Local 804 and **United Parcel Service** Supplemental Agreement to the NATIONAL MASTER UNITED PARCEL SERVICE AGREEMENT

For The Period August 1, 2013 thru July 31, 2018

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Local 804 Supplement And National Master UPS Agreement

For the Period: August 1, 2013 through July 31, 2018

covering

operations in, between and overall of the states, territories, and possessions of the United States and operations into and out of all contiguous territory. The United Parcel Service, Inc., an Ohio Corporation, and a New York Corporation, in their Common Carrier Operations hereinafter referred to as the "Employer," and the Teamsters United Parcel Service National Negotiating Committee representing Local Unions affiliated with The International Brotherhood of Teamsters, and Local Union No. 804 which Local Union is affiliated with the International Brotherhood of Teamsters, agree to be bound by the terms and conditions of this Agreement.

ARTICLE 1 UNION SHOP AND DUES

(a) All new employees shall be probationary or temporary employees until they have acquired seniority status prior to which time they may be summarily dismissed by the Company without challenge, but the Union may represent such temporary or probationary employees in the handling of grievances other than those relating to dismissal.

(b) Employees who are not now members of the Union, and in addition, all persons who shall become employees covered by this Agreement, subsequent to the effective date of this Agreement, when admitted to membership in the Union shall be admitted without discrimination and on fair and reasonable terms and conditions, in accordance with the provisions of the Constitution and By-laws of the Union.
(c) All present employees who are members of the Union shall, as a condition of continued employment, maintain their membership in

the Union during the life of this Agreement and all new employees shall, as a condition of continued employment, join the Union upon acquiring seniority status provided in Article 13 of this Agreement (but in no event earlier than 40 days from the date of their employment, or 40 days from the effective date of this Agreement, or the date this Agreement is executed, whichever is the later), and shall maintain their membership in the Union during the life of this Agreement.

(d) Employer shall submit, with each dues remittance, a report, by center, listing all seniority employees alphabetically and the amount of dues if any, deducted for each employee. The Secretary-Treasurer of the Union shall be notified monthly when an employee acquires seniority. The Company will notify the Shop Steward within five (5) days after a new employee attains seniority.

ARTICLE 2 WAGES

Section 1 - Full-Time Wage Progression

Section 2 - Full-Time Wage Schedule

Section 3 - Unskilled Part-Time Wage Schedule

Section 4 - Skilled Part-Time Wage Schedule

(NOTE: The online IBT document;

http://teamster.org/sites/teamster.org/files/9181376191804supplement4.pdf that shows the negotiated changes between the previous Local 804 Supplement and the 2013-2018 Supplement, does not show updates to the wage information that was in Article 2, Sections 1, 2, 3, and 4 of the previous Local 804 Supplement.)

Section 5 - Sick or Hurt on Job

An employee who becomes sick on the job will be paid for all time worked on that day. An employee who gets hurt on the job will be paid for the entire day. The Union agrees that abuses will be subject to the grievance procedure.

Section 6 - Seasonal Employees

Employees hired between January **16** and October 14 will be paid in accordance with Section 2 of this Article, **except for peak season package helpers**.

Peak season, package helpers hired between October 15 and **January 15** of the **following** year shall receive a wage rate of \$8.00 per hour. Helpers retained or recalled after **January 15** shall be paid in accordance with Section 2 of this Article.

Part-time employees who have completed the probationary period, and have bid in seniority order to perform peak season package helper work in addition to their part time assignment, shall have preference for peak season package helper work over package helpers hired between October 15 and January 15 of the following year.

Seniority part-time employees who work as peak season package helpers shall receive a wage rate of \$12.75 per hour. Overtime shall be paid after eight (8) hours of work.

Seniority part-time employees who elect to perform helper work shall be required to work his/her primary assignment. However, the Company will not hold back a seniority employee who elected to perform helper work while a lower seniority part-time employee is available to finish the primary assignment on the preload.

Section 7 - Combination Jobs

When an employee during a working day is assigned work of two or more classifications, the applicable wage rate will be applied to the time spent on each classification, except that an employee who works more than one hour in a higher rated classification as a part of his/her daily work shall receive the higher rate for the entire day. The Company will not arbitrarily assign bargaining unit employees to combination jobs.

Section 8 - "Free" Period Rehires

Where any former employee is rehired during the "Free" period defined in Article 13 of the contract, he/she may be paid more than the minimum progression rate for his/her classification, but shall not be paid more than other seniority employees in such classification.

Section 9 - Promotions and Transfers

(1) On promotions from a lower rate classification to a higher rated classification, the employee's wages shall be raised to the next nearest rate in the progression for the classification to which he/she is transferred. The rate of entry into the new classification becomes the point from which time in the new progression is computed.

(2) On transfers from one classification in a one-step progression to another classification in a one-step progression, the employee shall be raised to the top progression for that classification.

Section 10 - General Operation Clerk and Customer Counter Clerk

(1) Where it is mutually agreed that a long-term full-time employee be given an opportunity to qualify for a full-time customer counter clerk or a general operation clerk position, said employee will be paid 25 cents per hour less than the prevailing porter rate.

(2) Any employee moving from any classification to a customer counter clerk or a general operation clerk classification will be given thirty (30) work days to qualify for the new job. Should the employee fail to qualify, said employee will return to his/her original job.

(3) All customer counter clerks shall be required to meet the standards of personal appearance regulations posted by the company and such reasonable amendments as shall be adopted by the company.

Section 11 - Night Differential

Night Workers shall receive a night differential on the following basis:

(1) A night worker shall be deemed to be one whose regularly scheduled hours begin at or after 1:00 P.M. or begin at or before 5:00 A.M.

(2) Each regular full-time night employee in all classifications as of June 7, 1977 shall receive a night differential as listed below which shall be in addition to the regular hourly wage rate for that classification.

Package Beltman-Sheetwriter 0.655 Section Sorter 0.685 Return Clerk 0.675 Router 0.690 Positioner 0.690

<u>Central</u> Office Clerk - Sr. 0.690 Beltman 0.670 Divisional Sorter 0.685 Stubber 0.685 Return Clerk 0.675 Sorter 0.690 Marker 0.715 Car Washer 0.670 Porter 0.665 Driver-Tractor-Trailer 0.715 Cashier 0.690

Section 12 - Cashiers

(1) A return clerk who relieves any Cashier will receive Cashier's pay for the day.

(2) Cashiers jobs shall be offered to Cashiers within the area first, on a seniority basis. If the vacancy is not filled, the job will then be offered to the Return Clerks within the area, on a seniority basis. Any vacancy in such Cashier jobs not filled will be subject to bid by the inside list on a seniority basis within the area. If the vacancy still exists after exhausting the above, the Company will then revert to the outside seniority list within the area on a seniority basis.

Section 13 - Combination Helpers

The parties agree to create a new full-time combination

helper classification. The new full-time combination helper jobs will consist of any combination of part-time preload, part-time hub or part-time local sort work and driver helper.

1. The number of full-time helpers shall not be reduced by the use of full-time combination helpers and where possible additional full-time helper jobs shall be created. There shall be no more than seven percent (7%) full-time combination helpers based on the number of full-time package drivers in the center. Fractions will be rounded down. The percentage may be increased by mutual agreement of the parties.

2. Except for shopping malls not more than one (1) full-time package helper will work from a vehicle with a driver at any one time. In shopping malls the maximum number of full time combination helpers shall be two (2) per driver.

3. If a package helper is scheduled to meet a driver and the driver is late to the scheduled meet point, the helper's hours will commence from the scheduled time of the meet. The Company may change helper assignments on a daily basis.

4. Helpers as well as any additional passengers will be provided a seat equipped with a seat belt. In the case of planned transportation of a third (3rd) person in addition to a helper the package driver must be unencumbered with all controls easily accessible.

5. Helpers shall be paid in accordance with Article 41 Section 3 of the UPS/IBT National Master Agreement and shall have a daily eight (8) hour guarantee.

6. The intent of these combination helpers is not to be used as subterfuge to deny package drivers overtime.

7. No seniority package driver will be laid off as a direct result of the use of combination helpers in his/her building.

ARTICLE 3 HOURS OF WORK, OVERTIME, SUPERVISORS WORKING, SAFETY

Section 1 - Work Week and Overtime Pay

(a) The basic workweek for all regular full-time employees should be forty (40) hours per week consisting of eight (8) hours per day, five (5) days per week.

Employees may be required by the Company to work overtime and, in such event, shall be entitled to overtime pay at the rate of time and one-half for work performed on any day in excess of eight (8) hours of actual working time. Any employee who is assigned to full time work shall be afforded an opportunity to earn not less than eight (8) hours of pay per day.

(b) The scheduled workweek of all employees engaged in Package and Central operations shall be Monday through Saturday.

(c) Day off schedules for all classifications shall be posted by Thursday of the preceding week.

Section 2 - Scheduled Day Off

Any full-time employee who worked on his/her scheduled day off and is also available for work on each of his/her regularly scheduled five (5) days (except for absence due to legitimate good cause) shall receive overtime pay at the rate of time and a half for all work on such scheduled days off, but in the event he/she is absent on any of his/her regularly scheduled five (5) days without legitimate good cause he/she shall receive no overtime pay for work on his/her scheduled day off.

Section 3 - Excessive Overtime

(a) It is the policy of the Company to avoid dispatching employees with excessive overtime.

(b) If any employee has been working over ten (10) hours per day on a regular basis and believes such overtime is excessive, except during high volume periods, the employee and the shop steward shall bring the matter to the attention of the Company. The Company agrees to investigate the claim promptly and, if the grievance is justified, take corrective action within two (2) days. Corrective action may include adjusting work loads to accommodate the grieving employee.

Section 4 - Relief from Overtime

(a) It is the policy of the Company to cooperate and grant the request of an employee who desires to be relieved from overtime for bona fide personal reasons. It is understood that at least one request will be granted in each center per day, and that the employee granted such relief will not be required to work more than eight (8) hours.

(b) Any employee who desires to be relieved from overtime on a particular day or days (but in no event for more than one (1) week) shall submit a request in writing at least twenty-four hours in advance. This request will be processed by both the center manager and the shop steward. Requests made during the months of November and December may be granted at the sole discretion of management.

Section 5 - Overtime

(a) Work performed by an employee before his/her scheduled starting time or after his/her scheduled finishing time shall be paid for at the rate of one and one-half times regular straight-time rate of pay, it being understood nevertheless, that an employee receiving overtime pay for work prior to his/her scheduled starting time shall receive only his/her regular straight-time rate of pay for all work performed in the eight (8) hours following his/her regular scheduled starting time.

(b) Package drivers who complete their assigned work and return to their center in less than eight (8) hours and are offered extra work shall be paid at the overtime rate from the time they complete their original assignment. This shall not apply to drivers whose planned day includes being available to cover extra work in the afternoon.

(c) Pyramiding of Overtime: It is mutually understood and agreed that the overtime payments to which an employee is entitled whether by agreement or statute or both, shall not be any pyramiding of overtime.

