

**Northern California
Supplemental Agreement**

between

Teamster Local Union Nos.

**70, 87, 137, 150, 278, 287, 315,
386, 431, 439, 490, 533, 624,
665, 856, 890, 912, 948**

and

United Parcel Service

For The Period:

December 19, 2007 through July 31, 2013

Contents

<u>PREAMBLE</u>	1
<u>ARTICLE 1 - UNION SECURITY</u>	1
<u>SECTION 1 - RECOGNITION</u>	1
<u>SECTION 2 - UNION MEMBERSHIP</u>	1
<u>SECTION 3 - DUES CHECKOFF</u>	4
<u>ARTICLE 2 - HIRING PROCEDURES</u>	5
<u>SECTION 1 - LICENSE REQUIREMENTS</u>	5
<u>SECTION 2 - EXCLUSIVE HIRING</u>	5
(a) <u>Hiring Hall</u>	5
(b) <u>No Hiring Hall</u>	5
<u>SECTION 3 - HIRING STANDARDS</u>	6
<u>SECTION 4 - REFERRAL</u>	7
<u>SECTION 5 - NOTIFICATION</u>	8
(a) <u>Casual Employees</u>	8
(b) <u>Regular Employees</u>	8
<u>SECTION 6 - HIRING HALL COMMITTEE</u>	8
<u>SECTION 7 - APPEAL AND ARBITRATION</u>	8
<u>SECTION 8 - POSTING</u>	9
<u>ARTICLE 3 - SENIORITY AND LAYOFFS</u>	9
<u>SECTION 1 - PROBATIONARY PERIOD/TRIAL PERIOD</u>	9
<u>SECTION 2 - APPLICATION OF SENIORITY</u>	10
<u>SECTION 3 - NOTICE OF LAYOFF</u>	11
<u>SECTION 4 - REHIRE PROCEDURE</u>	11
<u>SECTION 5 - FILLING HIGHER PAID POSITIONS</u>	12
<u>SECTION 6 - CLOSED OR PARTIALLY CLOSED</u> <u>CENTERS OR HUBS</u>	13
<u>SECTION 7 - JOB SENIORITY IN REASSIGNMENT</u>	14
<u>SECTION 8 - SENIORITY LIST</u>	14
<u>SECTION 9 - LOCATION SENIORITY</u>	14
<u>SECTION 10 - SENIORITY AND JOB ASSIGNMENTS</u>	15
<u>SECTION 11 - RECOGNITION OF SENIORITY</u>	16
<u>SECTION 12 - PACKAGE CAR VACANCIES</u>	16
<u>ARTICLE 4 - DISCHARGE OR SUSPENSION</u>	17
<u>ARTICLE 5 - DISCRIMINATION</u>	17
<u>SECTION 1 - DISCRIMINATION IN EMPLOYMENT</u>	17
<u>SECTION 2 - UNION ACTIVITIES</u>	17
<u>SECTION 3 - NONDISABLING HANDICAP</u>	18
<u>SECTION 4 - BLACKLISTING</u>	18
<u>ARTICLE 6 - PROTECTION OF RIGHTS</u>	18
<u>SECTION 1 - PICKET LINES</u>	18

SECTION 2 - STRUCK GOODS	18
<u>ARTICLE 7 - GRIEVANCE PROCEDURE</u>	19
SECTION 1	19
(a) Initial Handling	19
(b) Time Limitation	19
<u>SECTION 2 - UNITED PARCEL SERVICE</u>	
LABOR MANAGEMENT COMMITTEE	19
<u>SECTION 3 - USE OF AN IMPARTIAL ARBITRATOR</u>	21
<u>SECTION 4 - HANDLING OF DISCHARGES</u>	
OR SUSPENSIONS	21
<u>SECTION 5 - SELECTION OF AN IMPARTIAL</u>	
ARBITRATOR	23
<u>SECTION 6 - ARBITRATORS AUTHORITY</u>	23
<u>SECTION 7 - GRIEVANCE SETTLEMENTS</u>	24
<u>ARTICLE 8 - LEAVE OF ABSENCE</u>	24
SECTION 1 - APPROVED LEAVE	24
SECTION 2 - EFFECT ON VACATION/HOLIDAYS	25
<u>SECTION 3 - HEALTH & WELFARE AND</u>	
PENSION WHEN ON LEAVE	25
<u>SECTION 4 - FAMILY LEAVE ACT</u>	25
<u>ARTICLE 9 - PIGGY BACK</u>	26
<u>ARTICLE 10 - STEWARDS</u>	26
<u>ARTICLE 11 - OPERATING REQUIREMENTS</u>	27
SECTION 1 - USE OF EQUIPMENT	27
SECTION 2 - SAFETY AND JOB HEALTH	28
SECTION 3 - TRAFFIC CITATIONS	29
SECTION 4 - PURCHASE OF EQUIPMENT	29
<u>ARTICLE 12 - GENERAL PROVISIONS</u>	29
SECTION 1 REST PERIODS	29
SECTION 2 - DISPUTED CLAIMS FOR OVERTIME	30
SECTION 3 MONEY RECEIPT	30
<u>SECTION 4 MAINTENANCE OF SANITARY</u>	
FACILITIES	30
<u>SECTION 5 - TELEPHONE CALLS AND</u>	
BRIDGE TOLLS	30
SECTION 6 TIME CLOCKS	30
SECTION 7 - COMPANY MEETINGS	31
SECTION 8 - INSPECTION PRIVILEGES	31
SECTION 9 - PHYSICAL EXAMINATIONS	31
<u>ARTICLE 13 - NEW METHODS</u>	32
<u>ARTICLE 14 - LEASING EQUIPMENT</u>	33

<u>ARTICLE 15 - TRANSFER OF COMPANY,</u>	
<u>TITLE OR INTEREST</u>	33
<u>ARTICLE 16 - HEALTH & WELFARE AND</u>	
<u>PENSION DELINQUENCIES</u>	33
<u>ARTICLE 17 - ENTIRE AGREEMENT.....</u>	34
<u>SECTION 1 - PRIORITY OF AGREEMENT.....</u>	34
<u>SECTION 2 - MAINTENANCE OF STANDARDS.....</u>	34
<u>ARTICLE 18 - CASUALS AND EXTRA HELPERS.....</u>	35
<u>ARTICLE 19 - EMERGENCY REOPENING.....</u>	35
<u>ARTICLE 20 - TERM OF AGREEMENT.....</u>	35
<u>ARTICLE 21 - JOB CLASSIFICATION AND RATE OF PAY.....</u>	36
<u>ARTICLE 22 - HOURS OF WORK.....</u>	40
<u>SECTION 1 - WORKDAY / WORKWEEK</u>	
<u>FEEDER DRIVERS.....</u>	40
<u>SECTION 2 - PACKAGE CAR DRIVERS.....</u>	40
<u>SECTION 3 - OVERTIME.....</u>	41
<u>SECTION 4 - STARTING TIMES.....</u>	42
<u>SECTION 5 - LUNCH PERIOD.....</u>	43
<u>ARTICLE 23 - SICK LEAVE.....</u>	43
<u>SECTION 5 - INTEGRATION WITH WORKER'S</u>	
<u>COMPENSATION AND UNEMPLOYMENT</u>	
<u>COMPENSATION: DISABILITY BENEFITS.....</u>	44
<u>ARTICLE 24 - HOLIDAYS.....</u>	45
<u>ARTICLE 25 - VACATIONS.....</u>	46
<u>ARTICLE 26 - HEALTH AND WELFARE.....</u>	51
<u>ARTICLE 27 - PENSIONS.....</u>	51
<u>ARTICLE 28 - LEGAL SERVICES TRUST FUND.....</u>	51
<u>ARTICLE 29 - MISCELLANEOUS PROVISIONS.....</u>	52
<u>SECTION 1 - PAY PERIODS.....</u>	52
<u>SECTION 2 - UNIFORMS.....</u>	52
<u>SECTION 3 - PROTECTIVE CLOTHING.....</u>	53
<u>SECTION 4 - INCAPACITATED EMPLOYEES.....</u>	53
<u>SECTION 5 - EQUIPMENT STANDARD.....</u>	53
<u>SECTION 6 - JURY DUTY.....</u>	54
<u>SECTION 7 - VOTING TIME.....</u>	55
<u>SECTION 8 - TIME PAID FOR.....</u>	55
<u>SECTION 9 - SHIFT DEFERENTIAL.....</u>	55
<u>SECTION 10 - MEDICAL TREATMENT.....</u>	55
<u>SECTION 11 - EMPLOYEE'S BAIL.....</u>	56
<u>SECTION 12 - FUNERAL LEAVE.....</u>	56
<u>SECTION 13 - MILITARY LEAVE.....</u>	57
<u>SECTION 14 - BONDS.....</u>	57

<u>SECTION 15 - PASSENGERS</u>	58
<u>SECTION 16 - COMPENSATION CLAIMS</u>	58
<u>SECTION 17 - UNION BULLETIN BOARDS</u>	58
<u>ARTICLE 30 - SEPARABILITY AND SAVINGS CLAUSE</u>	58
<u>ARTICLE 31 - FEEDER DRIVERS</u>	59
<u>SECTION 1 - WORK JURISDICTION</u>	59
<u>SECTION 2 - FEEDER DRIVER ANNUAL SELECTION</u>	60
<u>SECTION 3 - FEEDER WORK</u>	62
<u>SECTION 4 - CITIZEN BAND RADIOS</u>	62
<u>SECTION 5 - CASUAL FEEDER DRIVERS</u>	62
<u>SECTION 6 - FEEDER WORK RULES</u>	63
<u>SECTION 7 - AIR CONDITIONING</u>	65
<u>SECTION 8 - INTERPRETATION OF BREAKDOWN</u> <u>AND IMPASSABLE HIGHWAYS</u>	66
<u>SECTION 9 - FEEDER RUNS</u>	66
<u>SECTION 10 - TOTAL ARTICLE</u>	66
<u>ARTICLE 32 - UTILITY DRIVERS</u>	67
<u>ARTICLE 33 - SUPERVISORS WORKING</u>	67
<u>ARTICLE 34 - ADDENDA</u>	68
<u>ADDENDUM NO.1</u>	71
<u>LOCAL 278</u>	
<u>ADDENDUM No. 2</u>	72
<u>LOCAL 856</u>	
<u>ADDENDUM NO. 3</u>	84
<u>LOCALS NO'S. 70, 287, 315, 624, 490, 890 and 912</u>	
<u>ADDENDUM NO. 4</u>	85
<u>LOCALS 87, 137, 150, 386, 431, 439, 533, 948</u>	
<u>AUTOMOTIVE ADDENDUM NO. 5</u>	89
(Applies to all Locals with Automotive Jurisdiction)	
<u>ADDENDUM NO 6</u>	94
<u>LOCAL 533 MATERIALS DISTRIBUTION CENTER</u>	
<u>ADDENDUM NO 7</u>	94
<u>LOCALS 70, 278, 287, 315, 490, 624, 665, 856, 890 AND 912</u>	
<u>LETTER OF UNDERSTANDING</u>	101
<u>ARTICLE 22.3 FULL-TIME EMPLOYEE WORK RULES</u>	
<u>LETTER OF UNDERSTANDING</u>	102
<u>SATELLITE FACILITIES</u>	
<u>LETTER OF UNDERSTANDING</u>	103
<u>PEAK SEASON HELPERS 2007 - 2012</u>	

Agreement for the period of December 19, 2007 through July 31, 2013

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

70, 87, 137, 150, 278, 287, 315, 386, 431, 439, 490, 533, 624,
665, 856, 890, 912, 948.

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

ARTICLE 1 - UNION SECURITY

SECTION 1 - RECOGNITION

The Employer recognizes and acknowledges that the Local Unions, jointly and collectively, are the exclusive representatives of all employees in the classifications set forth in the Wage Schedule in this Agreement or Addenda thereto and shall constitute a single bargaining unit.

SECTION 2 - UNION MEMBERSHIP

- (a) All present employees who are members of the Local Union on the effective date of this subsection or on the date of execution of this Agreement, whichever is the later, shall remain members of the Local Union in good standing as a condition of employment. All present employees who are not members of the Local Union and all employees who are hired hereafter shall become and remain members in good standing of the Local Union as a condition of employment on and after the thirty-first (31st) day following the effective date of this subsection or the date of this Agreement whichever is the later. An employee who has failed to acquire or thereafter maintain, membership in the Union as herein provided, shall be terminated seventy-two (72) hours

after his Employer has received written notice from an authorized representative of the Local Union, certifying that membership has been, and is continuing to be, offered to such employee on the same basis as all other members and, further, that the employee has had notice and opportunity to make all dues or initiation fee payments. This provision shall be made and become effective as of such time as it be made and become effective under the provisions of the National Labor Relations Act but not retroactively.

- (b) When the Employer needs additional employees, the Employer shall give the Local Union equal opportunity with all other sources to provide suitable applicants, but the Employer shall not be required to hire those referred by the Local Union. Business agents and/or the Steward shall be permitted to attend new employee orientations.

- (c) No provision of this Article shall apply in any state to the extent that it may be prohibited by State law. If under applicable State law additional requirements must be met before any such provisions may become effective, such additional requirements shall be first met. If any agency shop clause is permissible in any state where the provisions of this Article relating to the Union Shop cannot apply, the following Agency Clause shall prevail:
 - (1) Membership in the Local Union is not compulsory. Employees have the right to join, not join, maintain, or drop their membership in the Local Union, as they see fit. Neither party shall exert any pressure on, nor discriminate against, an employee as regards such matters.

 - (2) Membership in the Local Union is separate, apart and distinct from the assumption by one of his equal obligation to the extent that he receives equal benefits. The Local Union is required under this Agreement to represent all of the employees in the bargaining unit fairly and equally without regard to whether or not an employee is a member of the Local Union. The terms of this Agreement have been made for all employees in the bargaining unit and not only for

members in the Local Union, and this Agreement has been executed by the Employer after it has satisfied itself that the Local Union is the choice of a majority of the employees in the bargaining unit. Accordingly, it is fair that each employee in the bargaining unit pay his own way and assumes his fair share of the obligation along with the grant of equal benefits contained in this Agreement.

- (3) In accordance with the policy set forth under subparagraphs (1) and (2) of this Section, all employees shall, as a condition of continued employment, pay to the Local Union the employee's exclusive collective bargaining representative, an amount of money equal to that paid by other employees in the bargaining unit who are members of the Local Union, which shall be limited to an amount of money equal to the Local Union's regular and usual dues. For the present employees, such payments shall commence thirty-one (31) days following the effective date or on the date of execution of this Agreement, whichever is the later, and for new employees, the payment shall start thirty-one (31) days following the date of employment.
- (d) If any provision of this Article is invalid under the law of any state wherein this Agreement is executed, such provision shall be modified to comply with the requirements of state law or shall be renegotiated for the purpose of adequate replacement. If such negotiations shall not result in mutual satisfactory agreement, either party shall be permitted all legal or economic recourse.
- (e) In those instances where Subsection (b) hereof may not be validly applied, the Employer agrees to recommend to all employees that they become members of the Local Union and maintain such memberships during the life of this Agreement, to refer new employees to the Local Union representative, and to recommend to delinquent members that they pay their dues since they are receiving the benefits of this Agreement.
- (f) To the extent such amendments may become permissible under applicable federal and state law during the life of this Agreement, as a result of legislative, administrative, or judicial

determination, all of the provisions of this Article shall be automatically amended to embody the greater Union Security provisions.

SECTION 3 - DUES CHECKOFF

The Employer agrees to deduct from the pay of all employees covered by this Agreement the dues, initiation fees and/or uniform assessments of the Local Union having jurisdiction over such employees and agrees to remit to said Local Union all such deductions prior to the end of the month for which the deduction is made. Where laws require written authorization by the employee, the same is to be furnished in the form required. The Local Union shall certify to the Employer in writing each month a list of its members working for the Employer who have furnished to the Employer the required authorization, together with an itemized statement of dues, initiation fees (full or installments) or uniform assessments owed and to be deducted for such month from the pay of such member, and the Employer shall deduct such amount from the first (1st) paycheck following receipt of statement of certification of the member and remit to the Local Union in one lump sum. The Employer shall add to the list submitted by the Local Union, the names of all regular new employees hired since the last list was submitted and delete the names of employees who are no longer employed.

Where an employee who is on check off is not on the payroll during the week in which time the deduction is to be made, or has no earnings or insufficient earnings during that week, or is on leave of absence, the employee must make arrangements with the Local Union to pay such dues in advance.

The Employer will recognize authorization for deductions from wages, if in compliance with state law, to be transmitted to the Local Union.

No such authorization shall be recognized if in violation of federal or state law. No deduction shall be made which is prohibited by applicable law. In the event that an Employer has been determined to be in violation of this Article by the decision of an appropriate grievance committee and if such Employer subsequently is in viola-

tion thereof after receipt of seventy-two (72) hour's 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 the individual employees shall not constitute a violation.

Check off shall be on a monthly or quarterly basis at the option of the Union.

Check off shall be optional with each Local Union.

