee (Union) agree to the following in connection with the implementation of the new provision in Article 40, Section 3.i:

1. Within the first three (3) years of the National Master Agreement (NMA) the Employer will convert the ramp work being performed by vendors in the twelve (12) gateways named below. Four (4) gateways will be converted in each year of the first three (3) contract years. The gateways to be converted are: Columbia, South Carolina; Atlanta, Georgia; Raleigh, North Carolina; Phoenix, Arizona; Charlotte, North Carolina; Albany, New York; Long Beach, California; Albuquerque, New Mexico; Seattle, Washington; Richmond, Virginia; Memphis, Tennessee; and St. Louis, Missouri.
2. All jobs created as a result of the work at these gateways will be subject to bid by present employees in accordance with the applicable Supplement, Rider or Addendum. Except as provided in Paragraph 4 below, the new jobs created pursuant to this Addendum will be controlled by Article 40 and the applicable terms of the controlling Supplement, Rider or Addendum.
3. Neither the terms of this Addendum nor the gateways converted under paragraph 1 above, shall have any effect upon the Employer's obligation to convert future gateways. Rather, the sole basis for conversion of gateways after August 1, 2002 shall be the criteria set forth in Article 40, Section 3.i.
4. In recognition of the fact that not all of the gateways listed in paragraph 1 above have sufficient work to satisfy contractual workweek parameters, the Union agrees that the Employer may create workweeks with less than five (5) work days or shifts with less than a three (3) hour guarantee. Split shifts shall also be allowed. In return, the Employer agrees that it will create as many five (5) day per workweek shifts with a three (3) hour guarantee as is feasible based on the available work.
5. The terms of this Addendum shall supercede any contrary language in any Supplement, Rider or Addendum.

Settlement Agreement

United Parcel Service, Inc. (Ohio and New York) ("UPS") and the Teamsters UPS National Negotiating Committee (Union) agree to settle Case Nos. N-167-00, N-163-00 and NAC-27-00 and all other pending grievances on the same subject (i.e. protesting the Employer's requirement that a full-time employee complete a second progression when he transfers to a different full-time job) in accordance with the following:

All employees covered by the above cases and grievances will have their hourly pay rate adjusted, if necessary, within two (2) weeks in accordance with the provisions contained in Article 41, Section 2 of the tentative National Master Agreement. The pay rate adjustment will be prospective from August 1, 2002.

This settlement agreement shall be a full and complete settlement of all the above-referenced cases.

Ken Hall, Co-chair
Teamsters United Parcel Service
National Negotiating Committee

James Maloney
Vice-President Labor Relations
United Parcel Service, Inc.

Date:

Date:

EXTENSION AGREEMENT

United Parcel Service Inc., the Ohio and New York Corporations, (Employer) and Teamster United Parcel Service National Negotiating Committee representing Local Unions affiliated with the International Brotherhood of Teamsters (Union) hereby agreed to extend the current National Master Agreement (NMA) including all Supplements, Riders, and Addenda in their entirety until the new 2002 NMA including Supplements, Riders and Addenda has been ratified. Either the Employer or the Union may terminate this Extension Agreement upon receipt of written notice thirty (30) days in advance. Notice shall be by UPS Next Day Air to the IBT Parcel & Small Package Director or the Employer's Corporate Labor Relations Vice-President, as applicable.

In return for this extension agreement, the Employer commits that any hourly wage or benefit contribution increases provided in Articles 22, 34, 39, 40, 41, and 43 shall be retroactive to August 1, 2002:

Ken Hall, Co-chair
Teamsters United Parcel Service
National Negotiating Committee

James Maloney
Vice-President Labor Relations
United Parcel Service, Inc.

Date: _____

Date: _____

Memorandum of Understanding

Teamsters United Parcel Service Negotiating Committee (Union) and United Parcel Service (UPS) agree to the following interpretation of Article 22, Section 3 as part of the final settlement of the National Master Agreement. The parties agree that if the volume figures included in the Employer's 10-K annual filing with the Securities Exchange Commission establish that the domestic volume in the reporting year was two percent (2%) less in total (domestic ground and air) than the prior reporting year, the Employer shall have the right not to fill vacancies resulting from employees leaving Article 22.3 jobs.

The parties further agree that the total volume reported for the 2002 calendar year shall not be used as a basis for the comparison set forth above. Accordingly, the S.E.C. filing covering calendar 2003 shall be the basis for determining the Employer's obligation to fill vacancies in 2004. Thereafter, the comparison shall be based upon the S.E.C. filing covering the previous reporting year.

The parties further agree that nothing in this MOU shall reduce the Employer's obligation to maintain the total number of full-time jobs created under Article 22.3 of the 1997-2002 Agreement and the current Agreement. The Employer remains obligated to fill vacancies once the domestic volume has increased to the point that the difference between the current volume and the volume for the reporting year that triggered the suspension of the Employer's obligation to fill vacancies is reduced to less than a two percent (2%) decline.

Ken Hall, Co-Chair
Teamsters United Parcel Service
National Negotiating Committee

James Maloney
Vice-President Labor Relations
United Parcel Service, Inc.

Date: _____

Date: _____

Memorandum of Understanding

The Employer agrees that it will add to the bargaining unit, in accordance with this Memorandum, employees classified as customer counter clerks who are employed by United Parcel Service, Inc. (Ohio/New York) and work in a UPS operations facility. Such employees will be added to the bargaining unit if the Union provides to the Employer documentation signed by eligible employees authorizing the Union to represent them for collective bargaining purposes. The written authorization must have been signed by the employee(s) within six (6) months of presentation to the Employer. The Employer maintains the right to have the employees' signatures verified as authentic. In order for employees within a facility to be added to the bargaining unit more than fifty percent (50%) of the customer counter clerks must provide valid written authorization. If the Union obtains representational rights, the Employer and Union will meet within thirty (30) days to resolve any issues associated with the application of the National Master Agreement and the applicable Supplement, Rider or Addendum. This agreement shall not serve as precedent and shall not be used or referred to in any proceeding unless to enforce this Agreement or upon mutual consent.

Ken Hall, Co-chair
Teamsters United Parcel Service
National Negotiating Committee

James Maloney
Vice-President Labor Relations,
United Parcel Service, Inc.

Date: _____

Date: _____