Section 6 - Sunday and Holiday Work

(a) In addition to the eight (8) hours pay at the regular straight-time rate which will be paid to all employees for the holidays specified in Article 9 of the Agreement, those employees who work on such holidays shall, in addition, be paid double the regular straight-time rate, except where the regular schedule of work extends into holiday hours.

(b) Pay at double the regular straight-time rate shall be paid for off schedule Sunday work and for overtime work on Sundays where the regular schedule of work extends into Sunday hours. This will not apply to the overtime rate during the period between Thanksgiving and Christmas when the overtime rate shall be one and one-half times the regular straight-time rate. The Company in good faith will hold to a minimum the overtime hours of employees whose regular schedule of work extends into Sunday or holiday hours.

(c) No employees shall be scheduled to work on a Sunday or on any of the holidays specified in this Agreement, but this provision shall not apply to employees whose regular schedule of work extends into Sundays or holiday hours.

Section 7 - Supervisors Working

(a) The work of Supervisors will not include assignment to work normally performed by employees of the bargaining unit except for training or demonstration. "Training or demonstration" shall not be used as a subterfuge for the performing of any bargaining unit work. Any claimed abuses will be referred to the Grievance Procedure. Where possible, the shop steward will be notified.

Supervisors will not perform bargaining unit work until after all reasonable efforts have been exhausted to have the work covered.

(b)(1) A.M. Dispatch. Supervisors will not perform drivers work until after all other efforts have been exhausted, within the county, to have the work covered.

(2) P.M. Work. Supervisors will not perform drivers' work until after all other efforts have been exhausted, within the building, including available tractor trailer drivers for pick-up work, to have the work covered.

(3) Package Night Operations. Package night supervisors shall not do work normally performed by Union members except under the following conditions:

(1) Daily Absence. If notice of intended absence is given at least two (2) hours prior to starting time, supervisors will not work until after the following steps have been taken:

First – Package center night employees in the respective areas who are interested in 6th and/or 7th day work will submit their names and telephone numbers to their center managers.

Second – Day off employees in the center where the need occurs will be called in seniority order, provided they have submitted their names and telephone numbers as aforesaid. After the center list has been exhausted, then,

Third – Day off employees in the building where the need occurs will be called in seniority order, provided they have submitted their names and telephone numbers as aforesaid. After the building list has been exhausted, then,

Fourth – Day off employees in the area where the need occurs will be called in seniority order, provided they have submitted their names and telephone numbers as aforesaid.

Fifth – It is the obligation of the employees to advise their center managers in writing, of any change in telephone numbers.

Sixth – In the event an employee is called by another center in the area and refuses to work on his/her night off and has previously refused to do so, his/her name will be dropped from the area list until otherwise mutually agreed by the Company and the Union, or unless the employee has notified his/her manager prior to his/her day off that he will not be available for 6th and/or 7th day work in the area in that particular work week.

(2) Extended Absence. If notice of extended absence is given, the vacancy will be filled through Personnel. If a new hire cannot be obtained the Company will call the night employees scheduled off in the Center. If such employees are not available the Company will call the employees in seniority order who are off in the area.

(3) Other.

aa. If notice of intended absence is not given at least two (2) hours prior to starting time.

bb. If a member of the crew goes home sick before the job is done.

cc. If a member of the crew is late the supervisor may do his/her work until he/she arrives.

dd. When he/she covers for a crew member for personal time, going for coffee, etc. This language will not be used as subterfuge for supervisors performing bargaining unit work.

ee. When more members of the crew are absent that can be replaced. ff. Supervisors will not perform work covered by this Agreement after the drivers starting time in the morning.

ff. Supervisors will not perform work covered by this Agreement after the drivers starting time in the morning.

gg. Supervisors may also make selection of cages for feeding.

Section 8 - Safety

Safety related issues or concerns should be directed to the appropriate Safety and Health Committee member. Target dates on the CHSP Concerns Log should not go beyond thirty (30) days unless circumstances dictate additional time required and are documented. Concerns Log forms will be updated, current and posted on safety bulletin board.

ARTICLE 4 STARTING TIMES

Section 1 - Fixed Start Times

The Company shall fix the starting time for employees, which shall remain constant during any particular week, but may be changed from week to week. Monday start times may vary by not more than thirty minutes from the fixed start time with the following exception: package car drivers may have a Monday start time of up to one (1) hour earlier. Early start exceptions shall be mutually agreed **to by the shop steward and the center manager.** Starting times shall be posted by Thursday of the preceding week.

Section 2 - Relief Employees

No restriction as to starting time shall be applied to relief employees, but the Company shall identify such relief men to the Union and to the Shop Steward.

This provision shall not apply to package drivers.

Section 3 - Seniority

The choice of starting times shall be on a seniority basis. Where the starting time of a route is changed and the regular driver of that route elects not to go with the route, he/she may nevertheless claim the route if it is changed back to original starting time, within a thirty-day period.

Section 4 - Pay From Starting Time

Seniority employees who are called in on day off or from layoff shall be paid from regular starting time. This shall not apply in cases where abuses have been called to the attention of the Union by the Company. Nor shall it apply to employees who are called in to cover "sick-loads."

Section 5 - Change of Start Times

Before changing the weekly scheduled starting time of any package driver more than one-half hour beyond 8:30 a.m. or more than one hour regardless of the time, the Company shall notify the Union of said change and, upon the prompt request of the Union, will discuss the matter with the Union prior to said change. In the event change is made without agreement from the Union, the Union may arbitrate the issue of whether the change was arbitrary or unreasonable. A change of starting time will not be used for the purpose of discipline.

Section 6 - New Full-Time Start Times

In the event of a starting time change of more than one (1) hour, full-time inside employees may select the new full-time starting

time within their classification by building or center, whichever is applicable, in seniority order if qualified to perform the work.

ARTICLE 5 MEAL PERIODS & COFFEE TIME

Section 1 - Driver and Helper Meal Periods and Coffee Time

(a) A driver and helper will be allowed sixty (60) minutes meal period for each day worked. This time will not be counted as time worked by such driver and helper. Twenty (20) minutes of the employee's meal period may be taken prior to 12:00 p.m. with the understanding that such break shall not be taken prior to 10:30 a.m. if the break will result in the service failures of any Next Day Air packages. The time for lunch must be taken and completed between the hours of 12:00 and 3:00 p.m.

(b) All employees who attain Company seniority prior to August 1, 2008, will be given fifteen (15) minutes of additional pay after the completion of 8 1/2 hours of work in lieu of a coffee period when they attain seniority in the package driver and helper classification.

(c) Tractor trailer drivers shall be scheduled for one hour eating time to be started not sooner than three (3) and not later than five (5) hours after scheduled starting time.

(d) Tractor trailer drivers shall be allowed fifteen (15) minutes of coffee time between 81/2 and 91/2 hours of work (not including breakfast and lunchtime) which shall not be taken until the driver has completed his/her scheduled stop.

(e) There shall be no work done during any of the above meal periods.

(f) The specific time taken for each meal period shall be marked on the time card immediately at the start of such period. The Company agrees that they will not harass employees during the meal period.

Section 2 - Inside Meal Periods and Coffee Time

(a) For Inside Employees the Company shall allow one (1) hour for eating time, to be started not sooner than three (3) and not later than five (5) hours of work, except that any employee who requests an eating period either earlier than three (3) hours or later than five (5) hours will be permitted to have his/her lunch period at such time subject to the consent of the Company. The Company may with the consent of the Union schedule inside people for less than one-hour lunch, but in no case less than 30 minutes.

(b) All regular full-time inside employees will be allowed two (2) paid fifteen (15) minute coffee periods each work day, the time for which will be set by mutual agreement of the Company and the Union.

Section 3 - Relief Break

There shall be one (1) relief break for all seniority part-timers up to 10 minutes to be taken after 1st hour of work and prior to completion of the 3rd hour, except for emergency conditions.

Section 4 - Breaks in Combination Classifications

a) Employees working in the Article 22.3 combination classification shall be allowed a fifteen (15) minute paid break on the inside portion of their job and a sixty (60) minute meal period. The Company may with the consent of the Union schedule employees less than sixty (60) minute meal period but in no case less than thirty (30) minutes. Their time will not be counted as time worked.

b) Employees working in the Article 2 Section 13 Full-Time Combination Helper classification shall be allowed a fifteen (15) minute paid break on the inside portion of their job and the Company shall have the right to schedule up to a one and one-half (1 1/2) hour meal period but not less than sixty (60) minutes.

ARTICLE 6 PART-TIME EMPLOYEES

Section 1 - Hours of Work, Guarantees and Overtime

(a) Part-time employees, when reporting to work as scheduled, shall be granted a minimum of three and one-half (31/2) hours, except for those part-time employees scheduled to work eight (8) hours.

(b) Part-time employees who start work before their regular start time shall be paid at straight time for work prior to their regular start

time, plus their guarantee.

(c) Any part-time employee who works beyond the fifth hour shall be paid one and one-half (11/2) times their regular hourly rate for those hours worked in excess of five (5) hours. However, when an employee elects to accept an assignment to a second shift this provision shall not apply. A second shift is defined as one having a planned break between it and the preceding shift. Part-time employees shall receive the guarantee provided in Article 22, Section 5 in the National Master Agreement.

Section 2 - Part - Time Seniority List

Part-time employees will work off their part-time employees seniority list at each center.

Section 3 - Part - Time Work Restrictions

Part-time employees will not be permitted to do delivery driving, 2Local 804 contends that the conditions in this section supersede those contained in Article 22, Section 1 of the National Master Agreement. 3Local 804 contends that the conditions in this section supercede those in Article 22, Section 2 and 3 of the National Master Agreement. tractor trailer driving, pickup driving, shifting in large hubs, portering, cashiering, return clerk, car washing work and effective (June 7, 1977) the number of full-time jobs (190) in the sorting and loading function of the night package operations shall not be reduced because of the use of part-time employees. In the event a regular full-time employee in said classifications should die, quit, retire, be discharged or transferred to a driving job, such employee shall be replaced with another regular full-time employee before the number of part-time employees is increased in the jurisdiction. No regular full-time employee working in the sorting and loading function of the night package operation will be moved from his/her location as a result of the use of part-time employees.

Part-time employees will be permitted to move vehicles other than tractor trailers, within the confines of the Employer's property only for the purpose of avoiding a delay in their work, except when drivers are available and not working. In any event, all such movement of vehicles will be done by bargaining unit members.

Section 4 - Transfers within Buildings

Part-time seniority employees shall be given preference based on seniority and subject to the operating needs of the Company to transfer to more desirable shifts in their buildings when a permanent job vacancy occurs (provided he/she is qualified to perform the work). Employees desiring to transfer to such different shifts shall so notify their manager in advance.