ARTICLE 2 - HIRING PROCEDURES

SECTION 1 - LICENSE REQUIREMENTS

No employee or applicant for employment shall be required to possess a driver's license unless such license be required by law for the type of work actually performed by the employee, which shall be specified by the Employer to the Hiring Hall and/or Local Union. In any such case, a classification of driver's license higher than that imposed by law shall not be required.

SECTION 2 - EXCLUSIVE HIRING

- (a) Hiring Hall: Whenever the Employer requires workers, the Employer shall notify the Local Hiring Hall, either in writing or by telephone, stating the location, starting time, and approximate duration of the job, the type of work to be performed, and the number of workers required.
- (b) No Hiring Hall: In a Local Union territory in which no Hiring Hall is maintained, the following procedure shall apply:
 - (1) When new or additional employees are needed, the Employer shall furnish to the Union an H.R.I.S. listing to include locations of UPS jobs, rate of pay, classification, shift, (this is subject to the capabilities of the H.R.I.S. System) and notify the Local Union in that area of the number and classification of employees needed and the Local Union shall have reasonable opportunity to refer applicants

for vacancies to be filled. In the event that the Local Union has no applicants to refer or applicants referred by the Local Union are not hired, the Employer agrees, within twenty-four (24) hours of the date of hiring, to notify the Local Union of the name or names of the persons hired, their addresses, social security numbers and shift. Stewards shall have the right to check all new employees for referral slips.

(2) In hiring to fill vacancies for positions, the Employer will give preference to applicants for employment who have had previous experience in the Local Union area and in the work covered by the classifications to be filled.

(c) The Employer shall notify the Union on a monthly basis of all terminated employees.

SECTION 3 - HIRING STANDARDS

Upon such receipt of notice, the Local Hiring Hall shall endeavor to furnish the applicants requested. Selection of applicants for referral to jobs shall be on a nondiscriminatory basis and shall not be based on, or in any way affected by, Union membership, bylaws, rules, regulations, constitutional provisions, or any other aspect of Union membership, policies, or requirements. Such selection will be made on the following basis:

(a) The Local Hiring Hall shall maintain a list of all persons seeking jobs who have been employed on the type of work and in the geographical area covered by the Local Hiring Hall and by this Agreement for a period of at least one (1) year, which list shall hereinafter be called "List A." The Local Hiring Hall shall maintain a separate list of all persons seeking jobs who do not meet that requirement, which list shall hereinafter be called "List B."

(b) Such persons' names shall be entered on said list in the order in which they notify the Local Hiring Hall of their availability for jobs.

(c) After each person's name shall be entered a designation corresponding to the type or types of work which the person is qual-

ified to perform. Each person at the time of applying for a job shall indicate their own qualifications and such indications shall be conclusive unless the Employer, to whom such person is dispatched, reports to the Local Hiring Hall that in the Employer's opinion the person is not qualified. In such event such person shall be required to take an objective examination given by the Hiring Hall Committee, and if such person fails such examination, said person shall not be entitled to preference on the type of work involved until said person passes such examination at a regular time set therefore.

- (d) In dispatching, preference shall be given to persons on List A. Within each list, preference shall be given to those whose designations correspond to the type of work involved, in the order in which their names appear on the list. If there are not sufficient people on "List A" whose designations correspond to the type of work involved, preference shall be given to other persons on said list in the order in which their names appear, and the same procedure shall be followed with List B, should the names on "List A" be exhausted. The dispatcher need not dispatch a person next in order if such person is, because of obvious physical incapability, unable to perform the work involved.
- (e) The Employer may call for a person by name only:
 - (1) If the person is registered on List A in the Hiring Hall in the area in which such person is to be employed; and
 - (2) If the person has previously been employed by the Employer; and
 - (3) If the person is available for work.

SECTION 4 - REFERRAL

For each person dispatched, the Local Hiring Hall shall send to the Employer, with the person or by mail, a written referral slip. The Employer shall have the right to reject any job applicant referred by the Local Hiring Hall, provided that the Employer shall in no way discriminate against persons because of Union membership or activities.

SECTION 5 - NOTIFICATION

- (a) Casual Employees: For casual employees who work on a day-to-day basis, the Local Hiring Hall shall immediately supply such help to the Employer upon notice by the Employer that such casual employees are needed. In the event such casual help is not immediately available or the Local Hiring Hall is closed, the Employer may then hire such casual workers from any other available source.

The Employer shall hire all casual or extra help in accordance with the terms of the hiring procedure outlined in the Local Union territorial jurisdiction where the work is performed. However, where there is heavy demand for casual or extra helpers in areas where loading and unloading is done, such casual or extra helpers may be permanently assigned to such areas.

- (b) Regular Employees: If the Local Hiring Hall is unable to furnish qualified regular employees within forty-eight (48) hours after the Employer calls for them, the Employer shall be able to procure such employees from any other source. In such event, the Employer shall, within twenty-four (24) hours of the time of hiring, notify in writing the Local Union maintaining the Hiring Hall in that area of the name, address, social security number and place of last employment of any employee so hired.

SECTION 6 - HIRING HALL COMMITTEE

There shall be established a Hiring Hall Committee, composed of three (3) Union representatives and three (3) Employer representatives, which shall have the power to make and promulgate rules and regulations for the operation of Hiring Halls which are not inconsistent with the terms of this Agreement including rules or procedures for its own operation.

SECTION 7 - APPEAL AND ARBITRATION

Any disputes between the Union and the Employer with regard to the operation of the Hiring Hall shall be referred to the Hiring Hall Committee for settlement, and if the Committee is unable to agree,

they may be referred by either party to an impartial umpire. Any person, who believes they have not been referred in accordance with the provisions of this Agreement or with the rules and regulations of the Hiring Hall Committee, may appeal to that Committee and the Committee may, by majority vote, reverse any decision of the Local Hiring Hall with respect to referral. If a person appeals to the Committee and the Committee does not reverse the decision of the Local Hiring Hall, or if a person, who has been disqualified from preference by failing an examination, believes that the examination was administered unfairly, or in a discriminatory manner, such person may appeal to an impartial umpire selected jointly by the Committee and said person. If the Committee and the individual are unable to agree on the identity of an impartial umpire, an umpire shall be selected by the Mediation and Conciliation Service of the State of California from among those persons who have had special experience in labor arbitrations. The cost of such umpire, and of the hearings, shall be borne by the Union and/or the individual, in the discretion of the umpire. The umpire's decision shall be final and binding upon all parties.

SECTION 8 - POSTING

The foregoing provisions, together with any rules or regulations promulgated by the Hiring Hall Committee, shall be posted by the Employer and by the Union in all places where notices to employees and applicants for employment are customarily posted, including the bulletin board of the Union.

ARTICLE 3 - SENIORITY AND LAYOFFS

SECTION 1 - PROBATIONARY PERIOD/TRIAL PERIOD

- (a) Full-time employees hired from October 1st through December 31st of any year shall not accrue seniority. Any such employee will be responsible for any Hiring Hall fees required by the Local Union involved.

A new full-time employee shall attain seniority when he/she has worked thirty (30) days within a one hundred twenty (120) consecutive day period. A new full-time employee hired into the package

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

- (b) Seniority order for all purposes for employees with common hiring dates shall be determined by the drawing of lots. Such drawing shall be made in the presence of a Union representative and an Employer representative.

SECTION 2 - APPLICATION OF SENIORITY

In the reduction of forces due to the slackness of work, the last employee hired shall be the first (1st) employee laid off, and in rehiring, the last employee laid off shall be the first (1st) employee rehired until the list of former employees is exhausted.

Seniority shall be considered broken by:

- (a) Discharge for just cause;
- (b) Resignation;
- (c) Twenty-four (24) consecutive months of unemployment; thirty-six (36) consecutive months of unemployment for employees with three (3) or more years of service; or
- (d) Failure to comply with the seventy-two (72) hour recall notice as set forth in Section 4 of this Article.

Leaves of absence granted by the Employer, and temporary layoffs, shall not interrupt the continuity of seniority.

SECTION 3 - NOTICE OF LAYOFF

All employees are to be given written notice or notice posted on a bulletin board of impending layoffs not later than the beginning of the last shift worked prior to the commencement of such layoffs. The Union will be provided a copy of the layoff notices by fax on the same day they are written and/or posted. The above notice of layoff shall not apply during any emergency beyond the Employer's control, provided notification is given to the employee at least one (1) hour prior to the start of the employee's shift.

SECTION 4 - REHIRE PROCEDURE

Employees on the first (1st) day of any layoff shall report to the Local Hiring Hall not later than 7:30 a.m. the following morning and shall be dispatched to the Employer if the Employer requires additional help on that day. Failure of such employees to be dispatched to the Employer (if additional help is required) because said employees were not available at the Local Hiring Hall shall relieve the Employer of any liability for pay of those employees who do not work on that day, providing the Employer calls such employees in the order of their seniority.

Where the Local Union does not maintain a Hiring Hall, employees laid off for one (1) day shall report directly to the Employer by phone or in person within one and one half (1 1/2) hours of, but not later than thirty (30) minutes of the time their regular shift would begin for such work that might be available that day. Failure to so report shall relieve the Employer of any liability for pay for those employees who do not work that day, providing the Employer works such employees who so reported in the order of their seniority.

The Employer shall not lay off any employee under this Article unless the Employer has evidence that no work shall be available for such employees the following workday. Full-time employees laid off in excess of five (5) consecutive working days, may, in the order of their seniority, elect to displace one (1) or two (2) part-time

employees for the duration of the layoff, provided the employee has more Company seniority than the part-timer(s) involved. Rates of pay will be based on Company seniority and the classification of the work the employee performs.

If a full-time employee displaces two (2) part-time employees, the driver shall receive overtime after eight (8) hours and shall receive fulltime benefits.

The practice of disallowing utility drivers to perform package car work while package car drivers are laid off will remain the same.

In the event of a lay off in excess of one (1) day, an employee so laid off shall be restored to regular duty according to seniority provided the employee reports to the call of the Employer, which shall be communicated to the employee at their last known address as filed with the Employer, by certified mail and to the Local Union by certified mail, and reports for duty within seventy-two (72) hours, exclusive of Saturdays, Sundays, or holidays, from the time of the dispatch of such call. If the employee fails to respond as set forth above, the Employer shall advise the employee by certified mail, with a copy to the Local Union, that the employee's failure to report for duty has removed said employee from the seniority list, thus terminating employment with United Parcel Service. The giving of said call shall fulfill the obligation of the Employer under the provisions of this Agreement. All unanswered phone calls to laid-off employees shall be verified by a person designated by the Local Union whenever practical.

A committee named by the parties will establish more precise definitions under this Section to describe current practices and application thereof.

SECTION 5 - FILLING HIGHER PAID POSITIONS

In filling higher paid positions under this Agreement, employees working in other classifications under the jurisdiction of this Agreement shall be given reasonable trial up to thirty (30) days on the basis of seniority to demonstrate their ability in which to qualify for such positions. All testing and qualifying to be done on an

equally scheduled and reasonable basis on company time, except for road tests taken at the employee's regular assigned location by part-time employee's applying for fulltime positions.

Employees qualifying for package car positions shall receive a weekly accounting of their performance. This accounting shall be in written form in the presence of a Shop Steward.

- (a) Integrated Seniority: In the event of the sale, transfer, or merger of companies, one (1) or both of which are parties to this Agreement, the employees of the company or companies party to this Agreement will establish seniority in the new operation by integration based upon the original date of hire recognized by the last employer. Such integration is to apply where the company operations or terminals involved in the sale, transfer, or merger are entirely within the territorial jurisdiction of one (1) Local Union covered by this Agreement.

SECTION 6 - CLOSED OR PARTIALLY CLOSED CENTERS OR HUBS

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

- (a) Transfers: In cases of proven need it is agreed by the Employer and the Local Union involved, that an employee shall be permitted to transfer from one (1) company facility to another, provided said employee has a letter on file stating his/her reasons and desired facility into which they wish to transfer. Any such transfer shall take place only within the area covered by the Northern

California Supplemental Agreement and only prior to hiring from the outside. Any such transfers shall be limited to four (4) people, two (2) full-time and two (2) part-time, per year per destination facility. Such employees shall retain company seniority for the purpose of fringe benefits but shall be placed at the bottom of the appropriate seniority list. It is the employee's responsibility to verify all benefits at the requested transfer location. Benefits may vary by state and location. The medical, dental, vision, retiree medical coverage and pension rates may be less or non-existent in the location you desire. Contact the Local Union having jurisdiction over the area you wish to transfer to for all information pertaining to the area benefits.

SECTION 7 - JOB SENIORITY IN REASSIGNMENT

Once an employee has established seniority in a classification and is reassigned to a lower paid classification, such employee shall continue to be compensated at the higher wage scale if job seniority is not observed in the reassignment. However, when employees at their own request are placed in a lower paid classification, they shall be paid at the rate of pay of the lower classification.

SECTION 8 - SENIORITY LIST

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

SECTION 9 - LOCATION SENIORITY

All seniority provided for above shall be based on the length of service of the employees at the location involved. Location seniority shall not affect an employee's seniority with the Company for the purpose of fringe benefits.

Where more than one (1) operating center is located within a United Parcel Service building, seniority for all full-time employees will be integrated for the purpose of layoff and rehiring and for eligibility to qualify for higher straight time hourly rate jobs.

SECTION 10 - SENIORITY AND JOB ASSIGNMENTS

All positions shall be offered to full-time regular employees, in seniority order on the appropriate seniority list where the opening becomes available. The qualification and requirements for the opening shall be posted for five (5) working days, including the rate of pay. Employees shall receive the higher rate of pay during the qualifying period, which shall be no more than thirty (30) working days. Once having accepted a bid position, an employee may not request a change until such employee has remained in the position for a period of six (6) months, except to exercise seniority to qualify for a higher paid position. Bids for permanent openings will be allowed for cross bidding within the same classification and within the same building. Past practices shall prevail in each Local Union's jurisdiction for peak season openings. The Local Union will be provided copies of all bids and a list of the successful bid winner(s).

Unassigned drivers will be given an opportunity, by seniority, to be assigned to a bid route when that bid driver is unavailable for more than one (1) week. The driver accepting the route must stay on that route for the duration of the vacancy, but not to exceed thirty (30) days, unless requested.

In those areas where superior conditions prevail, those conditions will remain in effect.

The Company will maintain a list in each center of each package car route number and its respective drivers, and also identify the training routes.

Employees on approved leave shall not be deprived of their seniority selection rights.

The successful selector shall be assigned within five (5) days of the completion of the selection process.

A driver on a leave of absence, vacation, disability, etc., shall not be deprived the opportunity to exercise his/her seniority, provided, however, bids must be submitted within the defined bidding period. The company will notify the above-defined drivers of any openings

in a timely manner, so as to allow interested drivers an opportunity to bid. Drivers on leave that have no interest in bidding new openings should notify the Company.

SECTION 11 - RECOGNITION OF SENIORITY

The company recognizes that the principles of seniority will be given prime consideration in the everyday operation of the business.

SECTION 12 - PACKAGE CAR VACANCIES

- (a) A package car delivery area permanently vacated or a newly established delivery area, excluding those extra delivery areas established during the peak season, shall be posted and bid in accordance with the posting and bidding procedures set forth in Article 31, Section 2.
- (b) Provided, however, when a driver's delivery area is split to the extent of creating an additional new delivery area the affected driver shall be allowed to select either of these areas prior to posting the other area for bid. The number of package car vacancies to bid resulting from the original opening shall be in accordance with local past practice.

When a driver's assigned delivery area is permanently changed by fifty percent (50%) or more of its delivery stops, said driver shall have the right to follow the major portion of the original delivery area. When more than one (1) driver's delivery area is affected, those affected drivers shall be afforded the opportunity amongst themselves to bid the areas affected in accordance with their seniority.

- (c) Bids shall include geographical descriptions (delivery unit numbers) and whether the area is a designated training area.
- (d) Training Areas: In order to provide for more favorable training for new employees, the Company shall designate certain areas in each center to be used as training areas. Once designated, these areas shall not be changed until discussed with the Local involved. These areas shall be subject to the job bidding proce-

dure. Employees who presently hold bid areas will not have their bid changed as a result of this provision.

Employees who bid training areas will be removed from those areas when it becomes necessary to train on these areas.

- 1-15 PACKAGE CAR DRIVERS - 1 TRAINING AREA
- 16-30 PACKAGE CAR DRIVERS - 2 TRAINING AREAS
- 31-45 PACKAGE CAR DRIVERS - 3 TRAINING AREAS
- 46-60 PACKAGE CAR DRIVERS - 4 TRAINING AREAS

It is the intention of the parties that part-time employees who accept full-time package car positions will remain on a given training route for the duration of the training period.

ARTICLE 4 - DISCHARGE OR SUSPENSION

Any employee may be discharged or suspended for just cause subject to the provisions and procedures contained in Article 7.

ARTICLE 5 - DISCRIMINATION

SECTION 1 - DISCRIMINATION IN EMPLOYMENT

The Union and the Employer agree not to discriminate against any individual with respect to hiring, compensation, terms, or conditions of employment because of such individual's race, color, religion, sex, national origin, or age, nor will they limit, segregate, or classify employees in any way to deprive any individual employee of employment opportunities because of race, color, religion, sex, national origin, or age.