Section 5 - Sorter Work

Employees who perform sorter work will be paid the sorter rate of pay. An employee who successfully qualifies as a sorter must maintain that qualification in order to remain a sorter. An Employee who becomes a sorter will not be removed from a sorter position for disciplinary reasons unrelated to sorter qualification.

Section 6 - Part-Time Employee Transfer Into Local 804 Jurisdiction

The Employer shall notify Local 804 of an employee transferring for education purposes into the jurisdiction.

Section 7 - Full - Time Inside Jobs

Full-time inside seniority employees on the payroll as of June 30, 1974 shall not be laid off (nor shall such employees be forced out of their present classification) because of the use of part-time employees at their location, nor shall the Company divert work to other locations for the purpose of laying off full-time employees. The number of full-time jobs may be reduced as a result of death, retirement, voluntary quits, transfers to other full-time jobs, or discharges, provided that in any event the maximum number of full-time inside job vacancies which may be filled by part-timers shall be 180 during each contract year so long as any part-time employees are employed for such work. This paragraph shall survive the expiration date of this Agreement. All full-time inside vacancies which are filled, will be awarded to qualified part-time employees, if available, unless otherwise provided for in Article 14 of the National Master Agreement.

Section 8 - Full Time Job Openings

Before new employees are hired to fill permanent package driving jobs, part-time employees with one (1) or more years seniority may be considered for a full time job opening in his or her building (43rd St. and Spring St. are combined for this purpose only), in all months except November and December providing they meet the same requirements as applicants for that full time job.

In the non-geographical areas, the procedure applied will be on an alternating two (2) for one (1) basis (e.g., for every three (3) jobs, two (2) will be filled by a qualified part-timer and one will be filled by an applicant from another source).

Section 9 - Geographic Transfer

Effective May 1, 1979, the existing lists of part-time employees requesting driving jobs, within centers, within the geographical transfer area, as defined in Article 13, Section 7 of the Agreement, shall be exhausted in the following manner:

For every three (3) full-time employees transferred from the transfer list, to each center, one (1) part-time employee will be afforded the opportunity to qualify for a driving job.

After the present lists are exhausted in those areas, new lists will be created in seniority order and the following procedure shall apply.

For every three (3) full-time employees transferred from the transfer list, to each center, one (1) part-time employee will be considered and then three (3) full-time employees will be transferred and then an applicant from another source.

The employee offered the job must satisfactorily complete a thirty (30) working day training period. An employee who fails to qualify shall be allowed to return to his/her former job.

It is understood that such employees, during their probationary period, will be entitled to work within their center before non-seniority drivers.

Part-time employees successfully transferring to full-time package driving jobs shall receive accrued optional holiday and vacation entitlement.

Part-time employees successfully transferring to full-time jobs will be considered as newly hired full-time employees and will be dovetailed on the appropriate seniority list.

For vacation and retirement purposes, the employees shall receive additional seniority credit equal to all time worked as a part-time employee.

Section 10 - Holidays

(a) A part-time seniority employee shall be paid for the following holidays provided the employee works a minimum of two (2) days during the holiday week: New Year's Day, Memorial Day, Independence Day, Labor Day, Election Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, New Year's Eve Day. A part-time seniority employee who is absent the full week of the holiday week due to illness or Worker's Compensation Disability need not work during the holiday week in order to receive holiday pay. Holiday pay shall be at the rate of four (4) hours straight time pay per day.

In addition to the named holidays above, an employee may elect at the time of the vacation selection period one (1) floating holiday for the following year. This holiday will be taken from January 16 through Thanksgiving. This holiday may be changed by the employee with the approval of management; such approval will not be unreasonably denied. With notification to the Company, the employee will also be allowed to work on that day if he/she so chooses. Pay for the floating holiday will be four (4) hours straight time pay for the holiday. Pay for working the floating holiday will be triple time. Triple time for the purposes of this holiday will be defined as four (4) hours straight time pay for the holiday plus double time for all hours worked on the floating holiday.

(b) In any week in which a holiday falls, part-time seniority employees who are scheduled to work full-time shall be paid eight (8) hours for such holiday.

(c) In addition, during these weeks, part-time seniority employees who are not scheduled but do work full-time at least two days, and are not absent in that week, shall be paid eight (8) hours for such holiday.

(d) If any of the specified holidays listed in Paragraph (a) fall during

an employee's vacation period, the employee shall receive an additional day's pay four (4) hours in lieu of an additional holiday.

(e) In any week in which one of the specified holidays falls, day off schedules shall be revised to provide employees entitled to holiday pay with a scheduled day off, other than the holiday.

Section 11 - Optional Holidays

(a) All part-time seniority employees on the payroll as of the date of ratification with more than six (6) months of seniority shall be entitled to three (3) optional holidays, any with nine (9) months of seniority will receive two (2) optional holidays for a total of five (5) optional holidays.

(b) All part-time employees hired after this date of ratification shall receive optional holidays as follows: After six (6) months seniority the employee shall be entitled to three (3) optional holidays. After attaining nine (9) months seniority such employee shall be entitled to two (2) additional holidays for a total of five (5) optional holidays.

(c) In each center the company agrees to grant a minimum of one employee per 40 seniority employees, with a maximum of 3 per center an optional holiday, by seniority, per day. An equivalent number of optional holidays will be granted to employees not assigned to centers, in accordance with the above procedure. Such request may not be granted from Thanksgiving week through December or in any week where employees are given a scheduled day off due to a holiday, named in Section 10 (a), falling on a Saturday or Sunday. When this occurs, holidays that fall on a Saturday will be observed the preceding week and those that fall on Sunday the following week. When mutually agreed to by the Company and Employee the holiday may be scheduled the following four (4) weeks.

(d) Optional holidays may be taken at the option of the employee as follows:

1. Individual days, mutually agreed upon, with at least one week's advance notice, to be paid at the rate of 4 hours' pay per optional holiday.

2. For employees entitled to five (5) optional holidays one week's vacation during the winter vacation period mutually agreed upon to be paid at the rate of four (4) hours per optional holiday.

3. Unused optional holidays at 4 hours per unused optional holiday may be paid to the employee at the time of his/her scheduled vacation.

4. Unused optional days shall be paid to the employees at least four(4) hours pay per unused day during the first pay period after April30 of each year.

5. Unused optional holidays shall be paid upon retirement. Employees who resign will be paid their unused optional holidays providing two weeks notice is given.

Section 12 - Sick Leave

(a) All part-time employees with one (1) year seniority will be entitled to three (3) days paid sick leave May 1st of each year.

(b) All part-time employees with less than one (1) year seniority shall receive paid sick days in accordance with the following schedule:

After 4 months employment – 1 day After 6 months employment – 1 additional After 9 months employment – 1 additional

(c) Unused sick days shall be paid to the employees at four (4) hours pay per day during the first pay period after April 30 of each year.

Unused sick days shall be paid upon retirement. Employees who resign will be paid their unused sick days providing two weeks notice is given. The amount of unused sick leave shall be the equivalent of four (4) hours pay per day.

(d) In no event will an employee be entitled to more than three (3) days paid sick leave per May 1 of each year.

ARTICLE 7 HEALTH PLAN, ANNUITY PLAN AND 401(K) PLAN

Section 1 - Contribution Rates and Payments

The Company shall pay into the Local 804 Welfare Trust Fund \$854.18 per month effective August 1, 2007. The contribution rate per member per month effective August 1, 2009, August 1, 2010,

August 1, 2011 and August 1, 2012, is to be determined by the Board of Trustees in consultation with the Fund actuaries. Said contributions to be made on or before the 10th day of each calendar month for each full-time seniority employee on the active payroll (including such employees on excused absence for personal illness or accident, for any period not exceeding 26 weeks in any calendar year) on the first working day of such month who has completed 26 weeks of work (crediting an entire week for work one or more days in any payroll week) in the employment of the Company. Employees for whom work is not available for reasons beyond the Company's control, and employees on written leaves of absence for reasons other than personal illness or accident on the first working day of the month, shall not be deemed to be on the payroll, as of such date.

Section 2 - Payment of Benefits

The sums so paid into said Welfare Fund shall be held in trust in said Welfare Fund and shall be used for the exclusive purpose of providing benefits (other than pension benefits) permitted by Section 302C of the National Labor Relations Act as amended as may be determined by the Trustees of said Welfare Fund.

Section 3 - Contributions and Expenses

The Company makes no commitment with respect to the nature of amount of the welfare benefits which shall be provided by the Welfare Trust Fund, and the total expense to be incurred by the Company for the duration of the agreement with regard to the welfare program shall be the contribution specified above. All expenses incidental to the institution, promulgation or administration of the Welfare Trust Fund are to be paid out of the monies of said Welfare Trust Fund.

Section 4 - Statutory Benefits

The Union guarantees that the welfare benefits under this program shall meet the requirements of the statutes and laws of New York pertaining to the payment of weekly disability or sickness benefits. The Company shall not be required to support programs required by such statutes in addition to the private program herein provided, except that it will meet the statutory disability benefit requirements only with respect to the employees who have completed less than 26 weeks of work in the employment of the Company, deducting statutory employee contributions and paying into said Welfare Trust Fund any employee and Company contributions required by law.

Section 5 - Delinquent Health, Welfare and Pension Contributions

Notwithstanding anything herein contained, it is agreed that in the event the Company is delinquent at the end of a period in the payment of its contributions to the Health and Welfare Pension Fund or Funds created under this Agreement or Supplements hereto, in accordance with the rules and regulation of the Trustees of such Funds, the employees or their representatives, after the proper official of the Local Unions shall have given seventy-two (72) hours' notice to the Company of such delinquency in Health and Welfare or Pension payments shall have the right to take such action as they deem necessary until such delinquent payments are made and it is further agreed that in the event such action is taken, the Company shall be responsible to the employees for losses resulting there from.

It is mutually agreed that all monies due or owing under the Health and Welfare and Pension provisions of this Agreement or Supplements hereto shall be considered as wages and collectible as such.

Section 6 - Annuity Plan

The Company and the Union agree to establish an Annuity fund for deferred income payment for its employees covered under this Agreement. This money shall not be subject to Federal, State or City income taxes until maturity. The funds shall come from employer contributions to the Pension, Health Plan and/or cost of living allowances.

Section 7 - Part-Time Employees Health Plan

Refer to Article 34 of the National Master United Parcel Service Agreement.

Section 8 - Administration, Identification Cards and Schedule of Benefits

Identification cards and benefit administration shall be provided

through Local 804 Welfare Trust Fund. Part-time employees shall be provided a schedule of benefits.

ARTICLE 8 RETIREMENT PLAN

Section 1 - Contribution and Rate Payments

The Retirement Plan shall continue in force and effect in accordance with its provisions, which include the power of its Trustees to revise the amounts of the pension benefits and the conditions under which benefits will be paid provided such Plan is in compliance with law. As of August 1, 2007 the Company shall pay into said Plan \$7.172 per hour for all hours worked up to a maximum of 40 hours per week for every full-time seniority employee. The contribution rate per member per month effective August 1, 2008, August 1, 2009, August 1, 2010, August 1, 2011 and August 1, 2012, is to be determined by the Board of Trustees in consultation with the Fund actuaries. Payment shall be made on or before the 10th day of each calendar month.

Section 2 - Delinquent Health, Welfare and Pension Contributions

Notwithstanding anything herein contained, it is agreed that in the event the Company is delinquent at the end of a period in the payment of its contributions to the Health and Welfare Pension Fund or Funds created under this Agreement or Supplements hereto, in accordance with the rules and regulations of the Trustees of such Funds, the employees or their representatives, after the proper official of the Local Unions shall have given seventy-two (72) hours' notice to the Company of such delinquency in Health and Welfare or Pension payments shall have the right to take such action as they deem necessary until such delinquent payments are made and it is further agreed that in the event such action is taken, the Company shall be responsible to the employees for losses resulting there from.

Section 3

Reciprocal agreement is included in the summary plan description of the UPS Multiemployer Retirement plan (The Local 804/447 plan) and the UPS Pension Plan.

ARTICLE 9 FULL-TIME EMPLOYEE HOLIDAYS

Section 1 - Holidays

A full-time seniority employee shall be paid for the following holidays, provided the employee works a minimum of two (2) days during the holiday week: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, New Year's Eve Day. Seniority employees who are absent the full week of the holiday week due to illness or Worker's Compensation Disability need not work during the holiday week in order to receive holiday pay. The amount of holiday pay shall be the equivalent of eight (8) hours straight-time pay.

In addition to the named holidays above, an employee may elect at the time of the vacation selection period one (1) floating holiday for the following year. This holiday will be taken from January 16 through Thanksgiving. This holiday may be changed by the employee with the approval of management, such approval will not be unreasonably denied. With notification to the Company, the employee will also be allowed to work on that day if he/she so chooses. Pay for the floating holiday will be eight (8) hours straight time pay for the holiday. Pay for working the floating holiday will be triple time. Triple time for the purposes of this holiday will be defined as eight (8) hours straight time pay for the holiday plus double time for all hours worked on the floating holiday.

Section 2 - Optional Holidays

(a) All full-time seniority employees on the payroll as of the date of ratification having six (6) months or more seniority shall be entitled to three (3) optional holidays. Effective May 1, 1980, such employees shall be entitled to two (2) additional optional holidays, for a total of five (5) optional holidays.

(b) All full-time employees who attain seniority after the date of ratification shall be entitled to three (3) optional holidays after six (6) months of employment.

Effective May 1, 1980, such employees shall be entitled to two (2) additional optional holidays after nine (9) months of employment for a total of five (5) optional holidays.

(c) In each center the company agrees to grant a minimum of one employee per 40 seniority employees, with a maximum of 3 per center an optional holiday, by seniority, per day. An equivalent number of optional holidays will be granted to employees not assigned to centers, in accordance with the above procedure. Such request may not be granted from Thanksgiving week through December or in any week where employees are given a scheduled day off due to a holiday, named in Section 1, falling on a Saturday or Sunday. When this occurs, holidays that fall on a Saturday will be observed the preceding week and those that fall on Sunday the following week. When mutually agreed to by the Company and Employee the holiday may be scheduled the following four (4) weeks.

(d) Optional holidays may be taken at the option of the employee as follows:

1. Individual optional days, mutually agreed upon, with at least one week's advance notice, to be paid at the rate of 8 hours' pay per optional holiday.

2. For employees entitled to five (5) optional holidays one week's vacation during the winter vacation period mutually agreed upon, to be paid at the rate of 8 hours' pay per optional holiday.

3. Unused optional holidays at 8 hours per unused optional holiday may be paid to the employee at the time of his/her scheduled vacation.

4. Unused optional days shall be paid to the employees at eight (8) hours pay per unused day during the first pay period after April 30 of each year.

5. Unused optional holidays shall be paid upon retirement. Provided two weeks notice is given those employees who resign will be paid his/her unused optional holidays.

(e) If any of the specified holidays listed in paragraph one (1) fall during an employee's vacation period, the employee shall receive an additional day's pay eight (8) hours in lieu of an additional holiday.

(f) In any week in which one of the specified holiday falls, day off schedules shall be revised to provide employees entitled to holiday pay with a scheduled day off, other than the holiday.

ARTICLE 10 FULL-TIME EMPLOYEE SICK LEAVE

Section 1 - One-Year Seniority

All full-time employees with one (1) year seniority will be entitled to six (6) days paid sick leave May 1st of each year.

Section 2 - Less than One-Year Seniority

All full-time employees with less than one (1) year seniority shall receive paid sick leave days in accordance with the following schedule:

After 4 months' employment – 1 day After 6 months' employment – 2 additional days After 8 months' employment – 1 additional day After 9 months' employment – 1 additional day After 12 months' employment – 1 additional day

Section 3 - Unused Sick Pay

Unused sick days shall be paid to the employees at eight (8) hours pay per day during the first pay period after April 30 of each year.

Unused sick days shall be paid upon retirement. Provided two weeks notice is given, those employees who resign will be paid his/her unused sick days.

Section 4 - Amount of Sick Leave

In no event will an employee be entitled to more than six (6) days paid sick leave per May 1st of each year.

Section 5 - Review of Paid Sick Days

Paid sick days will not automatically count towards disciplinary action. Instead, each employee's record will be reviewed individually.

ARTICLE 11 VACATIONS

Section 1 - Vacation Schedule

Vacation schedule for regular full-time employees:

1 Year's Seniority – 1 Weeks Vacation 2 Years' Seniority – 2 Weeks Vacation 5 Years' Seniority – 3 Weeks Vacation 15 Years' Seniority – 4 Weeks Vacation 20 Years' Seniority – 5 Weeks Vacation 25 Years' Seniority – 6 Weeks Vacation

Section 2 - Vacation Periods

The summer vacation period extends from May 1 to September 30 of each year. The winter vacation period extends from October 1 to April 30 of the following year, exclusive of the period beginning on the Sunday after Thanksgiving and ending on December 25.

Section 3 - Seniority Credit for Vacation Entitlement and Selection

An employee having full seniority credit of 1, 2, 5, 15, 20 or 25 years shall be entitled to the corresponding credit of 1, 2, 3, 4, 5 or 6 weeks of vacation during the first available vacation period after having obtained his/her full seniority credit. Available vacation weeks shall be allocated as follows: Employees entitled to 3, 4, 5 or 6 weeks of vacation must select at least one (1) week during the winter vacation period. All other weeks of vacation may be selected during the summer vacation period to the extent available.

Section 4 - Vacation Pay

Vacation pay shall be based on the employee's regular (not temporary) work assignment and shall consist of 45 hours pay at the regular straight-time rate for each week of vacation entitlement.

Section 5 - Vacation Lists and Picks

A tentative vacation list shall be posted by October 1 for vacations for

the following calendar year. Vacation picks will start on November 1 and be completed and posted by December 1. Vacations shall be selected once for both the summer and winter vacation periods **at the same time**. **During any vacation period the Company shall allow no less than ten percent (10%) of the eligible seniority employees off during each** week. In the package driver classification the Company shall allow no less than fifteen percent (15%) of the eligible seniority employees off each week between Memorial Day and Labor Day.

Vacation Chart for Ten Percent (10%) Off on Vacation:

Number	Number of
of Employees	Vacations Per Week
1-14	1
15-24	2
25-34	3
35-44	4
45-54	5
55-64	6
65-74	7
75-84	8
85-94	9
95-104	10

Vacation Chart for Fifteen Percent (15%) Off on Vacation:

Number	Number of Vacations Per Week
of Employees	
1-9	1
10-16	2
17-23	3
24-29	4
30-36	5
37-43	6
44-49	7
50-56	8
57-63	9
64-69	10
70-76	11
77-83	12
84-89	13
90-96	14
97-103	15

Additional weeks will be opened for additional employees following the same patterns in the applicable charts listed above.

For the purposes of this Article, ineligible employees will be defined as any employee that is inactive for one (1) year or more at the time of the vacation selection period.

Section 6 - Tentative Vacation List

The Company agrees to post a tentative list of available vacation weeks prior to the posting of the actual vacation schedules. In case more employees shall apply for a vacation than the number allotted by the Company to be off during such period, the choice for vacation during such period shall be based on seniority provided such assignment does not interfere with or hamper operations.

Any claimed abuses of "(interfere with or hamper operations(" shall be referred to the Company by the Union.

Section 7 - No Work During Vacation

No work shall be performed by the employee for the Company during his or her scheduled vacation, except as provided in Article 9, Option 2.

Section 8 - Vacation Pay

(a) If an employee retires, resigns or is discharged after he/she has become entitled to the vacation provided in Section 1, then he/she shall receive pay for the vacation due.

(b) When a Full-Time employee retires, they shall receive pro-rata vacation due.

(c) The Company shall pay the appropriate vacation pay in advance to any employee immediately prior to the employee's taking his/her vacation. The vacation payment shall be by separate check.

(d) Any seniority employee who is reinstated during a vacation period shall receive the vacation benefits he/she would have been entitled to had he/she been on the payroll on his/her qualifying date.

(e) The amount of money to be paid is governed by the progression

step the employee is in at the time he/she actually takes his/her vacation.

(f) Employees who work on higher rated jobs a minimum of one hundred (100) days during the twelve (12) months immediately preceding their scheduled vacation shall receive vacation pay based upon the higher rated jobs.

Section 9 - Part-Time Employees Vacation

Eligible part-time seniority employee shall be entitled to receive vacations as outlined in Section 1 of this Article. Employees with one (1) year's seniority will be paid at twenty (20) hours per week and those with two or more year's seniority will be paid at twenty two and one half (221/2) hours per week.

When a part-time employee retires they shall receive pro-rata vacation due.

Section 9 - Vacation Coverage Drivers

The intent of these Vacation Coverage Drivers ("VCD") is to provide a pathway for full-time package driving jobs. The Company agrees during the life of this Agreement it shall promote a minimum of fifty (50) employees, including VCDs, from the full-time driving list into full-time package car driving jobs. There shall be no part-time package car drivers in Local 804's jurisdiction. Vacation Coverage Drivers shall not be used as a subterfuge to prevent the creation of full-time package driving jobs. Vacation Coverage Drivers may not be used to supplement the work force, only as temporary replacements. Vacation Coverage Drivers are not to be used as subterfuge to deny package drivers overtime. Only package drivers on a list to relieve excess overtime, may have their overtime reduced through the use of VCD's. If there is a claimed abuse the Company and the Union will meet and review the appropriate records. Violations of this Section will be subject to the grievance procedure.

Part-time employees shall be permitted to work as Vacation Coverage Drivers as follows:

1. Vacation Coverage Drivers (VCDs) shall be permitted to work from the week of Memorial Day through the week of

Labor Day and from October 15 until January 15 of the following year. This will be considered the qualifying periods. The period between the week of Memorial Day through the week of Labor Day is restricted to the proper use of VCDs and shall not be interpreted as an additional free period.