SECTION 2 - UNION ACTIVITIES

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

SECTION 3 - NON-DISABLING HANDICAP

At no time while this Agreement is in force shall the Employer discharge, suspend, discipline or otherwise deal unjustly with or discriminate against, whether directly or indirectly, any employee solely by reason of such employee having incurred a non-disabling physical handicap, provided a physician mutually agreed upon certified in writing that such employee is physically able to perform regular duties.

SECTION 4 - BLACKLISTING

The Employer shall not in any way establish, create, or become a party to a blacklist which may have as a purpose, prevention or interference with the obtaining of employment by a member of the Union with any employer or company.

ARTICLE 6 - PROTECTION OF RIGHTS

SECTION 1 - PICKET LINES

It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action 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 the Agreement, and including primary picket lines at the Employer's place of business, provided picket line is sanctioned by Joint Council No. 7 or Joint Council No. 38.

SECTION 2 - STRUCK GOODS

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

ARTICLE 7 - GRIEVANCE PROCEDURE

SECTION 1

- (a) Initial handling: Any grievance or controversy affecting the mutual relations of the Employer and the Union shall first be taken up between the Local Union and the Employer. If, after thorough discussion between the parties, the matter is not resolved within five (5) days, exclusive of Saturdays, Sundays and holidays, after first being taken up, it shall be reduced to writing by the grieving party, copies shall be sent to the other party, and the case shall be referred to the United Parcel Service Labor-Management Committee and put on the agenda for its next regular meeting.
- (b) Time Limitation: (Except as provided in Article 7, Section 4), all grievances, claims and disputes shall be submitted to the Labor-Management Committee within forty-five (45) days of the occurrence of the matter upon which the grievance, claim, or dispute is based. Any such grievance, claim, or dispute not submitted within such time shall be waived unless the joint Committee by majority vote for good cause accepts such submission, or unless either party has intentionally concealed the facts upon which the grievance, claim, or dispute is based. To expedite the equitable resolution of grievances, the Company agrees to make available for inspection, within five (5) days, all pertinent information when a request, in writing, is made by the Local Union.

SECTION 2 - UNITED PARCEL SERVICE LABOR MANAGEMENT COMMITTEE

- (a) There shall be a United Parcel Service Labor-Management Committee composed of three (3) representatives of the Union and there shall be three (3) representatives of the Employer. None of these representatives shall be involved in the dispute.

The Committee shall formulate such rules of procedure as it may deem advisable and such rules of procedure will be made known to all parties under this Agreement.

Regular meetings of the Committee shall be held on the agreed upon day of each month to pass upon matters referred to it. If no cases are on the agenda, meetings may be canceled. If grievances develop which require more immediate action, the Committee may meet on any other date which may be agreed upon. The Committee shall be obligated to remain in session until the agenda is completed.

If the Employer fails to appear at the designated time and place of the hearing, such failure shall result in default decision against the Employer for cases which are on the agenda for that date. Default decisions against the Union involved shall likewise apply if a representative of the Union involved fails to appear.

A majority decision of the Committee shall be final and binding upon the parties. Any discharge or suspension case deadlocked by this Committee may be submitted to an impartial arbitrator by either the Employer or the Union. All other deadlocked cases shall be referred to a Western Region-UPS Committee as outlined in Section 2(b).

- (b) The Western Region-UPS Committee shall be composed of three (3) representatives of the Union one (1) of whom shall be appointed by the Western Region Director, one (1) of whom shall be the negotiating Committee Chairman for the appropriate contract grieved, and one (1) shall be appointed by the Union Chairman, and three (3) representatives of the Employer, one (1) of whom shall be the Regional Labor Relations Manager, or his designee, and the other two (2) representatives designated by the Employer. Issues resolved at this level shall be final and binding. Any case deadlocked by the Committee will be referred to an International Teamster-UPS Committee composed of the President of the International Brotherhood of Teamsters and the Vice President of Labor Relations of UPS, or their designees. Issues resolved at this level shall be final and binding.

Any case deadlocked by this Committee may be submitted to arbitration by either the Employer or the Union.

SECTION 3 - USE OF AN IMPARTIAL ARBITRATOR

The cost of the arbitration shall be borne jointly by the Employer and the Union, except for those individual expenses which the Union or the Employer may incur for the purpose of putting on their case.

SECTION 4 - HANDLING OF DISCHARGES OR SUSPENSIONS

Any case pertaining to a discharge or suspension shall be handled as follows:

- (a) In discharge or suspension cases, the Company shall not proceed with any interrogation unless the employee being interrogated is provided with Union representation from his/her Local Union unless specifically waived by the employee, in writing, with a copy to the Union.
- (b) In all cases, except theft, intoxication, use, sale, or possession of illegal narcotics and gross insubordination, each having occurred on the job, an employee to be discharged shall be allowed to remain on the job, without loss of pay, unless and until the discharge is sustained under the grievance procedure. In suspension cases, the employee shall be allowed to remain on the job, without loss of pay, unless and until the suspension is sustained under the grievance procedure.

Notwithstanding the above, an employee who tests positive as a result of a DOT periodic test (in accordance with the National Master United Parcel Service Agreement for controlled substances) shall be offered an unpaid leave of absence for a drug rehabilitation program. If the employee refuses to participate in a drug rehabilitation program or fails to complete it satisfactorily, he/she shall be subject to disciplinary action. An employee shall have the right to return to work after satisfactorily completing the drug rehabilitation and aftercare program under the same guidelines as described.

- (c) Within five (5) days of the occurrence of the alleged cause for

discharge or suspension, the Employer shall give written notice by certified mail to the employee and to the Local Union of its decision to discharge or suspend the employee and such notice shall set forth the reason or reasons for the discharge or suspension. If the Employer fails to give such written notice within the specified five (5) day period, the right to discharge or suspend for that particular reason shall be waived. But this shall not preclude the Employer from introducing as evidence, should a subsequent discharge or suspension occur, any reason or reasons to substantiate unsatisfactory work performance arising out of circumstances which occurred during the nine (9) month period immediately preceding the date of discharge or suspension notice. However, in order for any such reason to be introduced by the Employer, the Employer must have given specific written notice by certified mail to the employee and to the Local Union of the circumstances giving rise to such reason within ten (10) days of the occurrences of the circumstances. Such written notice may not be submitted for consideration by the Labor-Management Committee except in cases in which the Employer has given the employee a notice of discharge or suspension and such notice shall not be subject to economic action by either the Union or the Employer. If the Local Union does not file with the joint secretaries of the Committee a written protest of the Employer's action within five (5) days, excluding Saturdays, Sundays and holidays from the time of receipt of the Employer's notice, the right to protest such discharge or suspension shall be waived.

- (d) Should the Local Union file protest of the intended discharge or suspension within the time period set forth in subsection (c), then the case shall automatically be placed on the agenda of the Committee described in Section 2 above. Discharge and suspension cases referred to the Committee will be placed first (1st) on the agenda of the Committee provided that the Committee shall not hear the case until the five (5) days specified in subsection (c) have elapsed.
- (e) If the Committee reaches a deadlock, either party may submit the matter to an impartial arbitrator for final decision. The selection of the arbitrator for a decision in discharge or suspension

cases shall be made immediately upon such deadlock, and the arbitrator so selected shall hear the case in not more than ten (10) days, excluding Saturdays, Sundays, and holidays, from the date of the deadlock and render his decision in not more than ten (10) days from date of hearing of the case, excluding Saturdays, Sundays and holidays. The method of selection of the arbitrator shall be made as provided in Section 5.

SECTION 5 - SELECTION OF AN IMPARTIAL ARBITRATOR

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

The Arbitrators mutually agreed to are:

- | | |
|--------------------|--------------------|
| 1. Ames, Claude | 5. Engler, William |
| 2. Angelo, Tom | 6. Kagel, John |
| 3. Askin, Charles | 7. McKay, Gerald |
| 4. Chertkof, Boren | |

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

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

SECTION 6 - ARBITRATORS AUTHORITY

The arbitration proceedings shall be governed by the following provisions:

- (a) No briefs shall be submitted by the parties except if mutually agreed to;
- (b) The arbitrator shall not render an expanded opinion in any case unless mutually requested by the Employer and the Union;
- (c) The authority of the arbitrator shall be specifically limited to the matters submitted to the arbitrator and the arbitrator shall have no authority in any manner to amend, alter, modify, or change any provisions of this Agreement; and
- (d) In discharge cases where the employee is removed off the job, the arbitrator will be required to either make a bench decision or render a decision in no more than ten (10) calendar days.

SECTION 7 – GRIEVANCE SETTLEMENTS

All monetary grievance settlements shall be submitted by separate check payable to the grievant or grievants and a copy of same sent to the Local Union for the records. Such settlements shall be paid within five (5) days of the settlement.

ARTICLE 8 - LEAVE OF ABSENCE

SECTION 1 - APPROVED LEAVE

Any employee desiring a leave of absence shall secure written permission from both the Local Union and the Employer. Except as otherwise provided in this Article, the maximum leave of absence shall be for ninety (90) days and may be extended for like periods. Written permission for such extended periods shall be secured from both the Union and the Employer. The first (1st) approved leave of absence plus approved extended leaves of absence shall not exceed a maximum time period of twelve (12) months. During an approved leave of absence, the employee shall not engage in gainful employment in the same industry. Leaves of ten (10) days or less do not require Union approval. Disputes concerning request for leaves of absence are subject to the grievance procedure.

Any employee who is unable to work because of sickness or injury shall be deemed to be on leave of absence. Such leave will not

exceed two (2) years unless extended by written consent of the Union and the Employer. In the absence of such consent, a request for extension of such leave shall be subject to dispute procedure, but in no event shall such leave of absence exceed three (3) years, except with the written consent of the Union and the Employer.

A leave of absence, as provided, shall not result in the loss of seniority rights. An employee shall be granted unpaid time off in emergency situations involving illness or accident of a member of the employee's immediate family up to fifteen (15) days.

SECTION 2 – EFFECT ON VACATION/HOLIDAYS

Time off in excess of fourteen (14) days due to an approved leave of absence other than for sickness or injury shall not be accumulative for vacation purposes.

All regular employees off the job due to illness or injury shall accumulate vacation rights, holiday pay and sick leave beginning with the date of illness or injury and continuing to the end of the month and two (2) months thereafter.

SECTION 3 - HEALTH & WELFARE AND PENSION WHEN ON LEAVE

The employee may, if the employee desires to continue coverage, make suitable arrangements for continuance of health and welfare payments consistent with the health and welfare policy before the leave is approved by both the Union and the Employer. For employees on leave due to a non-job connected illness or injury, health and welfare payments shall be borne by the Employer up to a maximum period of six (6) months and pension payments shall be borne by the Employer for a period of six (6) months. For employees on leave due to an industrial injury, health & welfare and pension payments shall be borne by the Employer for a period of one (1) year.

SECTION 4 - FAMILY LEAVE ACT

The Employer will comply with State and Federal laws regarding the Family Leave Act.

ARTICLE 9 - PIGGY BACK

- (a) There shall be no accident letters for piggy back unless negligence is proved on the part of the employee.
- (b) Rain gear, overalls, gloves, rubber boots and protective clothing shall be furnished by the Employer and the expense of the upkeep of the same shall be borne by the Employer.
- (c) Any unsafe conditions in tri-level and bi-level will be corrected immediately.
- (d) Only direct representatives of the Employer may give orders to employees covered by this Agreement.
- (e) In the loading and unloading of trailers from rail cars, there shall be at least two (2) employees in the crew at all times.

ARTICLE 10 - 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 his 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 message and information:
 - 1. Have been reduced to writing, or;
 - 2. If not reduced to writing, are of 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, instigated, or encouraged unauthorized strike action, slowdowns, or work stoppages in violation of this Agreement, he/she may be singled out for more serious discipline, up to and including discharge.

The job steward or the designated alternate shall be permitted reasonable time to investigate, present and process grievances on the company property without interruption of the Employer's operation; and where mutually agreed to by the Local Union and Employer, off the property or other than during their regular schedule without loss of time or pay. Such time spent in handling grievances 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.

ARTICLE 11 - OPERATING REQUIREMENTS

SECTION 1 - USE OF EQUIPMENT

No employee shall operate more than one (1) piece of equipment during freight moving operations away from the terminal or platform. For example, a driver sent from the terminal or platform to

load or unload the vehicle driven shall not operate a forklift. Exceptions to this procedure may be made only by mutual agreement between the Employer and the Union.

SECTION 2 - SAFETY AND JOB HEALTH

The Employer shall not require employees to take out on the street or highways any vehicle that is not in a safe operating condition or not equipped with the safety appliances prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment unless such refusal is unjustified. All equipment which is refused because not mechanically sound or not properly equipped, shall be appropriately tagged so that it cannot be used by other drivers until the automotive maintenance department has adjusted the complaint.

Under no circumstances will an employee be required, or assigned, to engage in any activity involving dangerous conditions of work, or danger to person or property, or in violation of any applicable statute or court order, or in violation of a government regulation relating to safety of persons or equipment. The term, "dangerous conditions of work" does not relate to the type of cargo which is hauled or handled. Any employee involved in any accident shall immediately report said accident and any physical injury sustained. When required by his Employer, the employee, before the end of his shift, shall make out an accident report in writing on forms furnished by the Employer and shall turn in all available names and addresses of witnesses to the accident. Copies of the same shall be made available to the employee upon his request.

Employees shall immediately, or at the end of their shifts, report all defects of equipment on a suitable form furnished by the Employer. The Employer shall not ask or require any employee to take out equipment that has been reported by any other employee as being in an unsafe operating condition until same has been approved as being safe by the automotive maintenance department.

When the occasion arises where an employee gives written report on forms in use by the Employer of a vehicle being in an unsafe working or operating condition, and receives no consideration from

the Employer, he shall take the matter up with the officers of the Union who will take the matter up with the Employer.

All package cars and tractor-trailers and/or trucks shall be equipped with all safety equipment as required by the Department of Transportation - Part 393.

SECTION 3 - TRAFFIC CITATIONS

No driver shall be required to violate traffic laws or overloading regulations. The Employer shall be responsible for any citations issued unless there is proven gross negligence on the part of the driver. Citations must be submitted to the Employer within forty-eight (48) hours and, if not, the Employer shall not be responsible for same.

Should the Employer fail to comply with the requirements of this Section, the Employer shall be held responsible for all working time lost or any penalties incurred by reason of the Employer's failure to comply with this Section.

The employee is to be given a receipt showing the citation number, the date the citation was given to the Employer, and the signature of the Employer's representative receiving it.

SECTION 4 - PURCHASE OF EQUIPMENT

The Employer shall not sell or transfer, directly or indirectly to an employee covered by this Agreement any truck, tractor, van, trailer, or other equipment, and no individual presently employed under this Agreement by the Employer shall acquire any proprietary interest in any such equipment.

ARTICLE 12 - GENERAL PROVISIONS

SECTION 1 - REST PERIODS

All employees shall be allowed to take a rest period during the first (1st) half of any shift and a rest period during the second (2nd) half of any shift. House rules regarding the time for such periods shall be mutually agreed upon between the Employer and the Principle Officer or other full-time employee of the Union. Disagreements

under this Section will be referred to United Parcel Service and the Union Policy Committee.

SECTION 2 - DISPUTED CLAIMS FOR OVERTIME

All disputed claims for overtime shall be so regulated that no injustice shall be done to the employee or the Employer. The Employer is to install time clocks for checking of overtime.

SECTION 3 - MONEY RECEIPT

Employees handling money shall account for and remit to the Employer money so collected at the completion of the day's work. The Employer shall give the employee a receipt for monies so paid in or the employee will not be held responsible for the money.

SECTION 4 - MAINTENANCE OF SANITARY FACILITIES

The Employer shall maintain hot and cold running water and toilet facilities at the operating center and shall keep the same in a clean and orderly condition in accordance with state laws and regulations. Employees under this Agreement shall not be utilized to accomplish such maintenance.

SECTION 5 - TELEPHONE CALLS AND BRIDGE TOLLS

All employees shall be reimbursed for money spent for telephone calls and bridge tolls involving Company business. Particulars of all such expenditures must be itemized and paid daily by cashier or other authorized office employee.

SECTION 6 - TIME CLOCKS

The Employer shall install time clocks. Such time clocks must be kept accurate. Employees shall punch in on such time clocks when they report to work and shall punch out when all work is completed. The Employer shall not alter an employee's time card in any manner without clearing the alteration with the employee. Upon request, an employee may inspect the record of his/her time for the previous day's work. An employee will be allowed to view the oper-

ation report for the current pay period for the purpose of checking his/her hours worked. The Employer agrees to provide forms for the employee to record his/her daily starting and ending times. The Company agrees to audit, on a regular basis, to ensure the availability of time clocks in all operations at the same locations as any other device used to record employees work time.

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

SECTION 7 - COMPANY MEETINGS

No employees shall be required to attend a Company meeting on their own time.

SECTION 8 - 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 the Agreement is being adhered to.