2. Vacation Coverage work shall be offered to part-time employees on the full-time package car driving list by seniority. If there are no available employees in the building, the job will be offered by seniority in area where area is defined as follows:

(1) 43rd, Manhattan South, Manhattan North

(2) Mt. Vernon, Yorktown, Elmsford and Brush Avenue

(3) Foster Avenue, Island City, Laurelton and Queens North

(4) Suffolk, Melville and Nassau

3. Employees will not accrue full-time seniority while working as a Vacation Cover Driver.

4. Vacation Coverage Drivers will be paid a guarantee of eight (8) hours per day and time and one-half (1 ½) after their daily guarantee. Employees working as VCDs will be paid at no less than twenty-one dollars (\$21.00) per hour. Employees working as VCDs shall receive wage progression service time credit for each month they work a minimum of fifteen (15) days as a VCD.

5. The number of Vacation Coverage Drivers used each week in the qualification periods shall not exceed the number of seniority employees on vacation in each building. If, during any week, the number of VCDs scheduled to work that week exceeds the number of full-time package car drivers scheduled for vacation that week, the Company shall meet promptly with the Local Union to resolve the issue. In the event of a second (2nd)occurrence in the same center, the affected employee will be paid the top rate of a package driver for all hours worked as a VCD that week. In the event of a third (3rd) occurrence in the same center over two (2) consecutive VCD usage periods, the Company will create a full-time package driver job to be awarded as outlined inArticle 13. 6. Vacation Coverage Drivers who work fifty (50) days as Vacation Coverage Driver in the qualifying periods shall be placed on a qualified list. Days will not be lost due to a sustained grievance where a Vacation Coverage Driver was not used in seniority order. Vacation Cover Drivers on the qualified list subsequently promoted to a package car driving job shall not have to complete another package car driver probationary period.

7. Vacation Coverage Drivers on the qualified list will not override the seniority of those employees on the full-time driving list referenced in Article 13, Section 9, number 13 (3), when a full-time package car driving job becomes available.

8. If the Employer requires additional package drivers outside of the qualifying period, such positions shall be bid off of the Full-Time Driving list in seniority order. If the position is successfully bid, in seniority order, by a driver on the Vacation Coverage list, in this specific instance, the number of days on which the Vacation Coverage Driver performed coverage work in the qualifying periods shall count towards the forty (40) in seventy (70) day requirement. If any Vacation Coverage Driver drives outside of the qualifying period without successfully bidding that work, the Company shall bid an additional package driver job. Upon confirmation of the violation, the new package car driving position will be bid within two (2) weeks.

9. If a Vacation Coverage Driver has not worked in the program for one (1) year, he/she will have to prequalify again and any days toward the qualified list will be lost. Days will not be lost due to a sustained grievance where a Vacation Coverage driver was not used in seniority order.

10. An updated list of all Vacation Coverage Drivers (VCDs) shall be transmitted to the Local Union at the beginning of each month of the qualifying period. The Employer shall provide to the Local Union a report after each qualifying period indicating the names of the VCD(s) and the number of days worked by the VCD(s).

11. No package driver will be sent out of his/her center when Vacation Coverage Drivers are being used in that

center. Open package car drivers will have route preference over Vacation Coverage Drivers.

12. No seniority package driver will be laid off whileVacation Coverage Drivers are in use, in his/her building.13. Vacation Cover Drivers shall receive all benefits provided for them under the terms of the Labor Agreement, including part-time health and welfare and pension benefits.

14. A part-time employee who works as a Vacation Cover Driver in a week in which a holiday falls will receive eight (8) hours holiday pay at the Vacation Cover Drivers rate of pay.

15. When work no longer exists in a center for Vacation Cover Drivers, they will immediately revert back to their regular part-time job with all part-time seniority. Vacation Cover Drivers shall continue to accrue part-time seniority and shall have the right to bid on available part time jobs.

ARTICLE 12 SUSPENSION OR DISCHARGE

Section 1 - Immediate Suspension or Discharge

The following shall be causes for immediate suspension or discharge of an employee: drinking, or proven or admitted dishonesty. See Article 18, Section 1 (a).

In cases not involving the theft of money or merchandise an employee will remain on the job until a hearing is held with the business agent. Such hearing will take place within 72 hours.

Section 2 - Notice of Suspension or Discharge

In all other cases involving the discharge or suspension of an employee, the Company will give three (3) working days' notice to the employee of the discharge or suspension and the reason therefore. Such notice shall also be given to the Shop Steward and the Local Union office. Within ten (10) days of the conclusion of the seventy-two (72) hour hearing, if the Company intends to discipline the employee, the Company shall send a written notice to the Union Hall via certified mail or UPS delivery and e-mail a copy of the **notice to the Local Union. The notice must provide the reason(s), on which the intended discipline is based.** Any warning notice or suspension shall not remain in effect more than nine (9) months except those warning notices issued pursuant to the so-called "Drinking Rule" covered by separate letter and incorporated by reference into this Agreement.

Discipline shall be for just cause. For non-cardinal infractions the employee shall be allowed to remain on the job consistent with Article 7 of the National Master Agreement, without loss of pay unless and until the discharge or suspension is sustained under the grievance procedure.

ARTICLE 13 SENIORITY

Section 1 - Acquisition of Seniority

(a) After 40 days of work within a 70 consecutive work day period, (excluding orientation) a new employee will acquire seniority and the employee shall be given a seniority date as of his/her first day of employment (orientation) worked within such 70 consecutive work day period. If, however, the employee does not complete the 40 days within these 70 days his/her seniority date will be the first day of the 40 worked within any subsequent 70 workday period.

Time spent in the Company orientation program will not count toward the acquisition of seniority. This exemption shall be for a maximum of 10 days for Package and Air Drivers and five days for all other positions.

Newly hired employees attending orientation shall be paid at the daily rate of \$50.00 for full-time employees and \$20.00 for part-time employees.

Any holidays listed in Article 9, Section 1 of this Agreement, falling within that 70 consecutive work day period shall also count toward the acquisition of seniority.

(b) There shall be a free period, beginning October 15 and ending **January 15 the following** year, during which no employee can qualify for seniority.

(c) An employee who has been hired prior to October 15 and retained after **January 15** or recalled within 70 days after

January 15 will retain credit for the number of days worked prior to October 15th. Those days retained will count towards the 40 days worked in a 70 consecutive work day period commencing with the first day worked after **January 15**. These employees shall be given a seniority date as of his/her first day of employment (orientation) worked prior to the free period.

Section 2 - Package Center Seniority

(a) Center Seniority. There shall be separate seniority lists for the inside employees of each package center and separate seniority lists for the outside employees of each package center. There shall be a separate seniority list for the package center clerical employees by area (as defined below), a separate seniority list for package center Porters by area (as defined below) excluding Porters in the 43rd Street and Island City buildings, and a separate seniority list for package center Car Washers by area (as defined below) excluding Car Washers in the 43rd Street and Island City buildings.

(b) Job Assignment. Assignment of work shall be made on the basis of seniority lists described in (a) above.

(c) Area Seniority. In addition to seniority within locations described above, employees shall have seniority within the following package areas for the purposes expressly provided hereafter.

1. 43rd Street Package Centers, Manhattan South Package Centers, Manhattan North.

2. Bronx – Westchester Package Centers.

3. Island City and Queens North Package Centers.

4. Foster Avenue Package Centers.

5. Laurelton.

6. Nassau Package Centers.

7. Suffolk Package Centers.

(d) Job Preference – Package Drivers and Helpers. Drivers and helpers shall be given preference in their Centers based on seniority,

to a more desirable delivery route, or to a permanent delivery split or to a full permanent pick-up route when a permanent vacancy occurs. A permanent split is defined as a split or splits which has been in effect for three (3) months for at least three (3) days each week. With respect to the number of moves by driver and helper preference, past practice shall prevail, provided however that notwithstanding the past practice, drivers and helpers will be permitted the right to make a minimum of three (3) moves. Additional moves, if any, above three shall be in accordance with past practice. In the event said delivery, pick-up route or split is not requested, the Center Manager will assign the route to the most junior open seniority employee in that center, until there is a more junior open seniority employee who will then be assigned to that route, unless the pre-assigned driver chooses to stay on that assignment, in which case it will be considered his/her bid route. The Company shall promptly and conspicuously post notice of any permanent vacancy. Such notice shall remain posted for a period to two weeks.

Open seniority drivers in seniority order will select open driving jobs, subject to the operating needs of the Company. Any claimed abuse as to the use of "(operating need of the Company," shall be referred to the Company by the Union. If area knowledge is cited as an operating need, the driver will, upon his/her request, be trained on that area.

There shall be a maximum of **three** (3) training routes per center. Training routes **shall** be bid. A driver who bids a training route will become an open driver during the probationary period that a new employee is being trained on his/her bid route.

The two routes used for training shall be discussed by the Center Manager and the steward, and shall not be changed unless mutually agreed by these parties. Any disputes involving training routes will be resolved by the division manager and business agent.

The provisions of this Section (d) shall not apply to arterials, which shall be discussed in advance between the Company and the Union. Assignment of splits (except for above) resulting from high volume Christmas period shall be discussed by Manager and Steward.

(e) Job Preference (Night Package). When a permanent vacancy occurs in the night package operation in a center, a senior employee in said center shall be given an opportunity to select such assignment, subject to the operating needs of the Company.

Any claimed abuse as to the use of "(operating need of the Company," shall be referred to the Company by the Union.

(f) Change of Starting Time. Where the starting time of a route is changed, the regular driver may elect to remain on the route. In the event that the driver elects not to go with the route, he/she may nevertheless claim the route if it is changed back to the original starting time within a 30-day period.

(g) Sixth and/or Seventh Day Work. Sixth and/or seventh day work, if any, will be assigned as follows:

Seniority employees shall be offered sixth and/or seventh day work in seniority order while on their scheduled day off or holidays before non-seniority employees unless it is one of the non-seniority employee's scheduled work days.

1. Package Drivers.

First – Package drivers in the respective centers who are interested in the 6th and/or 7th day work within their area will submit their names and telephone numbers to their Center Managers.

Second – Day off drivers in the center where the need occurs will be called in seniority order, provided they have submitted their names and telephone numbers as aforesaid. After the center list has been exhausted, then

Third – Day off drivers in the building where the need occurs will be called in seniority order, provided they have submitted their names and telephone numbers as aforesaid. After the building list has been exhausted, then

Fourth – Day off drivers in any other center within the area where the need occurs will be called in center seniority order provided they have submitted their name and telephone numbers as aforesaid.

Fifth – It is the obligation of the drivers to advise their center manager, in writing, of any changes in telephone numbers.

Sixth – In the event a driver is called for another center and refuses to work on his/her day off and has previously refused to do so, his/her name shall be dropped from the list unless otherwise mutually agreed by the Company and the Union, or unless the driver has notified his/her manager prior to his/her day off that he/she will not be available for 6th and/or 7th day work in the area, in that particular work week.

(2) Package night operations.

First – Package center night employees in the respective areas who are interested in 6th and/or 7th day work will submit their names and telephone numbers to their center managers.

Second – Day off employees in the centers where the need occurs will be called in seniority order, provided they have submitted their names and telephone numbers as aforesaid. After the center list has been exhausted, then

Third – Day off employees in the building where the need occurs will be called in seniority order, provided they have submitted their names and telephone numbers as aforesaid. After the building list has been exhausted, then

Fourth – Day off employees in the area where the need occurs will be called in seniority order, provided they have submitted their names and telephone numbers as aforesaid.

Fifth – It is the obligation of the employees to advise their center managers, in writing, of any change in telephone numbers.

Sixth – In the event an employee is called by another center in the area and refuses to work on his/her night off and has previously refused to do so, his/her name will be dropped from the area list unless otherwise mutually agreed by the Company and the Union or unless the employee has notified his/her manager prior to his/her day off that he/she will not be available for 6th and/or 7th day work in the area in that particular work week.

(3) Nassau and Suffolk areas.

For purposes of 6th and/or 7th day work in the Nassau and Suffolk areas, day off employees in one area will be called for sixth and/or seventh day work in the other area, in seniority order, after the 6th and/or 7th day work list has been exhausted in the area in which the need arises.

Section 3 - Hub Inside Seniority

(a) For purposes of job preference (as outlined herein) and layoff, there shall be a combined seniority list for each of the following:1. Inside employees in the 43rd Street, Island City, and Spring Street Hub.

- 2. Porters in the 43rd Street Building and Island City Building.
- 3. Car Washers in the 43rd Street Building and Island City Building.

(b) There will be a separate seniority list for purposes of 6th and/or 7th day work, vacation and day off scheduling for each of the following:

- 1. Inside employees in 43rd Street Hub.
- 2. Inside employees in Island City Hub.
- 3. Porters in the 43rd Street Building.
- 4. Porters in Island City Building.
- 5. Car Washers in the 43rd Street Building.
- 6. Car Washers in Island City Building.

(c) In the event a new hub is created within the jurisdiction of the Union the inside employees in said hub shall be on a separate seniority list for all purposes. The employees in the existing hubs shall have the right to transfer, by classification, to the new hub, on a seniority basis, subject to the operating needs of the Company.

Any claimed abuse as to the use of "(operating needs of the Company," shall be referred to the Company by the Union.

Section 4 - Job Preference

(a) Hub inside – Employees in each hub inside classification shall be given preference, based on seniority, to transfer to a more desirable starting time when a permanent job vacancy occurs or a new job is created in such classification. The Company will promptly and conspicuously post notice of such new job and the applicable starting time.

(b) Full-time hub inside employees shall be given preference based

on seniority (provided they are qualified to perform the work) to permanent full-time job vacancies or new full-time jobs in the following assignments:

- 1. Export expert
- 2. Export expert assistant
- 3. Central return clerk
- 4. Senior office clerk
- 5. Shipping clerk
- 6. Return clerk

Work presently being performed by full-time bargaining unit personnel in the Island City and 43rd Street receiving counters and damage control operations will be subject to hub inside job preference when there is a permanent full-time vacancy or a new full-time job.

Section 5 - Sixth And Or Seventh Day Work

(a) Hub inside employees in Island City and 43rd Street who are interested in sixth and or seventh day work will submit their names and telephone numbers to their hub managers. Day off employees will be called in seniority order, by classification, provided there is no more than five hours vacant between his/her regularly scheduled starting time and the starting time of the job to be filled, and provided he/she has submitted his/her name and telephone number.

(b) The sixth or seventh day man will take the scheduled starting time of the job for which he/she is called.

(c) It is the obligation of the employee to advise their center manager, in writing, of any changes in telephone number.

Section 6 - Tractor Trailer Seniority

(a) Seniority Lists

1. Tractor trailer drivers will be on a combined seniority list for layoff purposes.

2. For the purposes of bidding there will be one seniority list.

3. Tractor trailer drivers will be on separate seniority lists, for purposes of sixth and or seventh day work, vacation and day off scheduling. using the following criteria:

- (1) 43rd Street, Manhattan South, Manhattan North and Eastside
- (2) Mt. Vernon, Yorktown, Elmsford and Brush Avenue
- (3) Foster Avenue and Island City
- (4) Suffolk, Melville and Nassau

(b) Job Preference

(1) Where a new tractor trailer driver's assignment is created and is in effect for more than thirty (30) working days, or a permanent vacancy occurs in an existing full-time tractor trailer driver's assignment, drivers shall be given preference within any district, based on seniority, to said assignment and to resulting vacancies without numerical limitation, provided that such moves are not abused. The successful bidder must remain on that job for sixty (60) days. If abuse is claimed the request for a move shall be subject to arbitration. In the event no driver in any district requests said assignment the feeder manager will assign the work. The Company shall promptly and conspicuously post notice of any permanent vacancy. Such notice shall remain posted for a period of three (3) weeks. This shall include all scheduled assignments six (6) hours or more.

 Any tractor trailer driver whose assignment or job is discontinued shall have the option to select an open assignment within the district.
 If the starting time of a driver's job or assignment is changed two (2) hours or more, or the day off is changed, and the driver elects not to make the change, he/she shall have the option to select an open assignment within the district.

4. If the number of assignments or jobs in a group is reduced, the reduction shall be made by tractor trailer driver seniority within that group.

5. Seniority shall prevail on all moves on or off jobs, whether bid or assigned, in the tractor trailer and CPU operation. Any job that is moved to another location shall be put up for bid, except for moves between 43rd Street and Manhattan South.

(c) Sixth And Or Seventh Day Work

1. Tractor trailer drivers in each district who are interested in sixth and or seventh day work will submit their names and telephone numbers to their managers. Day off employees will be called in seniority order provided that there is no more than five (5) hours vacant between this regularly-scheduled starting time and the starting time of the job to be filled, and provided he/she has submitted his/her name and telephone number.

2. The sixth or seventh day man will take the scheduled starting time of the job for which he/she is called.

3. It is the obligation of the employee to advise his/her manager, in writing, of any changes in telephone number.

Section 7 - Geographic Transfer (Package)

Transfers between operating centers within each classification will be considered as follows:

(a) Transfers may be requested to any operating center in Nassau Suffolk, Westchester, and Putnam Counties. New transfer lists shall be established within **forty-five** (**45**) days after the ratification of this contract. Employees requesting transfers will be required in seniority order, to transfer. There shall be a thirty (30) working day mutual probationary period for any transferred employee. **The Union will be notified of all transfers prior to execution.**

Transfers requested to buildings other than those listed above may be permitted by mutual agreement between the Company and the Local Union. The number of mutually agreed upon requests granted in any of the non-geographic transfer buildings shall not exceed two (2) per building, per year.

When the Company and the Union mutually agree that a hardship exists, arrangements shall be made to allow that Package Driver to transfer to a non-geographic transfer area.

(b) Any transferred employee who requests to return to his/her origin center or if the Company requests to return the employee to his/her origin center, ten (10) working days' notice will be given by either party. All requests will be handled within ten (10) working days of such requests. The Company agrees to waive the foregoing notices and to process requests sooner than ten (10) working days where possible.

(c) The Company shall have the right to fill one permanent vacancy for every three employees transferred to each center, within classification.

(d) The transferee will be dovetailed on the seniority list in the center for all purposes.

(e) Cashiers' jobs within the geographic transfer area shall be subject to the transfer list. If after exhausting the transfer list, the vacancy still exists, it will be subject to Article 2, Section 15(b).

Section 8 - Day Off

Day off schedules will be established according to seniority, wherever this does not restrict or hamper operations.

The Company will not be unreasonable in the application of this provision and any claimed abuse as to the use of "(restrict or hamper operations," shall be referred to the Company by the union.

Assignment of Sunday, holiday and day off work on basis of seniority shall be mutually agreed upon as to each center.

Day off schedules for all classifications shall be posted by Thursday evening of the preceding week.

Section 9 - Reduction Of Staff - Full-Time Seniority Employees

The necessity for layoffs or reduction of staff shall be in the sole discretion of the Company. Notice of layoffs, other than day-to-day layoffs, shall be given to the Union. When a layoff or reduction of staff is made, the principles of seniority will be applied on the following basis:

1. Package Centers - Outside

(1) Within each center drivers will be laid off on the basis of Company seniority.

(2) A laid-off driver will be offered work in another center within their building where the least senior driver is working without the loss of a day's pay. (3) Where a driver is working less than the basic workweek, and where there is no work available within the building pursuant to above, the driver may request a transfer to another center in the driver's area where the driver with the least Company seniority is working.

If there is no work available in the driver's area, the driver may request a transfer to another center where the driver with the least Company seniority in their district is working. If there is no work available in the driver's district, the driver may request a transfer to another center where the driver with the least Company seniority in the Union's jurisdiction is working.

2. Package Night Operations

(1) Employees will be laid off on the basis of Company seniority within the employee's area. If there is no work available in the employee's area, the employee may request a transfer to another center where the package night employee with the least Company seniority in the Union's jurisdiction is working. The least senior employee(s) will be afforded an opportunity to work 8 hours if in any location or area as defined in Section 2(c) of this Article, part time employees are working in the package night operation.

The above provision shall apply to Article 22.3 full-time inside package employees as well as any full-time combination which includes package night operations work.

3. Package Center Clericals

(1) Employees will be laid off on the basis of Company seniority within the employee's area. If there is no work available in the employee's area, the employee may request a transfer to another center where the package center clerical employee with the least Company seniority in the Union's jurisdiction is working.

(2) Employees in the General Operation Clerk and Customer Counter Clerk Classifications will be laid off on the basis of Company seniority within the employee's area. If there is no work available in the employee's area, the employee may request a transfer to another center where the clerical employee in the same classification, with the least Company seniority, in the Union's jurisdiction, is working.

(3)When regular work in the transferred employee's classification is

again available in the employee's original center, the employee must return to the original center.

4. Porters

Package center Porters will be laid off on the basis of Company seniority within the employee's area. The 43rd Street and Island City buildings will be considered one area for this purpose. If there is no work available in the employee's area, the employee may request a transfer to another center where the Porter with the least Company seniority in the Union's jurisdiction is working.

5. Car Washers

Package center Car Washers will be laid off on the basis of Company seniority within the employee's area. The 43rd Street and Island City buildings will be considered one area for this purpose. If there is no work available in the employee's area, the employee may request a transfer to another center where the Car Washer with the least Company seniority in the Union's jurisdiction is working.

6. Hub Inside

Hub inside employees will be laid off on the basis of Company seniority within each location (except that said employee's will be offered an opportunity to work eight (8) hours as long as any parttime employees are working in the location); as defined in Section 3(a) 1 of this Article.

The above provision shall apply to Article 22.3 full-time inside hub employees as well as any full-time combination which includes hub inside work.