SECTION 9 - PHYSICAL EXAMINATIONS

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

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

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

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

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

ARTICLE 13 - NEW METHODS

If new methods of operation, including airborne equipment within the Geographical Area covered by this Agreement not covered by this Agreement are introduced by the Employer, or if the Employer introduces the use of equipment not heretofore used, the matter shall be subject to negotiations between the parties and shall be handled through the grievance procedure contained in this Agreement prior to the institution of such new methods of operation or equipment insofar as possible. Nothing in this Article shall prevent the Employer from instituting or continuing in use the operations of any equipment or practices in question during the consideration or establishment of proper rates of pay as provided for in the immediately preceding sentence, provided that the rates of pay shall be retroactive to the date of institution of such operations or equipment.

A seven (7) day workweek for Air Freight only, with the right of the Union to review on a yearly basis and to negate this provision, if in the Union's opinion, invalidation of this provision is necessary. This provision shall apply only to those employees who bid into or are hired into such work after May 1, 1982.

A thirty-five cent (35¢) per hour premium will be paid to all employees who are scheduled on a workweek other than Monday through Friday.

If a need is apparent, the negotiating committee will meet to negotiate conditions of expanded operations.

All other provisions of the Agreement shall apply in respect to wages, hours and working conditions.

ARTICLE 14 - LEASING EQUIPMENT

In the event of the Employer utilizing leased equipment, it is agreed the drivers of such equipment shall be obtained and shall work in conformity with the terms and conditions of this Agreement.

ARTICLE 15 - TRANSFER OF COMPANY, TITLE OR INTEREST

This Agreement shall be binding upon the parties herein, their successors, administrators, executors and assigns. In the event an entire operation or any part hereof is sold, leased, transferred, or taken over by sale, transfer, lease, assignment receivership, or bankruptcy proceedings such operation shall continue to be subject to the terms and conditions of the Agreement for the life thereof. On sale, transfer, or lease of any individual run or runs, only the specific provisions of this Agreement, excluding supplements or other conditions, shall prevail. It is understood by this Section that the parties hereto shall not use any leasing device to a third (3rd) party to evade this Agreement. The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, assignee, etc., or the operation covered by this Agreement, or any part thereof. Such notice shall be in writing with a copy to the Union at the time the seller, transferor or lessor executes a contract of transaction as herein described. In the event the Employer fails to give the notice herein required and/or fails to require the purchaser, transferee or lessee to assume the obligations of this agreement, the Employer shall be liable to the Union and to the employees covered for all damages sustained as a result of such failure to require assumption of the terms of this Agreement.

ARTICLE 16 - HEALTH & WELFARE AND PENSION DELINQUENCIES

Notwithstanding anything herein contained, in the event the Employer is delinquent at the end of a period in the payment of contributions to the Health and Welfare or Pension Fund or Funds, required to be paid under this Agreement of Supplement hereto, in

accordance with the rules and regulations of the Trustees of such funds, after the proper official of the Union has given five (5) days written notice, excluding Saturdays, Sundays or holidays, to the Employer of such delinquency in payments, the employees or the Union shall have the right to take any legal or economic action they see fit against the Employer to collect such delinquent amounts. Whether or not such action is taken, the Employer shall be liable to the employee for any and all benefits under any health and welfare plan which the employee would have received if the Employer had not been delinquent in the payment of such contributions. The employee shall have the right to bring legal action to obtain payment of such benefits. In any such action, the Employer shall pay court costs and a reasonable attorney's fee.

ARTICLE 17 - ENTIRE AGREEMENT

SECTION 1 - PRIORITY OF AGREEMENT

The Employer agrees not to enter into any agreement or contract with employees, individually or collectively, which in any way conflicts the terms and provisions of this Agreement. Any such agreement shall be null and void.

SECTION 2 - MAINTENANCE OF STANDARDS

The Employer agrees that all conditions of employment in his individual operation relating to wages, guaranteed hours of work, overtime differentials, and general working conditions shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement and the conditions of employment shall be improved whenever specific provisions for improvement are made elsewhere in this Agreement.

It is agreed that the provisions of this Article shall not apply to inadvertent or bona fide errors made by the Employer or the Union.

Any disagreement between the Local Union and the Employer with respect to this matter shall be subject to the grievance procedure.

This provision does not give the Employer the right to impose or

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

ARTICLE 18 - CASUALS AND EXTRA HELPERS

The same Committee formed to determine work jurisdiction under Article 31 shall operate under the same rules and procedures in this instance.

ARTICLE 19 - EMERGENCY REOPENING

In the event of war, declaration of emergency or imposition of economic controls during the life of this Agreement, either party may reopen the same upon sixty (60) days written notice and request renegotiation of matters dealing with wages and hours. There shall be no limitation of time for such written notice. Upon the failure of the parties to agree in such negotiations within sixty (60) days thereafter, either party shall be permitted all lawful economic recourse to support its request for revisions. If Governmental approval of revisions should become necessary, all parties will cooperate to the utmost to attain such approval. The parties agree that the notice provided herein shall be accepted by all parties as compliance with the notice requirements of applicable law, so as to permit economic action at the expiration thereof.

ARTICLE 20 - TERM OF AGREEMENT

This Agreement shall become effective December 19, 2007 and shall continue in full force and effect to and including July 31, 2013, and shall be considered as renewed from year to year thereafter unless either party hereto shall give written notice to the other of its desire to modify or terminate the Agreement, and such notice must be given a least sixty (60) days prior to the expirations of this Agreement

ARTICLE 21 - JOB CLASSIFICATION AND RATE OF PAY

SECTION 1

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

	<u>8/1/08</u>	<u>2/1/09</u>	<u>8/1/09</u>	<u>2/1/10</u>	<u>8/1/10</u>
Package Driver	28.82	29.17	29.545	29.92	30.295
Delivery Center Positioner	28.74	29.09	29.465	29.84	30.215
Automotive Service	28.29	28.64	29.015	29.39	29.765
Center Clerks	27.81	28.16	28.535	28.91	29.285
Forklift Drivers	28.82	29.17	29.545	29.92	30.295
Air Shuttle Drivers	28.82	29.17	29.545	29.92	30.295
Tractor Drivers and Hostlers: (Including Casuals)					
Single	28.99	29.34	29.715	30.09	30.465
Double Headers	29.17	29.52	29.895	30.27	30.645
2-40's or Triples	29.82	30.17	30.545	30.92	31.295

	<u>2/1/11</u>	<u>8/1/11</u>	<u>2/1/12</u>	<u>8/1/12</u>	<u>2/1/13</u>
Package Driver	30.67	31.095	31.52	31.995	32.47
Delivery Center Positioner	30.59	31.015	31.44	31.915	32.39
Automotive Service	30.14	30.565	30.99	31.465	31.94
Center Clerks	29.66	30.085	30.51	30.985	31.46
Forklift Drivers	30.67	31.095	31.52	31.995	32.47
Air Shuttle Drivers	30.67	31.095	31.52	31.995	32.47
Tractor Drivers and Hostlers: (Including Casuals)					
Single	30.84	31.265	31.69	32.165	32.64
Double Headers	31.02	31.445	31.87	32.345	32.82
2-40's or Triples	31.67	32.095	32.52	32.995	33.47

*(All above rates reflect a 12¢ per hour
COLA increase given in 2005)*

Full-time Employees Hired During Seasonal Period
(Oct. 1 through Dec. 31) 75% of start rate

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Inside Peak						
Season Helper	\$14.20	\$14.20	\$14.45	\$14.70	\$14.95	\$15.20
Off the Street peak						
Season Helper	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25

Class “C” drivers pulling pup trailers or scat trailers with a package car shall be paid fifteen (\$.15) cents per hour in addition to their normal rate of pay for the entire day.

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

All full-time employees who have attained seniority as of August 1, 2008 shall receive the following general wage increases:

<u>Effective Date</u>	<u>Amount</u>
August 1, 2008	\$.35
February 1, 2009	\$.35
August 1, 2009	\$.375
February 1, 2010	\$.375
August 1, 2010	\$.375
February 1, 2011	\$.375
August 1, 2011	\$.425
February 1, 2012	\$.425
August 1, 2012	\$.475
February 1, 2013	\$.475

Full-time employees still in progression on the effective date of this Agreement shall receive the above contractual increases and will be paid no less than what they are entitled to in accordance with Article 41, Section 2 of the 2008-2013 Master Agreement.

SECTION 2

- a. The following wage progression schedule shall cover all full-time employees except apprentices, who are in progression as of August 1, 2008 The two (2) year progression will also remain in effect from the date this Agreement becomes effective until

August 1, 2008 for those employees entering during this period a full-time job other than package, feeder, air or one covered by Article 41, Section 3 of the 2008-2013 Master Agreement.

The rate in effect on July 31, 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 18 months	90%
Seniority Date plus two (2) years	Top Rate

Part-time employees on the payroll as of July 31, 2002, who are subsequently promoted to full-time employment under this progression, will be red circled until such time as the calculated progression rate exceeds that rate. The transfer date will become his/her full-time start date for purposes of applying the above progression.

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

- b. No employee shall be required to complete a full-time progression more than one time even if he or she transfers between full-time jobs except as set forth in this paragraph. The sole exception is when an employee is awarded a package car job and has not previously held a job which includes driving duties. In such event, the employee will have a break-in rate equal to the employee's current wage rate until six (6) months from the date the employee entered the job. The employee will then go to the prevailing top rate. A part-time air driver who has completed the Article 40 progression, bids a full-time inside job and then a driver job within two (2) years shall have the same break-in period.

- c. The progression for employees entering a package car driving or other full-time job (other than feeder, an air driver or a job covered by Article 41, Section 3 of the 2007-2013 Master Agreement) position after August 1, 2008 shall be as follows:

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

Part-time employees on the payroll as of July 31, 2008 who subsequently are promoted to full-time employment under this paragraph will be red circled until such time as the calculated progression rate exceeds that rate.

If a part-time employee bids to a full-time position and the top rate of the classification is less than his/her current rate, the employee shall be placed at the top rate of the new classification immediately.

Notwithstanding Article 41 of the National Master United Parcel Service Agreement, the Company recognizes the past practice in NorCal that there is no progression for full-time or part-time employees who successfully qualify in a tractor trailer/feeder classification, and the pick up or delivery of ground packages (Utility work) initiates full-time progression for a part-time employee.

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

SECTION 3 - COMBINATION JOBS

Employees may be required to work in more than one (1) classification during their working hours of any day, but in such event shall be paid for the entire day at the hourly rate of the highest job classification worked, except for utility drivers.

SECTION 4 - COST OF LIVING

Refer to National Master

ARTICLE 22 - HOURS OF WORK

SECTION 1 - WORKDAY / WORKWEEK-FEEDER DRIVERS

- (a) The regular workweek for full-time employees shall be five (5) eight (8) hour days. Tractor drivers doing feeder work (line haul) shall continue on a five consecutive work day week, Monday through Saturday, with the exception of a Sunday through Thursday workweek for only those buildings that operate a Sunday sort. Those feeder drivers on a Sunday through Thursday workweek will solely work in conjunction with the operating needs of a Sunday sort and must be domiciled at the facility.
- (b) Feeder drivers on a Monday through Friday workweek may be required to have an established start time as early as 9 p.m. the preceding Sunday at straight time pay, if either their domicile has a Sunday sort or if they are assigned to recover packages from a building that has a Sunday sort.
- (c) Feeder drivers on a normal Monday through Friday workweek who are required to start prior to 12:01 a.m. Sunday will receive Sunday premium for all hours worked.
- (d) Prior to implementing a four (4) day, ten (10) hour work week on newly established feeder runs, the Employer shall meet jointly with the Local Union to negotiate the terms under which a four (4) day, ten (10) hour work week may be implemented, subject to ratification of the affected feeder drivers.

SECTION 2 - PACKAGE CAR DRIVERS

- (a) The regular scheduled workday shall consist of eight (8) consecutive hours, with an established start time excluding a non-paid meal period of either one half (1/2) or one (1) hour. The regular scheduled work week shall consist of five (5) consecutive eight

(8) hour days, Monday through Friday or Tuesday through Saturday, subject to the provisions of (b) below.

- (b) It is agreed that no employee with a seniority date prior to August 1, 2008 will be forced onto a Tuesday through Saturday workweek unless otherwise mutually agreed to or unless the employee bids such workweek in accordance with the bidding procedures set forth in Article 22, Section 2, (a).
- (c) Start times shall be posted on the prior Friday of the week for which the starting times shall be effective. Employees who are ordered to report for work prior to said scheduled starting time, shall receive time and one half (1 1/2) for all hours worked prior to their regular starting time. Employees who are ordered to report to work later than their scheduled starting time should receive time and one half (1 1/2) for the number of hours equal to the number of hours called into work after their scheduled starting time.

SECTION 3 - OVERTIME

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

- (a) Before the employee's regular starting time or after the employee's regular quitting time;
- (b) In excess of eight (8) hours in any workday;
- (c) In excess of forty (40) straight time hours in any work week;
- (d) For all hours worked on a sixth (6th) day of work during the work week;
- (e) For work on Saturdays for those employees on a Monday through Friday workweek.

The Employer agrees that extra overtime in a classification (over-

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

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

The company recognizes the desirability to minimize the number of employees working during holiday periods.

SECTION 4 - STARTING TIMES

Starting times for all parcel delivery drivers shall be from 7:00 a.m. to 8:30 a.m.

In those areas where there is an existing 7:00 a.m. to 9:00 a.m. starting time, such starting times shall remain in effect.

In UPS buildings with more than fifteen (15), but less than fifty (50) drivers the employer may establish starting times between 8:30 a.m. and 12 Noon for no more than one (1) driver per center. For those UPS buildings with more than fifty (50) drivers, the employer may establish said starting times for no more than two (2) drivers per center. No driver, package or feeder, currently on a bid route will be forced into this late start time. The 8:30 a.m. to 12 Noon start time shall be bid by seniority. If no one bids on said start time, the employer may only assign by inverse seniority. The provisions of Article 29, Section 9 shall apply.

The Employer may delay the start time of employees due to inclement weather, earthquakes, civil unrest and/or floods that result in delaying the arrival of ground packages provided the affected employees are notified at least two (2) hours in advance of their scheduled start times. Start times will not be delayed unless the delay is equal to one (1) hour or more.

SECTION 5 - LUNCH PERIOD

The lunch period shall not be less than one half (1/2) hour or more than one (1) hour in duration. The lunch period shall commence not less than four (4) hours after the employee starts work, and shall be completed no later than six (6) hours after the commencement of the employee's work. If the employee is directed to take a one half (1/2) hour lunch, the remaining one half (1/2) hour will be paid at the overtime rate.

ARTICLE 23 - SICK LEAVE

SECTION 1

All full-time regular employees shall receive nine (9) days of sick leave with pay each year commencing with the first (1st) day of illness. All full-time regular employees shall be eligible for sick leave on a pro rate basis after four (4) months of service with the Employer retroactive to the date of employment.

Unused sick leave shall be granted once each year to each full-time regular employee, in cash at the current daily rate, in an amount not to exceed nine (9) days, or by mutual agreement between the Employer and the employee as paid time off to be taken at a time mutually agreed upon. The cash payoff shall occur either on July 1st or December 15th of each year at the option of the Local Union for all members of that Local Union.

On resignation, discharge or death, an employee or his estate shall collect cash payment for all unused accumulated sick leave.

SECTION 2

Employees who desire to accumulate sick leave may accumulate

nine (9) days per year up to a maximum of forty five (45) days of such paid sick leave in lieu of the cash payment provided in Section 1 above. However, employees who choose to accumulate sick leave but decide to revert to the cash settlement, during the life of this Agreement, shall receive such cash settlement at the current daily rate of their classification in effect at the time they elect to revert to such cash settlement.

SECTION 3

- (a) In the event of a disabling injury on the job, an employee shall be entitled to a full day's pay. In the event of a disabling injury on the job, the Employer shall notify the Union within twenty four (24) hours, provided the Employer has been notified.
- (b) Employees who have doctor or dentist appointments will notify the Employer of such appointments as soon as possible, but no later than the day before and shall be granted time off for such appointment. The Employer may require the employee to take the entire day off if the employee's absence would create a service failure.

SECTION 4

The eligibility for sick leave shall be based on July 1 of each year.

SECTION 5 - INTEGRATION WITH WORKER'S COMPENSATION AND UNEMPLOYMENT COMPENSATION: DISABILITY BENEFITS

Employees who have sick leave pay to their credit and are drawing Unemployment Compensation, Disability or Worker's Compensation benefits shall be paid the difference between such benefit payments and their straight time weekly earnings for each week such benefit payments are made. Such sick leave pay shall be charged to the employee's sick leave credit.

An employee who is sick for part of a day shall receive sick leave pay for the number of regular hours absent from work provided the employee has sick leave pay credit. Such sick leave pay shall be

charged to the employee's credit.
This Section shall apply at the option of the employee.

ARTICLE 24 - HOLIDAYS

The following holidays shall be observed

New Year's Day	Day after Thanksgiving
Memorial Day	Christmas Day
Employee's Birthday	December 31st
Day after employee's birthday	Two (2) Floating holidays
Fourth of July	(By mutual agreement between
Labor Day	the Employer and the employee)
Thanksgiving Day	

Employees qualifying for holiday pay shall receive eight (8) hours straight time pay even though no work is performed, regardless of the day of the week on which the holiday may fall. If any one of the above mentioned paid holidays falls on Sunday, the following Monday shall be observed as a holiday. On a Sunday through Thursday workweek a holiday that falls on Saturday shall be celebrated on the following work day. If any two (2) of the above mentioned holidays fall on the same day, one of them shall be celebrated either the day before or the day after by mutual agreement between the employee and the Employer.