7. Tractor Trailer Drivers

(1) Tractor trailer drivers will be laid off on the basis of Company seniority. In the event a tractor trailer driver is laid off, said tractor trailer driver may request a transfer to another district if another tractor trailer driver with less seniority is working in that district. The transferred tractor trailer driver will be dovetailed into the working seniority list in the new district.

(2) All laid-off tractor trailer drivers shall return to their original

centers after a five (5) day layoff. The Company agrees to waive the foregoing five (5) days and to process requests sooner than five (5) working days respectively where possible. In those cases the Union agrees to waive all claims which might result from such transfers. They shall be afforded full seniority rights for all purposes, after five (5) days back in the employees original center said employee will be given a choice to remain in their original center or may elect to retain the employees recall rights. This choice will be final.

(3) All laid-off tractor trailer drivers will be required to be available for temporary day-to-day coverage including combination work in their building. Once an employee goes into feeder job that employee will remain in that classification for that day.

(4) If a laid-off tractor trailer driver does not have an origin center to return to as provided for in paragraph above said employee must displace the least senior package driver in the district.

8. Seniority Date – Transferred Employee

An employee who transfers to another center will be dovetailed on the seniority list in the new center for all purposes.

9. Requests for transfers from centers to areas will be effected no sooner than 36 hours after the request. Requests for transfers from areas to Union jurisdiction will be effected no sooner than five (5) working days after the request. The Company agrees to waive the foregoing notices and to process requests sooner than 36 hours or five (5) working days respectively where possible. In those cases the Union agrees to waive all claims which might result from such transfers.

10. When regular work in the transferred employee's classification is again available in the employee's original center, the employee must return to the original center.

11. In the event an employee elects not to accept or request a transfer, the employee may nonetheless elect to take the layoff (in which event the employee shall be considered a laid-off employee for lack of work for the purpose of unemployment compensation) or to take the work of a part-time employee, if any, for the duration of the layoff. Such right may be exercised with respect to those part-time jobs which have the greatest number of scheduled hours in the employee's center. Any employee who selects a permanent job performed

by a part-time employee shall be paid at his/her regular rate in addition to all fringe benefits, rather than at the part-time rate, with a minimum guarantee of four and one-half (41/2) hours. In the event the employee works more than five (5) hours in any shift, the employee shall be guaranteed eight (8) hours work or pay at such regular rate.

Such employees will also have the option to select the work of two (2) part-time employees. If the laid off full-time employee has completed a full-time progression he/she shall receive the prevailing top rate for an inside 22.3 employee. If the laid off full-time employee has not completed a full-time progression he/she shall receive the appropriate rate that is provided by Article 41, Section 3 of the National Master Agreement.

12. Specialized Knowledge

Because of the highly specialized knowledge required of some inside jobs, inside people who desire to exercise their rights under this section will be given the opportunity to prove that they can qualify for the job requested in the new center, in seniority order.

13. Promotions

(1) The Company agrees to continue its policy of promotion from within with respect to jobs covered by the Agreement.

(2) In promotions of inside employees to other inside positions, within their center or hub, seniority shall prevail, provided the employee is qualified. There shall be a **forty** (**40**) working day mutual probationary period for each such promoted employee.

(3) Within each district, any employee on an inside seniority list interested in a driver job shall so notify the Company and will be offered an open job on a seniority basis, provided the employee is qualified to perform the work. The mechanics of notification and procedures for determining the qualifications of prospective drivers shall be agreed upon between the Company and the Union.

There shall be a 30 working day mutual probationary period for any transferred employee. No transfer will be permitted where such transfer will result in an operational problem for the Company

because of the vacancy created in the inside job.

The transferred employee will be dovetailed on the seniority list in the employee's new center for all purposes.

(4) The Company shall supply necessary material, when available, to enable an employee to do the necessary studies in order to qualify for a promotion.

(5) Past practice shall be maintained to the extent that wage progressions for qualified employees in the night package operation have been accelerated. The Company shall cooperate in accelerating wage progressions for employees in the night package operations where appropriate qualifications are demonstrated.

14. Loss of Seniority

Any member shall lose all seniority rights if:

(1) He or she quits

(2) He or she is discharged

(3) He or she is promoted to a supervisory position.

(4) He/she is absent without good cause and fails to notify the Company provided, however, that before employment is terminated, the Company will send a telegram or certified letter return receipt requested giving the employee five days in which to report. The Union shall be notified at the same time.

(5) Layoff in excess of the following allowed period has elapsed since he/she last worked for the Company:

Less than 3 months 4 months 3 months and over, but less than 4 6 months

4 months and over, but less than 5 8 months 5 months and over, but less than 6 10 months

6 months and over, but less than 24 12 months 24 months and over 24 months

15. Seniority Claim

When the Union notifies the Company of a claim of violation of the seniority provisions, the employee shall be entitled to actual time lost before the date of such notice, up to a maximum limit of one week's pay, plus all the time lost between the date of such notice and the date of correction of the violation by the Company.

16. Job Depletion

In those cases when an employee's job classification was or is permanently eliminated and the employee is relocated to another classification, the employee's seniority, in the initial relocation, shall be dovetailed for all purposes on the new classification seniority list in the new location.

ARTICLE 14 TRACTOR TRAILER DRIVERS TO WORK AS DIRECTED

Tractor trailer drivers will load, unload and sort as indicated by his/her normal schedule in the various locations of the Company, without any interruption or interference of any kind with the Company's operations. However, in the event of unexpected volume or breakdown of equipment a tractor trailer driver's schedule may be changed.

Hub drivers on the Hub drivers seniority list will not be laid off as a result of the use of the above clause.

ARTICLE 15 REGULAR LIST, EXTRA LIST AND REPORT PAY

Section 1 - Regular List

Any full-time seniority employee on a weekly Regular List who is scheduled to report for work, and does report, will be afforded an opportunity to earn (8) hours pay in his/her regular classification of work, unless notified not to report by the completion of his/her current working day or prior thereto, or if not working, then by telegram filed with Western Union not later than 4:30 p.m. of the day before such reporting day or other notice prior thereto. While Sunday will be acceptable for the purpose of notifying employees to report for work on Monday the Company agrees not to use Sunday for the purpose of advising employees not to report for work on Monday. In cases of emergency in which a facility is closed or partially closed, the Company shall contact employees to inform them of emergency closings as follows:

1. Notify the Local Union of the emergency closing.

2. At least two and a half $(2\frac{1}{2})$ hours before the employee's start time, call the employee.

3. Put a message on a call in line for employees to contact regarding emergency closing.

4. When possible, post a notice of closing on the Company website if available.

If an emergency is resolved and the facility will operate during a shift, those employees called back to work in will be called in seniority order and be given the opportunity to work their guaranteed number of hours. If an employee is not available for recall after being notified of an emergency closing, no discipline shall be issued.

Such weekly Regular List shall consist only of the number of employees normally required to perform the current work assignments in accordance with the existing volume of business in such center or building.

Section 2 - Extra List

An Extra List will be established, and posted Thursday of each week, in each center or building, except for inside jobs, and will be kept to a maximum of 10% of the assigned seniority employees in each center by classification.

There shall be no Extra List from Thanksgiving week until December 24 of the same year.

Section 3 - Pay and Notice

Any seniority man on such weekly Extra List who reports for work shall receive four hours pay, unless notified not to report by the completion of his/her working day or prior thereto, or if not working, then by telegram filed with Western Union not later than 4:30 p.m. of the day before such reporting day or other notice prior thereto.

Section 4 - Assignments

In connection with the Provisions of Sections 2 and 3 of this Article it is understood that employees on the Extra List may be assigned to work in their home center or building or at places other than their home center or building as follows:

(a) Package extra men will be required to accept assignments within their classification when ordered, anywhere within their area.

If there is a need in more than one building, they shall be given preference, on a seniority basis, as to the building in which they will work.

(b) Any man who refuses an assignment under the above conditions will forfeit his/her right to report pay with the following exception: the two (2) most junior package drivers on the extra list in each center will be required to accept assignments, within their classification, by seniority, first within their center and then within their building.

ARTICLE 16 LOSS OR DAMAGE

Section 1 - Loss of Merchandise

No driver or helper will be held responsible for loss of merchandise if the Company fails to notify the employee within thirty (30) days after receiving a shipper tracer.

Section 2 - Bad Check

No driver or helper will be held responsible for loss due to bad checks unless notified within ninety (90) days after accepting such check.

ARTICLE 17 GENERAL MANAGEMENT PROVISION

The management of the Company and the direction of the working forces, including the right to plan, direct and control the Company operations and to maintain and establish rules of operation and working practices, not inconsistent with the provisions of this Agreement shall be vested exclusively in the Company. It is agreed that the Company will give the Union thirty (30) working days' notice of any anticipated major change in the Company's methods of operation.

If any major change by the Company in methods of operation results in a substantial change in job content of any job classification provided in this Agreement or in the creation of a new classification or in substantial hardship to employees, the parties shall attempt to agree on a new wage rate for such job or jobs, or hardship corrections, and on failure to agree, an applicable wage rate or hardship correction shall be determined by arbitration in accordance with the provisions of Article 18 herein.

ARTICLE 18 GRIEVANCE AND ARBITRATION PROCEDURE

Section 1 - Grievance Procedure

Effective January 1, 2014, the following grievance and arbitration procedure will be implemented.

A grievance is hereby jointly defined to be any controversy, complaint, misunderstanding, **difference** or observance of any provisions of this Agreement.

It is mutually agreed that any difference arising between the Company and the Union or an employee of the Company as to the meaning, application, or observance of the provisions of this Agreement, such difference shall be settled in the following manner:

(a) The aggrieved employee or employees shall first take the grievance up with the shop steward who in turn will take the grievance up with the supervisor in charge. Employees shall have the shop steward present on any grievance. Grievances must be submitted to the supervisor within ten (10) **working** days after the occurrence of such grievance. If a satisfactory settlement is not effected with the supervisor within one (1) working day, the employee shall submit such grievance to the Union's representative in writing.

(b) If no satisfactory adjustment is agreed upon the matter shall, within ten (10) **working** days after step 1, be referred in writing by an Officer of the Union to the Division Manager of the Company or some

other Executive Officer of the Company with the authority to act, who shall review the alleged grievance and offer a decision in writing within two (2) working days after receipt of same.

(c) All grievances which cannot be adjusted between the parties may be submitted for a binding determination upon written notice of either party to the other within ten (10) working days of the failure to agree under paragraph b. above, to the UPS/Local 804 Panel. The UPS/Local 804 Panel shall establish a minimum of two (2) calendar days each month for Panel hearings except in December, on a yearly basis.

(d) The UPS/Local 804 Panel shall be composed of two (2) or three (3) United Parcel Service representatives and the same number of Local 804 approved representatives. The expense incurred by the UPS/Local 804 Panel shall be split equally by the parties.