An employee who is called out to work on any of the above holidays shall be paid a minimum of eight (8) hours at one and one half (1 1/2) times the straight time hourly rate in addition to the holiday pay referred to above.

An employee may choose any day of his/her preference for his/her floating holidays by giving the Employer at least ten (10) calendar days written notice prior to the day chosen.

The Company shall grant the employee the day of his/her choice, provided that no more than five percent (5%) of each center, hub shifts, or feeder be granted the same requested day, and in such event, seniority will be the governing factor.

Floating holidays will be taken between August 1st and July 31st (except December) of each year. Floating holidays not taken within this time frame will be so assigned by the Company in the following three (3) months.

Any seniority employee who reports for work and is put to work thirteen (13) days, in any calendar month, shall be entitled to any paid holiday which occurs during that month. Paid holidays, paid vacation, paid sick leave, paid jury duty and paid funeral leave shall be counted as days worked for the purpose of this Section. Any non seniority employee who is put to work thirteen (13) days in any calendar month, shall be entitled to any paid holiday which occurs during that month, except for seasonal employees during the seasonal period, provided that such employee is on active status on the date of said holiday.

ARTICLE 25 - VACATIONS

SECTION 1

Employees with one (1) year of service and less than three (3) years of service with the Employer shall receive two (2) weeks (10 working days) of vacation with pay each year. Employees with three (3) years of service shall receive three (3) weeks (15 working days) of vacation with pay each year. Any employee who has ten (10) years of service or more, regardless of his/her anniversary date, shall receive four (4) weeks (20 working days) of vacation with pay each year. Any employee who has twenty (20) years of service or more shall receive five (5) weeks (25 working days) vacation with pay each year. Any employee who has twenty five (25) years of service or more shall receive six (6) weeks (30 working days) vacation with pay each year. Any employee who has thirty (30) years of service or more shall receive seven (7) weeks (35 working days) vacation with pay each year.

Any employee laid off before the completion of one (1) year or during the first three (3) years of employment shall receive prorated vacation due on the basis of .833 of a day for each month of employment.

After three (3) years of employment and up to ten (10) years of employment prorated vacation shall be granted on the basis of one and one quarter (1 1/4) days for each month of employment.

After ten (10) years of employment, prorated vacation shall be granted on the basis of one and two thirds (1 2/3) days for each month of employment.

After twenty (20) years of employment, prorated vacations shall be granted on the basis of two (2) days and two thirds (2/3) of one (1) hour for each month of employment.

After twenty-five (25) years of employment, prorated vacations shall be granted on the basis of two and one half (2 1/2) days for each month of employment.

After thirty (30) years of employment prorated vacations shall be granted on the basis of 2.91667 days for each month of employment.

Any employee who reports to work and is put to work thirteen (13) days in a calendar month shall be entitled to vacation credit for that month. Paid holidays, paid vacation, paid sick leave, paid jury duty and paid funeral leave shall be counted as days worked for the purpose of this Section.

Seniority is to be considered in the choice of vacation periods. In arranging vacations, due consideration shall be given to the Employer so that his business will not be crippled or seriously affected by reason of too many employees seeking vacation at the same time.

SECTION 2

All accrued vacation pay for the amount of vacation time to be taken is to be paid to the employee one (1) day before the employee's last shift worked by separate check. No employee shall be shorted his/her vacation pay for all vacations properly selected during the annual March selection. If there is a dispute regarding vacation pay, the Company will issue the disputed pay until such time that the

Company provides proof of all other vacation payments for that current year. If the records prove that the employee has been overpaid the vacation pay, the Company may deduct this overpayment by deducting an equal amount of vacation from next year's accrual.

It is agreed that for each week of paid vacation, the employee shall receive an additional five (5) hours pay at the straight time hourly rate.

SECTION 3

Vacation periods are not to be arbitrarily assigned to employees during the months of November through March unless mutually agreed upon. Based on seniority, vacation periods will be assigned at the employee's choice during the months of April through October.

It is the understanding of the parties that from January 1st through the first three weeks of November, employees shall be allowed to select vacation at 100% of the normal vacation selection ratio. During the Thanksgiving week, that number shall be reduced to 75%.

The employees who select Thanksgiving week as a vacation week shall normally have the prior Thursday and Friday off. When the staffing permits, the Company shall allow employees to take the Monday and Tuesday off in the week immediately after the holiday week. These days, (if any) will be offered by seniority.

The total amount of accrued vacation weeks for the period of April 1st to October 31st will be subtracted by employees taking vacations from January 1st to March 31st and that figure divided by thirty (30) weeks will be the number of employees allowed to take vacations in the same week for the balance of the vacation period. Any fraction of a whole number shall be rounded up to the next highest number.

Whenever possible and when desired by employees, they may stagger or spread their vacation period throughout the year. However, in no case shall any portion of vacation be less than one (1) week.

SECTION 4

It is agreed by both parties to this Agreement that employees must take their accrued vacation each year and that no arrangement to work for additional compensation during their earned vacation will be allowed except where mutually agreed upon by the Employer and the Union.

SECTION 5

The Employer and an employee may agree on a change in the vacation period of such employee after the vacation schedule has been posted, provided it does not affect the vacation period of any other employees on the vacation schedule.

SECTION 6

Any employee called into the service shall be paid for prorated vacation earned.

SECTION 7

The vacation list shall be posted not later than March 1st of each year. For choice of vacations, once a vacation selection list is posted, one (1) week is allowed for the first twenty-five percent (25%) on the seniority list to select, then one (1) week will be allowed for the second twenty-five percent (25%) to select then one (1) week shall be allowed for the third twenty-five percent (25%) to select, then one (1) week shall be allowed for the fourth and final twenty-five percent (25%) on the seniority list to select. Those not signing up in the correct week shall lose their choice of vacation and must take what is left.

Vacation selection shall occur during March.

Once completed the vacation schedule shall be posted on the bulletin board.

SECTION 8

If a paid holiday falls within an employee's vacation, said employee will be granted an additional optional holiday to be taken in accordance with Article 24 of this agreement or be paid eight (8) hours of straight time pay for the holiday.

SECTION 9

All employees with three (3) years of employment will receive one (1) optional week (optional week #A) with forty (40) straight time hours for full-time employees.

Option week A is considered earned as soon as the employee has earned their first week of vacation for that year.

All employees will be entitled to optional vacation week #B. Optional vacation week #B is in lieu of two (2) floating holidays and the employee's birthday and day after birthday plus one (1) additional day (new holiday).

Employees shall be eligible to select/cash out Option week "B" during the vacation selection period or maintain their four (4) individual holidays. Said option week shall consist of the Birthday/Day After and two (2) floating holidays plus an additional "Bonus Day" that said employee would normally become eligible for during the forthcoming vacation period.

The employees will be asked to select their intentions for Option Week "A" and Option Week "B" in February of each year.

Employees may choose to take optional vacation week #B or maintain their four (4) individual holidays or elect to cash out optional vacation week #B for forty (40) straight time hours.

The optional vacation weeks A and B shall be selected at the time vacation selection is made and are not subject to the prorated provisions of this contract.

When selecting vacations as provided in Section 7 of this article, each full-time employee shall elect to:

- (a) Receive five (5) days pay (forty (40) straight time hours) to be added to the first weeks vacation pay, or:
- (b) Take five (5) days of additional vacation with pay at eight (8) straight time hours per day.

- (c) If a decision is not made at the time vacation selection is made, the optional weeks will be cashed out.

ARTICLE 26 - HEALTH AND WELFARE

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

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

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

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

ARTICLE 27 - PENSIONS

See NorCal Supplement Addendums 4, 6 and 7.

ARTICLE 28 - LEGAL SERVICES TRUST FUND

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

each regular employee and the maximum amount per month shall be increased to twenty five dollars and ninety-five cents (\$25.95).

ARTICLE 29 - MISCELLANEOUS PROVISIONS

SECTION 1 - PAY PERIODS

The members of the Union shall be paid weekly for their labor. Not more than one (1) week's wages shall be withheld. Each employee shall be provided with a statement of total hours and gross earnings and an itemized statement of all deductions made for any purpose. A regular weekly payday shall be established, provided that if such payday falls on a paid holiday, the preceding workday shall be payday.

Any error on a payroll check will be paid by the Employer no later than the end of the next regular workday following notification of the error. Check stubs will itemize total hours, in addition to all deductions.

Upon discharge or quitting, the Employer shall pay all money due to the employee on the payday in the week following such quitting.

In the event State law would require earlier payment, the Company agrees to comply.

Seasonal employees hired during October, November and December shall be paid all monies due to the employee on the payday in the week following such quitting and/or termination.

SECTION 2 - UNIFORMS

The Employer agrees to furnish free of charge to each and every employee any and all required uniforms, caps and/or hats, winter hats (where appropriate) and jackets and further agrees that any and all said uniforms, caps and/or hats shall bear the Union label. The laundry and upkeep of same (shirts excluded) must be borne by the Employer. Uniforms shall be suitable for summer and winter.

The Employer will furnish tractor drivers with suitable gloves which will be replaced in the same manner as other uniform items.

Uniform standards regarding the wearing of the uniform and accessories and personal grooming and appearance shall be observed and upheld. Such standards shall be submitted to the Union prior to posting. This shall not apply to employees who do not meet the public.

SECTION 3 - PROTECTIVE CLOTHING

In addition to supplying all working equipment such as hand trucks, ropes, etc., the Employer shall furnish protective clothing such as rubber boots, gloves, aprons, etc., needed for the handling of damaged parcels and foul weather gear needed for the performance of employees' duties. Dust masks to be provided for all loaders, unloaders, and sorters. Company shall furnish gloves for irregular cart drivers.

Car washers are to be provided with water repelling aprons upon request.

SECTION 4 - INCAPACITATED EMPLOYEES

Any employee who, through no fault of their own, is no longer able to perform their normal duties and has seniority with the Company, shall have the option of employment in other classifications covered by this Agreement subject to qualifications and all other provisions of this Agreement providing work is available. Not being able to perform their normal duties is defined in one (1) of two (2) ways. The first being that the injured employee's physical condition is permanent and stationary. The second being that the injured employee's condition is permanent, stationary, and rateable under applicable State compensation laws. Qualified injured employees as stated in the above sentences will be listed by seniority and notice given to the Local Union. When an opening occurs for a suitable position assignment will be made by seniority.

SECTION 5 - EQUIPMENT STANDARD

Rules and regulations covering standards of equipment and safety of operations as prescribed by Federal and State governmental agencies having jurisdiction over such matters, shall control the operations of the Employer and the work of employees. No employ-

ee shall be discriminated against for refusing to operate equipment which does not meet the required standards.

SECTION 6 - JURY DUTY

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

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

Employees scheduled to work any shift other than the day shift shall not be required to report to work on any day he/she is required to report for jury duty unless he/she has been released from jury duty not less than four (4) hours prior to the start time of his/her regular shift and provided further, he/she would complete such shift not less than ten (10) hours prior to the time he/she is required to report for jury duty the next following day.

Notwithstanding the above, no employee, working other than a day shift, will be required to report to work on a night if he/she has served jury duty that day and that service prevents him/her from reporting for work .

In the event an employee returns to work after being released from

jury duty and works beyond his/her regularly scheduled workday such hours worked shall be compensated for at the applicable over-time rate of pay.

Time spent on jury duty service will be considered time worked for purposes of Employer contributions to Health and Welfare and Pension Plans, vacation eligibility and payment, holidays and seniority, in accordance with the applicable provision of the Supplemental Agreements, Riders, and Addenda.

SECTION 7 - VOTING TIME

All employees who find it impossible to vote in a general or special election on their own time shall be allowed reasonable time off to vote without loss of pay after first applying to the Employer and the Union and substantiating inconvenience and voting registration.

SECTION 8 - TIME PAID FOR

Time paid for but not worked such as holidays, vacation, paid sick leave, paid funeral leave or jury duty, will be considered as time worked for the purpose of qualifying for benefits, other than wages, under this Agreement.

SECTION 9 - SHIFT DEFERENTIAL

A shift differential of thirty-five cents (35¢) per hour shall be paid to all employees whose straight time shifts extend beyond 6:00 p.m., or starts before 7:00 a.m.

Shift differential shall be included in the computing of overtime and in the payment of holidays, vacation, sick leave, jury duty and funeral leave.

A thirty-five cent (35¢) per hour premium will be paid to all employees who are scheduled on a workweek other than Monday through Friday.

SECTION 10 - MEDICAL TREATMENT

Any employee who was injured on the job and is required to report back to the doctor for further treatment shall be allowed time off

work for such treatment without loss of pay. The Employer shall not be able to change the facility of treatment designated by the employee's treating physician without the employee's consent.

If the above-mentioned facility can provide treatment outside of the employee's workday, said employee will not be paid for the time involved for treatment.

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

SECTION 11 - EMPLOYEE'S BAIL

Employees will be bailed out of jail if accused of any offense in connection with the faithful discharge of their duties, and any employee forced to spend time in jail or in courts shall be compensated at his regular rate of pay. In addition, he shall be entitled to reimbursement for his meals, transportation, court costs etc. Provided, however, that faithful discharge of duties shall in no case include compliance with any order involving commission of a felony. In case an employee shall be subpoenaed as a Company witness he shall be reimbursed for all time lost and expenses incurred.

SECTION 12 - FUNERAL LEAVE

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

A regular full-time employee shall be guaranteed two (2) days off

to be taken between the day of death and two (2) working days following the funeral provided the employee attends the funeral or other bereavement rite.

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

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

SECTION 13 - MILITARY LEAVE

Employees enlisting or entering the military or naval service of the United States, pursuant to the provisions of the Selective Service Act of 1967, shall be granted all rights and privileges provided by the Act. The Employer shall pay the health and welfare and pension contributions for employees on leave of absence for training in the Military Reserves or National Guard for a period not to exceed thirty (30) days providing such absence affects the employee's credits or coverage for health and welfare and/or pension benefits.

SECTION 14 - BONDS

Should the Employer require any employee to give bond, cash bond shall not be compulsory and any premium involved shall be paid by the Employer. The primary obligation to procure the bonds shall be on the Employer. If the Employer cannot arrange for a bond within ninety (90) days, he must so notify the employee in writing. Failure to so notify shall relieve the employee of the bonding requirement. If proper notice is given, the employee shall be allowed thirty (30) days from the date of such notice to make his own bonding requirement, standard premiums only on said bond to be paid by the Employer. A standard premium shall be that premium paid by the Employer for bonds applicable to all other of its employees in similar classifications. Any excess premium is to be paid by the employee. Cancellation of a bond after once issued shall not be cause for discharge unless the bond is canceled for cause,

which occurs during working hours, or due to the employee having given fraudulent statement in obtaining said bond.

SECTION 15 - PASSENGERS

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

SECTION 16 - COMPENSATION CLAIMS

The Employer agrees to cooperate toward the prompt settlement of employee on-the-job injury claims when such claims are due and owing as required by law. The Employer shall provide Worker's compensation protection for all employees even though not required by state law.

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 regular shift on that day.

The Employer agrees to provide any employee injured, transportation at the time of injury, from the job to the medial facility and return to the job, or his home, if required.

The Company is willing to abide by the Arbitrator's decision regarding "voluntary" as it applies to TAW.

SECTION 17 - UNION BULLETIN BOARDS

The Employer agrees to provide suitable space for the Union bulletin board in each center and hub. Posting by the Union on such boards are to be confined to official business of the Union.

ARTICLE 30 - SEPARABILITY AND SAVINGS CLAUSE

If any Article or Section of this Agreement or Supplements hereto be held invalid by operation of law or by any tribunal or competent

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

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

ARTICLE 31 - FEEDER DRIVERS

SECTION 1 - WORK JURISDICTION

The Employer agrees to respect the jurisdiction rules of the Union party to this Agreement. A joint committee appointed by the parties of this Agreement shall meet and act on all matters concerning work jurisdiction. If no agreement is reached the matter shall be processed through the grievance procedure.

The Union recognizes the Employer is in direct competition with the United States Parcel Post. In order to meet that competition and thereby protect, and if possible, increase the number or bargaining unit jobs. It is agreed the Employer may:

- (a) Use substitute means of transportation (such as aircraft, ships or rail T.O.F.C.) in the movement of parcels; provided, however, in the event any run operation existing as of August 1, 2008 is

transferred to any one of the substitute means of transportation, the driver affected who is on the payroll as of August 1, 2008 shall continue to receive the rate of pay in effect for the particular run or operation; provided, further, in the event a job of equal pay becomes available, said driver must accept the available job or relinquish the rate of pay.

- (b) Drop empty trailers at location designated by its customers for customer loading when the loading process is of a delayed nature and extends over a period of time in excess of six (6) hours. The business needs of the Company may require an exception to the six (6) hour rule and such exception will be reviewed with the Local Union as to the reasons why, such as loss of volume or other valid reason. Any disputes over the six (6) hour language shall be subject to the grievance procedure. It is understood all movements of these trailers shall be performed by members of the bargaining unit. It is agreed no tractor driver will be displaced as a result of this type operation.

In order to eliminate non-productive time, it is agreed feeder drivers' duties shall include loading or unloading, or assisting in loading or unloading, the equipment the feeder driver brings into or will take out of an operating center or hub.

The Employer and the Union agree the work of shuttling trailers or pulling trailers that originate within a Local Union's jurisdiction (except in the operation of a driver bringing in a unit and taking out another unit) is the work of the particular operating center or hub in which the work originates. It is agreed, however, when the normal complement of drivers assigned to this work within a center or hub have assignments and are not available, drivers from other Local Unions who have pulled equipment into the particular hub or operating center may be utilized to perform this work. Any controversy relative to the operation or duties of feeder drivers as set forth above shall be disposed of by the Committee as set forth in the first (1st) paragraph of this Article.

SECTION 2 - FEEDER DRIVER ANNUAL SELECTION

On the first (1st) Monday in April of each year, starting times and

destinations for all feeder runs in each center shall be posted and remain posted for one (1) week.

- (a) All feeder schedules shall be bid on a seniority basis, each calendar year. Feeder schedules shall be posted for five (5) working days, during which time drivers shall be afforded the opportunity to bid. Annual feeder bids shall be awarded and become effective the first full week of May. Posted bids will include a brief description of each job, including the work day and work week, start time, point of destination and the type of equipment normally utilized.
- (b) Permanent feeder vacancies and new schedules that become available subsequent to the annual bid shall be posted for five (5) working days, during which time drivers shall be afforded the opportunity to bid such vacated or new schedule. A posted vacancy or new schedule shall include a brief description as provided in subsection (a) above. The successful bidder shall be awarded the posted vacancy or new schedule the Sunday following the expiration of the five (5) day posting period. A permanent vacancy shall be described as a feeder schedule that runs three (3) days a week for a thirty (30) day period, excluding extra schedules established during the peak season.

Vacancies created as a result of this bidding procedure shall be posted and bid in accordance with the provisions set forth herein.

Feeder drivers shall, in order of their seniority, have the right to select starting times and destinations from the schedule posted in their center.

All feeder job starting times that change by one (1) hour or by fifty percent (50%) (four [4] hours) shall be posted for bid by seniority if the employee performing said job does not want to accept the change in hours.

It is understood that feeder runs may be changed from time to time to cover unusual situations or emergency circumstances.

All such awarded selections shall become effective by the first (1st) Monday in May.

Annual bids will include rate of pay.

SECTION 3 - FEEDER WORK

It is agreed that necessary changes may be made from time to time with respect to feeder operations. In the event of disagreement the issues will be subject to the grievance procedure.

SECTION 4 - CITIZEN BAND RADIOS

The use of citizen band (CB) radios not to exceed five (5) watts, shall be permitted in all feeder road equipment that travels in excess of ninety (90) miles on any one (1) leg of the feeder run.

Subject to the following conditions:

- (a) Operators of CB Radios must conform to FCC rules and regulations and be properly licensed and the license be on record with the Company.
- (b) Head sets and ear phones shall not be allowed.
- (c) The Company will not be responsible in any way for any damage or loss of CB Radio equipment.
- (d) All power hook-ups and antenna brackets shall be provided and installed by the Company.

SECTION 5 - CASUAL FEEDER DRIVERS

Casual feeder drivers may be utilized in the months of November and December. No casual feeder drivers will be utilized outside of the November and December period except when there are conditions beyond the Employers control such as fire, flood, or other Acts of God.

Extra peak season feeder schedules that are established prior to the first full week of December shall be first offered, on a seniority

basis, to the seniority feeder drivers and then to the backup feeder drivers prior to filling such extra schedules with peak season hires. Seniority drivers will not be allowed to exercise seniority, to fill extra peak season schedules more than one time during each peak season and seniority drivers filling such extra schedules shall return to his/her bid at the time such extra schedule is abolished.

It is further agreed that the intent of this clause is for casual feeder drivers to supplement the work force when no qualified regular seniority employee is available to perform the work.

It is agreed that ten percent (10%) of the seniority feeder drivers shall be allowed to take vacation between December 25th and January 1st provided there are casual feeder drivers to cover such vacation.

SECTION 6 - FEEDER WORK RULES

1. United Parcel Service shall maintain an adequate number of utility drivers in each center so that qualified feeder drivers in package will be available to relieve on feeder jobs for vacations, absenteeism, etc.
2. United Parcel Service shall qualify and maintain a number of qualified feeder drivers in the package operations equal to 33 1/3% of the number of full-time regular feeder jobs as a minimum.
3. Qualified feeder drivers who are returned to package because of lack of work in feeders shall be returned to the original center where hired, within the Local Union's jurisdiction to maintain productivity.
4. The procedure to become a qualified feeder driver shall be as follows:

When additional feeder drivers are needed, United Parcel Service shall post a specific number of available jobs for all package drivers (and other full-time employees where applicable). Those who are interested in becoming feeder drivers shall

sign up for training. The number of employees to be qualified shall be taken from said list in seniority order for training. Once this bid is completed and additional feeder drivers are needed, the process will start over with a new bid. Training is to be completed within ninety (90) days from the end of bid. Those qualifying after training shall be placed at the bottom of the list of qualified feeder drivers. However, they shall be integrated in seniority order on the list of qualified feeder drivers at the time of the annual bid.

5. Once a feeder driver is qualified he/she will be responsible for remaining qualified unless mutually agreed upon between the Employer and the Local Union. In the absence of mutual agreement on removal from the feeder list such request after being denied shall be subject to the grievance procedure of the agreement.
6. Whenever a job is eliminated the driver whose job is eliminated shall have the right to bump anyone below him in seniority. That driver, in turn shall have the same right. This bumping process shall continue until all bumping by seniority is completed. If any job is eliminated for thirty (30) days the above procedures shall apply. However, if the job is recreated during the period the driver affected shall be returned to the original job.
7. In the event that single work becomes doubles work for that day and the company has prior knowledge, it shall be offered to the highest affected senior driver at that particular start time.
8. Qualified feeder drivers who do not bid full-time feeder jobs or because of seniority are unable to secure a full-time job in feeder shall be assigned in seniority order on the relief list. All relief positions shall be bid by the relief feeder drivers off the relief feeder list in seniority order. On weekly bids, all relief drivers shall be required to bid feeder jobs if there is a like number of feeder jobs available. On weeks where there are surplus relief feeder drivers, seniority will determine which drivers can refuse to bid feeder jobs and be assigned to package driving for that week. While in package, if unplanned feeder jobs develop, they

will be filled by seniority. To select a preferred available job each relief driver shall contact the feeder department no later than 12:00 midnight on Tuesday prior to the Monday for which the job becomes effective.

If unplanned feeder jobs develop for one (1) week prior to the posting of the starting schedule, these jobs will be filled by seniority from the remainder of the relief feeder list.

Senior relief feeder drivers with early Monday a.m. start times who are required to work a late p.m. shift on the last working day of the week, will be given consideration to have a junior relief feeder driver cover that late p.m. shift providing they are available.

9. Effective with the signing of this agreement all former letters of agreement conflicting with these rules shall be null and void.

SECTION 7 - AIR CONDITIONING

All tractor trailer equipment utilized in feeder-line operations ordered after May 1, 1979 shall be equipped with air conditioning, subject to the following conditions:

- (a) Feeder equipment first acquired with air conditioning shall be assigned to runs where climatic conditions indicate the need.
- (b) Such assignments, where disagreements exist, shall be subject to review by the North Cal Supplemental Negotiating Committee, and when climatic conditions exist, the parties will sit down and work out the necessary equipment adjustment.

Air conditioners will be maintained in proper working condition. If a feeder air conditioner is inoperative the driver shall notify an appropriate supervisor and the air conditioner shall be repaired as soon as practicable, but in no event later than the next time the equipment is placed in a shop for PMI or other scheduled maintenance work, provided replacement parts are available. In the event parts are not available the Company will order the needed parts and complete the repairs after receiving such parts. Any realistic alter-

native to using the equipment with an inoperative air conditioner will be given first priority.

SECTION 8 - INTERPRETATION OF BREAKDOWN AND IMPASSABLE HIGHWAYS

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

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

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

SECTION 9 - FEEDER RUNS

Layover: On layover runs, the Employer shall reimburse such driver for full cost of food and lodging at the layover point upon presentation of proper receipts. A feeder driver operating a unit consisting of triple trailers, or two (2) forty foot or over trailers, shall receive six dollars (\$6.00) per day or seventy-five cents (\$.75) per hour for all hours worked, whichever is greater, over the feeder rate of pay.

SECTION 10 - TOTAL ARTICLE

This Section is part of the collective bargaining agreement and all

terms of this Section and the bargaining agreement shall apply to all employees wherever applicable.

ARTICLE 32 - UTILITY DRIVERS

It is agreed that package operations shall hire utility drivers.

Regular part-time employees (in order of location seniority) who desire to be hired as utility drivers shall so inform the center manager. Those part-time employees who successfully meet the qualification standards for UPS drivers will be considered for the utility driving job.

These utility drivers may be used to cover absentees, overflow work, etc.

Utility drivers, who work in centers located in hub buildings where hub work is available, will be guaranteed eight (8) hours pay at the driver rates. In other locations where hub work is not available, the eight (8) hour guarantee will not apply. Starting time restriction shall not apply to utility drivers.

Progression scale for utility drivers (Refer to Article 21, Section 2).

ARTICLE 33 - SUPERVISORS WORKING

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. The Union agrees that the Employer must train employees and must prevent service failures.

Accordingly, the parties agree that supervisors will not perform the work of the employees they supervise except during training, demonstration, and safety education; and supervisors will not perform Union member's work until all reasonable efforts have been exhausted to have the work covered by Union employees of United Parcel Service.

Local practice as it relates to payment under this Article and under Article 3, Section 7 of the National Master United Parcel Service Agreement shall prevail.

ARTICLE 34 - ADDENDA

There are attached hereto the following Addenda:

Addendum No. 1 - Specific terms applicable to Local 278.

Addendum No. 2 - Specific terms applicable to Local 856.

Addendum No. 3 - Specific terms applicable to Locals 70, 287, 315, 490, 624, 890 and 912.

Addendum No. 4 - Specific terms applicable to Locals 87,137,150, 386, 431, 439, 533 and 948.

Addendum No. 5 - Specific terms applicable to Local 150, 665 Automotive Jurisdiction Locals.

Addendum No. 6 - Specific terms applicable to Local 533.

Addendum No. 7 - Specific terms applicable to Locals 70, 278, 287, 315, 490, 624, 665, 856, 890, and 912

The aforementioned Addenda shall be part of and included in the foregoing Supplemental Agreement.

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

**FOR INTERNATIONAL BROTHERHOOD OF
TEAMSTERS**

By: Marty Frates
Negotiating Committee Chairman

FOR NEGOTIATING COMMITTEE

By: Marty Frates
By: Chuck Mack
By: Mark W. Tracy
By: Darrell Pratt
By: James Tobin
By: Jack Bookter
By: Bob Carr
By: Doak Jones
By: Pete Nunez

FOR UNITED PARCEL SERVICE

By: Tim Hoy
Negotiating Committee Chairman

FOR NEGOTIATING COMMITTEE

By: Al Gudim
By: Tim Hoy
By: Denise Gasti
By: Frank Cademarti
By: Mike Carnefix
By: Mike Mullan
By: John Ernest
By: Bob Lawson
By: Angel Fernandez
By: Rich Murphy

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

FOR TEAMSTER LOCAL UNIONS:

- No. 70 By: Marty Frates
- No. 87 By: Rudy Hernandez
- No. 137 By: Gerry Flanigan
- No. 150 By: Jim Tobin
- No. 278 By: Jack Bookter
- No. 287 By: Jerry Sweeney
- No. 315 By: Doak Jones
- No. 386 By: Bob Arellanez
- No. 431 By: Darrell Pratt
- No. 439 By: Phil Rushing
- No. 490 By: Frank Coppa Jr.
- No. 533 By: Mark W. Tracy
- No. 624 By: Bob Carr
- No. 665 By: Chuck Andrew
- No. 856 By: Larry Ferrigno
- No. 890 By: Oscar Rios
- No. 912 By: Brad Sebring
- No. 948 By: Luis Diaz

ADDENDUM NO.1

LOCAL 278

- (a) Job Classifications and Rates of Pay (Article 21)
- (b) Tractor Drivers: Tractor drivers on the long line Schedule (S.F.-L.A.) are to be paid at the same rate as set forth in the Long Line and Turn-around Collective Bargaining Agreement between California Trucking Associations, Inc., and Highway Drivers' Council of California.

Where a driver is paid on the mileage scale, the hourly rate shall be paid for unloading and loading of freight and tire changes when such work is performed by the driver, in addition to the mileage rate.

When a driver is paid on the mileage basis and is required by the Employer to check and/or refuel the equipment, such driver shall be compensated for one half (1/2) hour at the regular hourly rate, in addition to the mileage rate of pay, for each tour of duty.

For all mileage drivers, holiday pay and vacation pay for each week of vacation shall be computed on the basis of number of miles driven on bid mileage run. Upon the written request of the employee, the company shall notify him in writing of the method of computing his vacation pay and holiday pay, including the number of miles paid for.

- (c) Starting time: Starting times for drivers doing combination pick-up and feeder work shall remain on a status quo basis.

Any scheduled shift other than the duty shifts, but including Central Drivers' and Central Helpers' shifts, shall be posted on the prior Friday of the week for which the shifts are to be effective. Employees who are ordered to report for work prior to said scheduled starting time shall receive time and one half (1 1/2) for all hours worked prior to their regular starting time. Employees who are ordered to report later than their scheduled

starting time shall receive time and one half (1 1/2) for the number of hours worked equal to the number of hours called in to work after their scheduled starting time.

The Employer agrees that Central Drivers' and Central Helpers' shifts shall be posted on the prior Thursday for which the shifts are to be effective.

- (d) Extra Drivers and Helpers: Extra drivers and helpers may start work not later than 9:00 a.m., during the Christmas rush period between November 15th and December 25th inclusive.
- (e) Starting time restrictions shall not be applicable to feeder operations.
- (f) All regular drivers shall be offered not less than five (5) days of employment in any one (1) scheduled week. The Employer shall not be required to pay its regular drivers a full week's wages if they are required to lay off regular drivers during any week period; provided, however, said layoff is occasioned as a result of a strike in the industry or said layoff is occasioned by other circumstances beyond the control of the Employer causing a disruption in the normal volume of business.
- (g) Under the Terms of this Agreement, newly hired employees in San Francisco shall accumulate sick leave under the provisions of the San Francisco Paid Sick Leave Ordinance, San Francisco Administrative Code Section 12F, but may only use such leave in accordance with the terms of the collective bargaining agreement. All other provisions of the San Francisco Paid Sick Leave Ordinance as presently written and/or amended during the life of this Agreement are either fulfilled or expressly waived.

ADDENDUM No. 2

LOCAL 856

Scope of Agreement

- (a) The execution of this Supplemental Agreement on the part of

the Employer shall cover office and clerical employees employed by the Employer excluding, however, the classifications set forth immediately below.

- (b) The following classifications of employees are specifically excluded from the coverage of this Supplemental Agreement.
- (1) Confidential employees, supervisory and professional employees within the meaning of the Labor Management Relations Act of 1947 as amended;
 - (2) Employees already covered by an existing Union contract;
 - (3) Dispatchers exercising independent judgment with respect to the responsibility for directing the work or recommending hiring and firing. It is the intention of the parties hereto that the aforesaid exclusions shall be governed by the duties commonly and regularly performed by employees and shall not depend upon mere title.

Employment Agency Fees

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

Shift Differential

A shift differential shall be paid in accordance with Article 29, Section 9, of the Agreement; provided, however, a full-time employee on the payroll of the Employer as of ratification date who is receiving ten percent (10%) shift differential, and who would suffer a reduction in earnings shall receive the equivalent in cents per

hour based on their straight time hourly rate in effect on July 1, 1973, and shall continue to receive such cents per hour shift differential as long as such employee remains on such shift.

Transfers and Job Bidding:

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

(a) Jobs Posted For Bid:

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

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

These letters must be updated yearly by the employee in order to remain active.

Only the most current letter of transfer to one specific building from any one employee will be considered. These requests require legitimate reasons to be considered.

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

(b) Layoffs of Over One Week Duration:

- 1) Laid off employees may elect to displace any junior employees at another location in order to continue working providing however, that such employee is qualified to perform the work of the displaced employee.
- 2) Employees electing to displace the junior employees at

another location may bid future jobs posted in that location after being relocated, and will be awarded the bid provided such employee is the most senior bidder.

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

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

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

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

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

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

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

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

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

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

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

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

Job Classification and Straight-Time Hourly Rates of Pay

All full-time seniority employees on the payroll as of July 31, 2008,

including employees on the wage progression schedule, will receive the following general wage increase as follows:

<u>Effective Date</u>	<u>Amount</u>
August 1, 2008	\$.35
February 1, 2009	\$.35
August 1, 2009	\$.375
February 1, 2010	\$.375
August 1, 2010	\$.375
February 1, 2011	\$.375
August 1, 2011	\$.425
February 1, 2012	\$.425
August 1, 2012	\$.475
February 1, 2013	\$.475

Group 4 Payroll Clerk, Accounts Payable Clerk, C.O.D. Associate, Automotive Clerk, General Ledger Clerk and Data Processing Machine Operator, Human Resource Clerk, Data Processing key Entry Operator, Business Development Clerk, Supply Clerk:

<u>Effective:</u>	<u>8/1/2008</u>	<u>2/1/2009</u>	<u>8/1/2009</u>	<u>2/1/2010</u>	<u>8/1/2010</u>	<u>2/1/2011</u>
Start	\$16.10	\$16.10	\$16.10	\$16.10	\$16.10	\$16.10
Seniority	\$17.25	\$17.25	\$17.25	\$17.25	\$17.25	\$17.25
Twelve (12) months	\$18.45	\$18.45	\$18.45	\$18.45	\$18.45	\$18.45
Twenty-four (24) months	\$20.75	\$20.75	\$20.75	\$20.75	\$20.75	\$20.75
Thirty-six (36) months	\$28.00	\$28.35	\$28.725	\$29.10	\$29.475	\$29.85

<u>Effective:</u>	<u>8/1/2011</u>	<u>2/1/2012</u>	<u>8/1/2012</u>	<u>2/1/2013</u>
Start	\$16.10	\$16.10	\$16.10	\$16.10
Seniority	\$17.25	\$17.25	\$17.25	\$17.25
Twelve (12) months	\$18.45	\$18.45	\$18.45	\$18.45
Twenty-four (24) months	\$20.75	\$20.75	\$20.75	\$20.75
Thirty-six (36) months	\$30.275	\$30.70	\$31.175	\$31.65

(All above top rates reflect a 12¢ per hour COLA increase given in 2005)

OPERATIONS GROUPS

Air Clerk, Center Clerk, Bad Address Clerk:

<u>Effective:</u>	<u>8/1/2008</u>	<u>2/1/2009</u>	<u>8/1/2009</u>	<u>2/1/2010</u>	<u>8/1/2010</u>	<u>2/1/2011</u>
Start	\$16.10	\$16.10	\$16.10	\$16.10	\$16.10	\$16.10
Seniority	\$17.25	\$17.25	\$17.25	\$17.25	\$17.25	\$17.25
Twelve (12) months	\$18.45	\$18.45	\$18.45	\$18.45	\$18.45	\$18.45
Twenty-four (24) months	\$20.75	\$20.75	\$20.75	\$20.75	\$20.75	\$20.75
Thirty-six (36) months	\$28.00	\$28.35	\$28.725	\$29.10	\$29.475	\$29.85

<u>Effective:</u>	<u>8/1/2011</u>	<u>2/1/2012</u>	<u>8/1/2012</u>	<u>2/1/2013</u>
Start	\$16.10	\$16.10	\$16.10	\$16.10
Seniority	\$17.25	\$17.25	\$17.25	\$17.25
Twelve (12) months	\$18.45	\$18.45	\$18.45	\$18.45
Twenty-four (24) months	\$20.75	\$20.75	\$20.75	\$20.75
Thirty-six (36) months	\$30.275	\$30.70	\$31.175	\$31.65

*(All above top rates reflect a 12¢ per hour
COLA increase given in 2005)*

COLA (refer to National Master)

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

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

Miscellaneous Provisions:

- 1) There shall be one (1) seniority list at each location of the Employer regardless of the fact that an employee has full-time or part-time status.

- 2) With regard to the six (6) month lock-in in the bidding process, such shall not apply to Union members of Local 856, but it is understood that a given employee shall not make excessive bidding moves. Changes of one (1) hour or more in start time will be handled under Article 3, Section 11 of the Supplemental Agreement, the intention being that employees whose starting times are changed by one (1) hour or more, first have the right to follow their job before requesting the bid procedure.
- 3) It is understood that part-time employees may be utilized as Customer Counter Clerks during the period commencing with Thanksgiving until Christmas, inclusive, in both the East Bay and North California districts. It is understood that part-time employees will not replace full-time employees and that part-time employees will not be scheduled back –to-back.
- 4) With respect to that certain letter of understanding pertaining to “RED CIRCLE” employees under the 1970-1973 Agreement, it is understood the intent is not to prohibit such employees from bidding to any classification and retraining the “RED CIRCLE” rate of classification bid into.
- 5) It is understood that the 1970-1973 Letter of Understanding regarding the “RED CIRCLE” employees will remain in effect throughout the life of this Agreement.
- 6) All newly hired employees who are referred to the Employer by Local 856 and who have one or more years experience in the transportation industry, shall be hired at the maximum rate provided for the classification hired, provided such employees are capable of performing the work for which they are employed.
- 7) The conditions under which regular part-time employees may be hired must first be approved by Local 856 except when already agreed to.

JOB DESCRIPTIONS

Accounts payable Clerk

- Responsible for processing payments of district's bills currently paid at this site including the coding and verification of coding of invoices to ensure proper payment and expense distribution, inclusive of acknowledgement of receipt of goods/services are received in good condition
- Sets up accruals monthly for security invoices and light and power invoices
- Researches and resolves issues with vendors on unpaid invoices
- Maintains files and records on invoices
- Must utilize sales and tax guidelines
- Must utilize accrual accounting methods
- Performs other duties as needed

Billing Inquiry Clerk

- Assists North California District customers with their billing inquiries
- Sets up and processes billing credit adjustments
- When requested, provides copies of invoices to customers
- Performs other duties as needed

COD Associate

- Research and setup payments based on customer inquiries regarding COD remittances (tracers and concerns)
- Deposit checks and initiate collection efforts as needed on COD's handled incorrectly
- Initiate/process indemnified check images when requested
- Initiate or process stop payments of claim checks not received or stale-dated
- Research and respond to phone inquiries/concerns
- Send out correspondence and/or collection letters to customers regarding COD's
- Performs other duties as needed

General Ledger Clerk

- Post and balance general ledger reconciliations
- Analyze, verify and follow up on open balance detail until resolution

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

Payroll Clerk

- Employee must have an ability to work with payroll data and maintain confidentiality while working in a team environment
- Employee must possess excellent communication skills, both verbal and written
- Employee must have a strong math background, computer skills, 10 key skills and be able to interpret and apply Union contract rules
- Primary job responsibilities will be paying district payroll, auditing for accurate payroll details, auditing various payroll reports, including health and welfare pay, sick and vacation pay entitlements
- Processing payroll adjustments, separations, assignment changes and wage levy assignments
- Performs additional duties as directed
- Position requires working overtime as necessary.

Human Resource Clerk

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

Data Key Entry Operator

- Keys enters data into computer.
- Monitors activity on CRS.

- Send, process and print various jobs.
- Monitor and process check printing operation.
- Performs other duties as needed.

Automotive Clerk

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

Data Processing Machine Operator

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

OPERATIONS GROUP

Bad Address Clerk

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

Air Department Clerk

- Completes required inbound and outbound reports and records
- Fills out required forms and correspondence

- Processes air merchandise as corrected origin or destination points
- Checks airport equipment such as scanners and radios in and out
- Downloads IPLD scanners and prints reports as needed
- Works with COMPASS system for flight information system
- Answers telephone calls
- Performs general office filing and tracking
- Communicates any special circumstances involving NDA volume
- Advises extended area of extra feeder aircraft needs
- Arranges movement of inbound late Lear volume
- Coordinates the exchange of mis-sorted air packages
- Monitors DHIPS
- Assists BA Clerk when time permits
- Verifies crew transportation and meals
- Performs other related duties as needed

Center Clerk

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

Supply Clerk

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

ALL DEPARTMENTS

Lead Clerk

- Performs duties of some diversity requiring application of various standard procedures and preparation of use of several types of forms, reports or records

- Requires extensive knowledge of the business and some independent judgments
- Directs the work of others and checks their completed work for errors
- Receives inquiries from customers and the general public regarding a variety of subjects
- Works under a minimum level of supervision
- Performs other related duties as needed

ADDENDUM NO. 3

LOCALS NO'S. 70, 287, 315, 624, 490, 890 and 912

(a) Starting Time:

- (1) Any scheduled shifts other than the day shifts shall be posted on the prior Friday of the week for which the shifts are to be effective. Employees who are ordered to report for work prior to said scheduled starting time shall receive time and one half (1 1/2) for all hours worked prior to their regular starting time. Employees who are ordered to report for work later than their scheduled starting time shall receive time and one half (1 1/2) for the number of hours equal to the number of hours called in to work after their scheduled starting time.
 - (2) Extra Drivers and Helpers may start work not later than 9:00 a.m. during the Christmas rush period between November 15th and December 25th inclusive.
 - (3) Starting time restrictions are not applicable to feeder operations.
- (b) All regular drivers shall be offered not less than five (5) days of employment in any one (1) scheduled week. The Employer shall not be required to pay its regular drivers a full week's wages if they are required to layoff regular drivers during any week period; provided, however, said layoff is occasioned by other circumstances beyond the control of the Employer causing a disruption in the normal volume of business.

ADDENDUM NO. 4

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

SECTION 1-PAYMENTS

Premiums and benefits in effect during the life of the 2002-2008 Agreement will be continued.

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

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

Effective August 1, 2008 - \$1,117.98 per month

Effective August 1, 2009 - \$1,187.31 per month

Effective August 1, 2010 - \$1,256.64 per month

Effective August 1, 2011 - \$1,325.97 per month

Effective August 1, 2012 - \$1,395.31 per month

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

Effective August 1, 2008 - \$6.45 per compensable hour

Effective August 1, 2009 - \$6.85 per compensable hour

Effective August 1, 2010 - \$7.25 per compensable hour

Effective August 1, 2011 - \$7.65 per compensable hour

Effective August 1, 2012 - \$8.05 per compensable hour

For probationary employees hired on or after August 1st, 2008, the Employer shall pay an hourly contribution rate of ten cents (10¢), (including one cent (1¢) for PEER/80 for full-time employees) during the probationary period as defined in Article 3, Section 1, but in no case for a period longer than the first ninety (90) days from an employee's first date of hire. If and

when this period is completed, the full standard contribution rate shall apply. Contributions shall be calculated on the same basis as described in this Article.

Effective January 1, 2008 the employer shall pay twenty five cents (25¢) per hour for all hours compensated including overtime hours, up to a maximum of 2080 hours per year for all full-time Employees to the Northern California General Teamsters Security Fund (the Trust) in accordance with established remittance rules and practices. These monies are to be used to offset required retiree contribution amounts for retiree medical coverage. *(The monies for this twenty five cents were obtained as follows: Ten cents was obtained from negotiating the probationary break in rate in 2002. Fifteen cents was negotiated as new monies in 2007 to become effective 1/1/2008)*

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

	Basic <u>Contribution</u>	<u>PEER/80</u>	Total <u>Contribution</u>
August 1, 2008	5.54	.91	6.45
August 1, 2009	5.88	.97	6.85
August 1, 2010	6.22	1.03	7.25
August 1, 2011	6.57	1.08	7.65
August 1, 2012	6.91	1.14	8.05

- (d) Time paid for but not worked, such as holidays and vacation time, shall be considered as time worked for the purpose of this Article.
- (e) The total amount due for each calendar month shall be remitted in a lump sum not later than the 10th day of the following month. The Company agrees to abide to such rules as may be

established by the Trustees of said Trust Fund to facilitate the prompt and orderly collection of such amounts, and the accurate reporting and recording of such amounts paid on account of the employees. Failure to make the payments herein provided, within the time specified, shall be a breach of this Agreement.

- (f) Effective August 1, 2008, and August 1 of all subsequent years, ten cents (10¢) per hour shall be allocated from each new increase in pension monies to the Northern California General Teamsters Security Fund (the Trust) in accordance with established remittance rules and practices. These monies shall be paid by the employer for all hours compensated including overtime hours, up to a maximum of 2080 hours per year and are to be used to offset required retiree contribution amounts for retiree medical coverage. If the Trustees of the Trust determine that additional monies are needed to maintain this benefit, said additional monies shall be allocated from the aforementioned new pension increases. *The total monies that have been diverted from new pension monies under this Section (f) as of August 1, 2007 is fifty cents (50¢) per hour.*

SECTION 2 – POSTING NOTICE

The Employer shall make available to all employees in a manner agreed to between the Company and the Union, a copy of the reporting form sent to the Administrator's Office of payments made to the Western Conference of Teamsters Pension Fund on behalf of the employees at the time payments are made.

SECTION 3 – SAVINGS

In accordance with the current practice, effective August 1, 2008, UPS shall make contributions at the rate of ten cents (10¢) per compensable hour into the Northern California General Teamsters Security Fund (the Trust) on behalf of all employees on whose behalf UPS was obligated to make contributions into the Trust immediately prior to August 1, 2008. These monies are to be used to offset required retiree contribution amounts for retiree medical coverage. With respect to employees whose first (1st) hour of employment (or reemployment) with UPS is on or after September 1, 1987, UPS shall make contributions at the rate of ten cents (10¢)

per compensable hour into the Northern California General Teamsters Security Fund (the Trust) on behalf of each such employee beginning on the earlier of the employee's achievement of seniority or the employees' completion of six hundred (600) hours of employment (or reemployment) within twelve (12) consecutive calendar months, such contributions to be made retroactively for all compensable hours in the twelve (12) consecutive months immediately preceding achievement of seniority or the completion of six hundred (600) hours of employment (or reemployment) as the case may be. Provided, however, that UPS shall not contribute for more than one hundred seventy-three (173) hours in any calendar month for each covered employee. The total amount due for each calendar month shall be remitted in a lump sum not later than the tenth (10th) day of the following month. UPS acknowledges that it has received a true copy of the Trust and shall be considered a party thereto. It is understood and agreed that UPS accepts the terms and conditions of this Trust and agrees that the Employer Trustees named pursuant to the Trust are its representatives and consents to be bound by the actions and determinations of the Trustees. UPS further agrees to abide by such rules as may be established by the Trustees of said Trust to facilitate the audit of hours for which contributions are due, the prompt and orderly collection of contributions, and the accurate recording of such hours. *(The monies for this ten cents were derived by diverting the ten cents from Pacific Coast Benefit Trust in 2002)*

SECTION 4 – RETIREE SUPPLEMENT

In accordance with the current practice, effective the first pay period after August 1, 2008, the Employer shall withhold from the earnings of all full-time employees (from Locals listed above) the amount of \$8.65 per month. These monies shall be sent to the Northern California General Teamsters Security Fund (the Trust) in accordance with established remittance rules and practices. These monies are to be used to offset required retiree contribution amounts for retiree medical coverage that are periodically set by the Trustees of the Teamsters Retiree Trust, who also determine benefit levels based upon available funds.

SECTION 5 – TRUST FUND ACCEPTANCE

Overtime hours, bonus hours, holidays, floating holidays, personal

days, jury duty, funeral leave, sick pay, pro-rated sick pay and vacation time payments made in cases of retirement from the Company and vacation time paid for but not worked, shall be considered as time worked for the purpose of this Addendum, but no payments shall be made for unused sick pay benefits or pro-rated payments made in cases of separation (excluding retirement) from the Company.

SECTION 6 – DRIVER IN CHARGE

When a driver is used to replace a manager and is assigned the responsibility of the center, such driver shall receive one dollar (\$1.00) per day above the regular straight-time daily rate of pay.

SECTION 7 - STARTING TIME

Starting time shall be posted on the prior Friday of the week for which the starting times shall be effective. Employees who are ordered to report for work prior to said starting time shall receive time and one half (1 1/2) for all hours worked prior to their regular starting time. Employees who are ordered to report for work later than their scheduled starting time shall receive time and one half (1 1/2) for the number of hours equal to the number of hours called into work after their scheduled starting time.

SECTION 8 – SUBSISTENCE

Employees required to lay over away from home shall be compensated at the rate of eight (8) hours pay for each twenty four (24) hour period laid over, in addition to reasonable road expense, and meals.

AUTOMOTIVE ADDENDUM NO. 5

(Applies to all Locals with Automotive Jurisdiction)

(a) Overtime and Workweek:

Eight (8) hours shall constitute a maximum day's work at straight time pay. Forty (40) hours shall constitute a maximum workweek at straight time pay. Five (5) consecutive eight (8) hour days computing a total of forty (40) hours shall constitute a maximum work-

week at straight time pay. All time worked in excess of eight (8) hours in any one (1) day shall be paid for at the rate of time and one half (1 1/2). Work performed on Saturdays, Sundays or holidays shall be paid for at the rate of time and one half (1 1/2) for the first eight (8) hours and double (2) time thereafter. If the future needs of the Company change, the Company and Local Union will meet to discuss workweek flexibilities.

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

(b) Leader:

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

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

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

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

AUTOMOTIVE SERVICE RATES (CAR WASHER)

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

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

Items 1 through 5:

8/1/08	2/1/09	8/1/09	2/1/10	8/1/10	2/1/11	8/1/11	2/1/12	8/1/12	2/1/13
\$28.29	\$28.64	\$29.015	\$29.39	\$29.765	\$30.14	\$30.565	\$30.99	\$31.465	\$32.94

Items 6, 7 and 8:

8/1/08	2/1/09	8/1/09	2/1/10	8/1/10	2/1/11	8/1/11	2/1/12	8/1/12	2/1/13
\$28.79	\$29.14	\$29.515	\$29.89	\$30.265	\$30.64	\$31.065	\$31.49	\$31.965	\$32.44

*(All above top rates reflect a 12¢ per hour
COLA increase given in 2005)*

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

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

- (d) In those areas where there is an automotive local as part of this Agreement it is agreed the car wash jobs will have an annual

bid. This bid will take place during the same time as the annual feeder bid.

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

JOB DESCRIPTIONS

- (a) Tire Service (Change)

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

- (b) Lube Operator

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

- (c) Steam Rack Operator

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

- (d) Fuel Pump Operator

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

- (e) Tire Service (Air)

Air tires on equipment.

- (f) Washer, Cleaner, Polisher

Wash, clean and polish equipment. Wash tractors, trailers and package cars, check water and oil, clean windows on cab and

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

(g) Stock Parts Room Employees (when applicable)

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

(h) Pickup and Delivery Stock and Parts

Picks up stock and parts at dealers as instructed.

(i) Mobile Service Truck Operator

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

(j) Tow Truck Driver

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

(k) Service Truck Driver

Operates Company equipment away from the terminal facility.

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

ADDENDUM NO 6

LOCAL 533 MATERIALS DISTRIBUTION CENTER

It is agreed by the parties that this Addendum is no longer applicable to any employees currently in Local 533's jurisdiction and has been left as an Addendum in this Agreement solely for the purpose of maintaining the numbering sequence of the Addendums.

ADDENDUM NO 7

LOCALS 70, 278, 287, 315, 490, 624, 665, 856, 890 AND 912

SECTION 1-PAYMENTS

Premiums and benefits in effect during the life of the 2002-2008 Agreement will be continued.

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

A. Locals 70, 278, 287, 665, 856, 890 and 912

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

Effective August 1, 2008 - \$1,221.98 per month
Effective August 1, 2009 - \$1,308.64 per month
Effective August 1, 2010 - \$1,395.31 per month
Effective August 1, 2011 - \$1,481.97 per month
Effective August 1, 2012 - \$1,568.64 per month

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

Effective August 1, 2008 - \$7.05 per compensable hour
Effective August 1, 2009 - \$7.55 per compensable hour
Effective August 1, 2010 - \$8.05 per compensable hour
Effective August 1, 2011 - \$8.55 per compensable hour
Effective August 1, 2012 - \$9.05 per compensable hour

B. Locals 315, 490 and 624

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

Effective August 1, 2008 - \$1,204.64 per month
Effective August 1, 2009 - \$1,273.98 per month
Effective August 1, 2010 - \$1,343.31 per month
Effective August 1, 2011 - \$1,412.64 per month
Effective August 1, 2012 - \$1,481.97 per month

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

Effective August 1, 2008 - \$6.95 per compensable hour
Effective August 1, 2009 - \$7.35 per compensable hour
Effective August 1, 2010 - \$7.75 per compensable hour
Effective August 1, 2011 - \$8.15 per compensable hour
Effective August 1, 2012 - \$8.55 per compensable hour

(1) Probationary employees:

For probationary employees hired on or after August 1st, 2008 the Employer shall pay an hourly contribution rate of ten cents (\$.10) (including \$0.01 for PEER/80 for full-time employees) during the probationary period as defined in Article 3, Section 1, but in no case for a period longer than the first ninety (90) days from an employee's first date of hire. If and when this period is completed, the full standard contribution rate shall apply. Contributions shall be calculated on the same basis as described in this Article.

C. Locals 315, 490, 856

In accordance with the current practice, effective August 1, 2008, the Company shall pay into the respective Health and Welfare Trust Funds on behalf of the members of Locals 315, 490 and 856, the sum of twenty-four cents (24¢) per hour on all hours compensated including overtime hours, up to a maximum of 2080 hours per year for full-time employees for the express purpose of defraying the cost of Health and Welfare for retirees. *(This twenty four cents was negotiated in 2002.)*

D. Local 70

In accordance with the current practice, effective August 1, 2008, the Company shall pay into the Pacific Coast Benefits Trust (herein "Trust") on behalf of the members of Local 70, the sum of twenty-four cents (24¢) per hour on all hours compensated including overtime hours, up to a maximum of 2080 hours per year for full-time employees. *(This twenty four cents was negotiated in 2002.)*

E. Locals 70, 278, 287, 665, 890 and 912

Effective January 1, 2008, UPS shall make contributions at the rate of fifteen cents (15¢) per compensable hour including overtime hours, up to a maximum of 2080 hours per year into the Pacific Coast Benefits Trust (herein "Trust") on behalf of all full-time employees. *(The monies for this fifteen cents was negotiated as new monies in 2007 to become effective 1/1/2008)*

F. Locals 315, 490 624 and 856

Effective January 1, 2008, UPS shall make contributions at the rate of fifteen cents (15¢) per compensable hour including overtime hours, up to a maximum of 2080 hours per year into the respective Health and Welfare Trust Funds for the purpose of defraying the costs of retiree benefits. *(The monies for this fifteen cents was negotiated as new monies in 2007 to become effective 1/1/2008)*

G. Local 624

In accordance with the current practice, in addition to the contributions required for health and welfare coverage of active employees, the Employer shall contribute an additional forty cents (40¢) per compensable hour, including overtime hours, up to a maximum of 2080 hours per year on behalf of all full-time employees, to the North Coast Trust Fund. This additional contribution shall be transmitted alongside the monthly contributions for active coverage and shall be separately accounted for by the North Coast Trust Fund. Said monies shall be disbursed by the North Coast Trust Fund for the express purpose of defraying the cost of health and welfare for retirees of Local 624 upon the review, recommendations and agreement with Local 624. (*This forty cents is from monies negotiated in 2002 that is currently being contributed.*)

H. Locals 70, 278, 287, 665, 856, 890 and 912

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

	<u>Basic</u> <u>Contribution</u>	<u>PEER/80</u>	<u>Total</u> <u>Contribution</u>
August 1, 2008	6.05	1.00	7.05
August 1, 2009	6.48	1.07	7.55
August 1, 2010	6.95	1.14	8.05
August 1, 2011	7.34	1.21	8.55
August 1, 2012	7.77	1.28	9.05

I Locals 315, 490 and 624

Effective on the following dates, the Employer will pay total contributions split between amounts for benefit accrual and amounts to pay for PEER/80 under the Program for Enhanced Early Retirement

(PEER). The contributions required to provide for PEER will not be taken into consideration for benefit accrual purposes under the plan. The contributions for PEER/80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

	Basic <u>Contribution</u>	<u>PEER/80</u>	Total <u>Contribution</u>
August 1, 2008	5.96	.99	6.95
August 1, 2009	6.31	1.04	7.35
August 1, 2010	6.65	1.10	7.75
August 1, 2011	7.00	1.15	8.15
August 1, 2012	7.34	1.21	8.55

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

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

L. Locals 315, 490 and 624

Effective August 1, 2008, and August 1 of all subsequent years, ten cents (10¢) per hour shall be allocated from each new increase in pension monies to the respective Health and Welfare Trust Funds in accordance with established remittance rules and practices. These monies shall be paid by the employer for all hours compensated including overtime hours, up to a maximum of 2080 hours per year and are to be used to offset required retiree contribution amounts for retiree medical coverage. If the Trustees of a Trust determine that additional monies are needed to maintain this benefit, said additional monies shall be allocated from the aforementioned new pension increases.

M. Local 856

Effective August 1, 2008, if the Trustees of the Teamster Local 856 Health and Welfare Trust Fund determine that additional monies are needed to offset required retiree contribution amounts for retiree medical coverage, said additional monies shall be allocated from the aforementioned new pension increases.

SECTION 2 – POSTING NOTICE

The Employer shall make available to all employees in a manner agreed to between the Company and the Union, a copy of the reporting form sent to the Administrator's Office of payments made to the Western Conference of Teamsters Pension Fund on behalf of the employees at the time payments are made.

SECTION 3 – SAVINGS

Effective August 1, 2008, UPS shall make contributions at the rate of ten cents (10¢) per compensable hour into the Pacific Coast Benefits Trust (herein "Trust") on behalf of all employees on whose behalf UPS was obligated to make contributions into the Trust immediately prior to August 1, 2008. With respect to employees whose first (1st) hour of employment (or reemployment) with UPS is on or after September 1, 1987, UPS shall make contributions at the rate of ten cents (10¢) per compensable hour into the Pacific Coast Benefits Trust Fund on behalf of each such employee beginning on the earlier of the employee's achievement of seniority or the employees' completion of six hundred (600) hours of employment (or reemployment) within twelve (12) consecutive calendar months, such contributions to be made retroactively for all compensable hours in the twelve (12) consecutive months immediately preceding achievement of seniority or the completion of six hundred (600) hours of employment (or reemployment) as the case may be. Provided, however, that UPS shall not contribute for more than one hundred seventy-three (173) hours in any calendar month for each covered employee. The total amount due for each calendar month shall be remitted in a lump sum not later than the tenth (10th) day of the following month. UPS acknowledges that it has received a true copy of the Trust and shall be considered a party thereto. It is understood and agreed that UPS accepts the terms and conditions of

this Trust and agrees that the Employer Trustees named pursuant to the Trust are its representatives and consents to be bound by the actions and determinations of the Trustees. UPS further agrees to abide by such rules as may be established by the Trustees of said Trust to facilitate the audit of hours for which contributions are due, the prompt and orderly collection of contributions, and the accurate recording of such hours.

SECTION 4 – TRUST FUND ACCEPTANCE

Overtime hours, bonus hours, holidays, floating holidays, personal days, jury duty, funeral leave, sick pay, pro-rated sick pay and vacation time payments made in cases of retirement from the Company and vacation time paid for but not worked, shall be considered as time worked for the purpose of this Addendum, but no payments shall be made for unused sick pay benefits or pro-rated payments made in cases of separation (excluding retirement) from the Company.

SECTION 5 – WAGE DIVERSION

Local 315

In accordance with the current practice, the wage rates as shown in Article 21 shall be reduced by eighty nine cents (89¢) per hour for all full-time employees and said eighty nine cents (89¢) for all compensable hours is to be sent Teamster Benefit Trust in accordance with established remittance rules and practices. These monies are to be used to offset costs of the Retiree Savings Plan. *(These monies are from agreed to wage diversions made during the 2002-2008 Agreement)*

Local 490

In accordance with the current practice, the wage rates as shown in Article 21 shall be reduced by ninety six cents (96¢) per hour for all full-time employees and said ninety six cents (96¢) for all compensable hours is to be sent to the Teamster Benefit Trust in accordance with established remittance rules and practices. These monies are to be used to offset costs of the Retiree Savings Plan. *(These monies are from agreed to wage diversions made during the 2002-2008 Agreement)*

LETTER OF UNDERSTANDING

ARTICLE 22.3 FULL-TIME EMPLOYEE WORK RULES

1. All Article 22.3 jobs shall be first bid to full-time employees and secondarily to part-time employees.
2. Employees who have gone through a full-time progression and bid into an Article 22.3 job shall not be obligated to undergo a second full-time wage progression. An employee, who is in full-time wage progression at the time of his being awarded an Article 22.3 job, shall not be forced to start his progression over. Employees shall be paid according to the National Master UPS Agreement and the NCSA.
3. Jobs bid under Article 22.3 provisions shall be specific to the job class (i.e. loader, sorter, irreg. driver) and subject to the provisions as outlined in Article 22.3. If an Article 22.3 job is changed by fifty percent (50%) or more, the employee shall have the right to retain the job or exercise their seniority to bump into a different Article 22.3 job. Fifty percent (50%) as used in this article is defined as either the entire first shift job or the entire second shift job being changed. The Union will be notified of any proposed changes to an Article 22.3 position at least thirty (30) days prior to implementation of said changes.
4. Full-time laid off employees may on the following Monday in order of their seniority work in or cover an Article 22.3 position that they are qualified to perform.
5. Article 22.3 employees shall be included and made a part of the single full-time seniority list in each building where they are located for lay off, bidding purposes and the assignment of overtime.
6. A minimum of 10% full-time relief shall be established from the part-time employees to cover vacations, leaves of absence or other scheduled absences of 22.3 positions. In operations where

there are less than ten (10) 22.3 full-time positions, there shall be a minimum of one (1) full-time relief position bid. After the full-time relief list has been exhausted, part-time employees may be used to cover absent 22.3 full-time positions. These jobs shall count in the number of 22.3 jobs required under Article 22.3 of the National Master UPS Agreement.

7. Part-time employees, who desire to work as Article 22.3 relief, shall sign the Article 22.3 relief bid sheet. In order for a part-time employee to be eligible for a relief position, their normal part-time shift must be part of the same time slot as the Article 22.3 job they are relieving. The employee will work his regular job during his regular shift at the Company's discretion. Excluding sick leave, vacation and leaves of absence, employees who are unavailable or refuse work on three (3) separate occasions within a three (3) month period shall have their names removed from the relief list. An employee will not be allowed to re-bid to the 22.3 relief list until he has been off of the list for five (5) full calendar months.
8. Part-time 22.3 shall not gain full-time seniority but shall gain progression credit for one full week in any week they work a day as a 22.3 relief. Progression will reset if the employee is off the relief list for two (2) years.

LETTER OF UNDERSTANDING

SATELLITE FACILITIES

1. Prior to implementing a Satellite facility the Union and the Company must meet and discuss issues surrounding the implementation of the satellite per Article 38 of the National Master UPSA.
2. It is understood that Satellite facilities are an extension of the Center from which the work originated and its employees remain on the origin center's seniority list.

3. No employee shall be forced to go to a Satellite facility. A Satellite facility shall be staffed in the following order:

First: The driver(s) of the route(s) involved shall be allowed to follow their work.

Second: Bid to the package qualified full-time employees within the origin building.

Third: Bid to all full-time employees within the origin building.

Fourth: Bid to all part-time employees within the origin building.

Fifth: Outside hire.

4. All relief drivers will start and finish at the origin center and be provided transportation to and from the Satellite facility.

5. Suitable sanitary facilities shall be available within two (2) miles of the Satellite facility.

6. Starting times for Satellite facilities further than thirty (30) but less fifty (50) miles from the home center shall not be later than 9:30 a.m. Starting times for Satellite facilities further than fifty (50) miles shall not be later than 10:00 a.m. All other satellite centers will have starting times in accordance with Article 22, Section 4. Mileage for the purpose of this Article shall be determined by placing the exact addresses of the origin center and the Satellite facility in MapQuest using the shortest distance formula. In areas where there are existing Satellite facilities, the Union shall inform the Company within thirty (30) days if they wish to red circle the existing start times for those Satellite facilities.

7. Shelter from snow and rain shall be provided at all Satellite facilities which have five (5) or more drivers. Satellite facilities with less than five (5) drivers that suffer from extreme conditions shall be subject to review on a case by case basis.

LETTER OF UNDERSTANDING

PEAK SEASON HELPERS 2007 - 2012

The function of the Peak Season Helper is to work under the direc-

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

1. Peak Season Helpers may be used between November 1 and December 31.
2. A minimum of fifty percent (50%) of the helpers working in any given building on any given day shall be from the inside ranks. Such helper work shall be offered by seniority. Utility and Air Drivers may only work as helpers if they are not needed for utility or air work. During this period, when these drivers are needed and thus not available for helper work, they will be guaranteed eight (8) hours that day in combination with their inside job and driving job. This applies to the Peak Season only and there is no obligation to the Company to work anyone on overtime.
3. Inside employees cannot be helpers if it conflicts with their primary job function.
4. The Helper rate of pay will be as follows for all hours spent in the Helper classification:

2007	\$14.20 per hour
2008	\$14.20
2009	\$14.45
2010	\$14.70
2011	\$14.95
2012	\$15.20

The above rates will apply to all seniority employees effective November 1, 2007. Off the street helpers will be paid \$8.25 per hour.

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

6. Part-time employees who choose to work as Helpers shall be guaranteed eight (8) hours per day between their primary jobs and their helper assignments. There will be no obligation to the Company to work Helpers overtime; however Helpers will be guaranteed to work their full primary shift.
7. Overtime rates shall apply to all hours worked over eight (8) hours per day in addition to overtime on an employee's respective part-time shifts. Overtime rates shall be predicated on the job at the time of overtime.
8. All off the street Helpers will be part-time employees. The Company shall provide the Local Union with a list of all off the street Helpers within five (5) days of their start date.
9. The Company will not be obligated to pay Health and Welfare payments for these temporary employees. If these temporary employees work in any other classification, the Company will be obligated to these payments. If the Company retains the employee past the helper period, the Company would be obligated to make retroactive Health and Welfare payments for all hours the employee has worked.
10. The off the street helpers will receive a guarantee of 3.5 hours and receive overtime after five (5) hours of work per day.
11. All helpers may start and finish on area.
12. All helpers may use a DIAD board to clock on and off.
13. Flexible starting times may be used.
14. Peak Season package driving positions will be offered to employees by seniority in the following order:
 - A. Full-time 22.3 driver qualified employees.
 - B. Utility drivers and air drivers
 - C. Peak Season hires.

Once a position is accepted, the employee will continue to work in that position until December 24 or until no longer needed. During this period, the employee will no longer work in their regular position. The employee will return to his/her regular position upon completion of his/her temporary position or due to lay off during this period.

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

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