(e) In order that the UPS/Local 804 Panel may operate effectively and efficiently, the parties agree that an individual will be mutually selected to be an administrator for the Panel. The Administrator shall not be involved in making the Panel decisions. The Administrator shall docket cases; prepare the docket; e-mail and mail a copy prior to the scheduled meeting to each member of the Committee; prepare and keep minutes of the hearings; and e-mail and mail copies of the minutes to all involved UPS and Local 804 representatives.

(f) A grievance to be heard by the UPS/Local 804 Panel must be put in writing and submitted to the Administrator not less than thirteen (13) days before the meeting of the UPS/Local 804 Panel. Failure to meet the thirteen (13) days deadline shall result in the case being docketed for the next Panel. The docket of cases to be heard at the UPS/Local 804 Panel will be prepared by the Administrator and distributed to the parties ten (10) days prior to the panel date. The decision of the panel hearing the case shall be final and binding on all parties.

(g) In discharge and suspension cases only, an impartial arbitrator shall hear the case with the UPS and the Local

804 Panel members and cast the deciding vote in the event of a deadlock. Deadlocked cases involving the interpretation of the UPS/Local 804 Supplement may be submitted to arbitration pursuant to Section 2 below. Deadlocked cases involving the interpretation or applicability of the National Master Agreement (NMA) shall be resolved in accordance with Article 8 of the NMA.

(h) Within fourteen (14) days of ratification, the parties may by mutual agreement agree upon four (4) arbitrators to serve as rotating impartial members of the Panel. Absent agreement, each party shall provide a list of fifteen (15) arbitrators' names by November 1 of each year. Each party shall alternatively strike from the two (2) lists until there are two (2) arbitrators left on each list.

Within seven (7) days from January 1 of each calendar year, either party may notify the other party of its intent to remove one (1) arbitrator from the Panel.

Upon notice of removal of an arbitrator from the Panel, the selection of a replacement shall be selected from a list of fifteen (15) arbitrators and each side shall have the opportunity to strike a name until one (1) remains.

All arbitrators shall be selected from the AAA Regional pool and shall be members of the National Academy of Arbitrators.

In the event of a cancellation by an arbitrator the parties agree to reschedule an existing arbitrator to the panel and if none are available an additional panel will be held the month immediately following the cancellation.

(i) The parties agree to develop final rules and procedures for the conduct of the UPS/Local 804 Panel hearings.

(j) Any procedure or process set forth in the rules and procedure may be altered by written mutual agreement between the parties.

(k) An arbitrator may also be removed from the panel at any time upon the mutual written agreement of the parties.

The selection of a replacement shall be in accordance with (h) above.

Section 2 - Arbitration Procedure

Any non-disciplinary grievance concerning the interpretation of the Local 804 Supplement which is deadlocked by the UPS/Local 804 Panel may be submitted for a binding determination upon written notice of either party to the other within twenty (20) working days of the issuance of the Panel decision as follows:

Except for grievances which concern the interpretation or application of the master contract provisions of this Agreement, the following grievance procedure shall apply:

(a) The matter or matters in dispute shall be submitted to an arbitrator who shall be selected in each case from a permanent panel of at least five (5) arbitrators approved in advance by the Union and the Company. Designation from this panel shall be handled by the American Arbitration Association. If the parties are unable to agree upon the selection of such arbitrators or their successors, any opening or openings on said panel shall be filled by designation of the American Arbitration Association. Moreover, if none of the arbitrators on the panel are available on a timely basis in a particular case, an arbitrator in such case shall also be designated by the American Arbitration Association.

Costs in connection with any arbitration shall be paid half by the Company and half by the Union.

The decisions by the arbitrator shall be final and binding upon the parties and shall be rendered within days in all cases.

(b) The parties agree that all time limits set forth in Section 2 hereto shall be strictly construed.

(c) In the event either the Union or the Company is of the opinion that a particular dispute or grievance is of such a nature as to require an immediate determination, either party may petition the arbitrator to order a waiver of the adjustment and arbitration provisions referred to above and institute an immediate arbitration of the dispute. Such requests shall be asserted by notice in writing given to the other party with a copy to be sent simultaneously to the American Arbitration Association.

(d) The American Arbitration Association shall designate an arbitrator who shall be immediately available to determine whether the dispute necessitates an immediate decision. In the event the arbitrator decides the dispute does not require immediate disposition, the matter shall be set down for hearing in the ordinary course on a timely basis.

(e) If the arbitrator determines that the dispute requires immediate disposition, the matter shall be submitted to arbitration within the appropriate time limits set forth by the arbitrator, and an award shall be issued on an expedited basis.

(f) The award of the arbitrator shall be in writing and may be issued with or without opinion. If any party desires an opinion, one shall be issued but its issuance shall not delay compliance with and enforcement of the award.

(g) The failure of any party to attend the arbitration hearing as scheduled and noticed by the American Arbitration Association, shall not delay said arbitration and the arbitrator is authorized to proceed to take evidence and issue an award as though such party were present.

(h) Calendar for Arbitrations:

The AAA shall schedule hearing dates **as needed** to be heard by arbitrators from the panel. These dates shall be scheduled by the American Arbitration Association.

(1) If a case or cases is not completed on the scheduled day, the parties will agree to the closest possible additional date to complete the case.

(2) Cases will be scheduled for arbitration on a first-in, first-out basis, based on the date the demand for arbitration was filed. Therefore, unless both parties agree to expedite a case, all cases will be scheduled in chronological order - the earliest case tried first.

(3) The parties agree that only under extraordinary circumstances will either side request a postponement of a case.

In no event shall any of the parties be permitted any more than one

postponement per case. An additional postponement may be granted if the parties mutually agree on said postponement.

(i) Monthly Docket and Schedule:

The AAA shall compile and maintain a monthly docket of all cases for which a written demand for Arbitration has been made.

The AAA shall place these cases on the docket in the order in which the arbitration demands were received.

The docket shall be closed at noon the ninth working day before the end of the month.

In the event a docketed case is settled or withdrawn more than nine (9) working days before it is scheduled to be heard, upon mutual agreement, the parties shall substitute the first remaining unscheduled case on the docket to be heard in its place.

(j) Arbitrator Availability

Arbitrators assigned to the panel shall be available to hold sessions between 10:00 a.m. and at least 5:30 p.m.

Section 3 - Examination of Records

The Local Union Business Agent or Shop Steward shall have the right to examine time sheets and any other records pertaining to the computation of compensation or fringe benefits of any employees whose pay is in dispute. Or records pertaining to a specific grievance. A copy of such records will be supplied if requested by the Business Agent.

Section 4 - No Strikes or Lockouts

(a) The Union agrees that it will not cause or permit its members to cause strikes of any kind, stoppages, or any other interference with any of the operations of the Company during the term of the Agreement, so long as the Company abides by the procedure prescribed for the settlement of disputes and differences and the decisions of the arbitrators as provided in this Agreement. The Company agrees that there shall be no lockout during the term of this Agreement, so long as the Union abides by the procedure prescribed for the settlement of disputes and differences and the decisions the arbitrator as provided in this Agreement.

(b) In the event of an alleged violation of this Section 5, either the Company or the Union shall have the right to waive the normal adjustment and arbitration provisions referred to in Article 18, Section 3, and submit, for immediate arbitration, the alleged violation of this section pursuant to the provisions of Section 3. Such dispute shall be submitted to arbitration within twenty-four (24) hours after receipt of notice by the American Arbitration Association and an award issued not later than twelve (12) hours after the conclusion of the hearing.

Section 5 - Illegal Strikes

It is further mutually agreed that the Local Union will, within two (2) weeks of the date of the signing of this Agreement, serve upon the Employer a written notice which notice will list the Union's authorized representatives who will deal with the Employer, make commitments for the Union generally and in particular have the sole authority to act for the Union in calling or instituting strikes or any stoppages of work in a case where a strike or stoppage is authorized under this Agreement, and the Union shall not be liable for any activities unless so authorized.

It is agreed that in all cases of unauthorized strikes, slowdown, walkout, or any unauthorized cessation of work in violation of this Agreement, the Union shall not be liable for damages resulting from any unauthorized action of its members. While the Union shall promptly undertake every reasonable means to induce said employees to return to their jobs during such period of unauthorized stoppage of work mentioned above, it is specifically understood and agreed that the Employer shall have the sole and complete right of discipline, including the sole and complete right to discharge any employee participating in any unauthorized strike, slowdown, walkout or any other cessation of work and such employee shall not be entitled to have any recourse to any other provision of this Agreement.

ARTICLE 19 STEWARDS

Section 1 - Union Designation of Stewards

The Company recognizes the right of the Union to designate

the necessary number of Shop Stewards needed to handle such Union affairs as may from time to time be delegated to him by the Union.

Section 2 - Strike Action

No Steward shall have the authority to call a strike, cause a slowdown or take any other action which would interrupt the Company's business, except as such action may be authorized by the Union. The Company recognizes this limitation upon the authority of the Steward.

Section 3 - Pay

Shop Stewards shall be paid by the Company for reasonable time spent in processing of grievances.

Section 4 - Grievance Handling

It is the policy of the Company and the Union that grievances be handled with the participation of the regular Steward. The Company agrees to cooperate with the Union in establishing procedures to assure that the regular Steward is available for the processing of grievances. The Union agrees that such procedures shall not hamper the Company's operation. The Company shall, in the absence of the regular Steward, recognize an alternate Steward designated by the Union.

Section 5 - Super Seniority

Stop Stewards shall have super seniority in their classification within their center or hub as permitted by law.

ARTICLE 20 FUNERAL LEAVE

Section 1 - Pay

In case of death occurring in the immediate family of a seniority employee pay for time lost due to observance will be approved by the Company up a maximum of four (4) days.

The amount of pay shall be the equivalent of eight (8) hours straight-time pay per day for full-time seniority employees and four

(4) hours straight time pay for part-time seniority employees.

Maximum payment will not be paid when it results in increased pay for the week, as for example, if death occurs over a weekend, holiday or scheduled day off, the elapsed days immediately following death shall be regarded as the days for which pay may be considered but only up to and including the date of funeral or burial service.

Section 2 - Immediate Family

"Immediate Family" is interpreted to mean spouse, child, father, mother, brother, sister, grandparents, mother-in-law and father-in-law.

ARTICLE 21 MILITARY CLAUSE

Upon confirmation of entrance into the armed services, a seniority employee will be granted the next annual vacation pay to which he/she would have been entitled had he/she not entered the service, together with any earned vacation not yet taken.

ARTICLE 22 PORTER/CAR WASHER JOBS TO BE RESERVED

The Company and the Union agree to reserve porter and car-washer jobs for long service employees engaged in more strenuous work. The Union and the Company mutually agree that these jobs will be assigned to worthy cases on the basis of seniority and bona fide need as determined by a joint Union and Company committee.

Employees who are assigned to said jobs shall be dovetailed for all purposes on the Porter or Car Washer seniority list.

When a permanent vacancy occurs within their classification and building, Porters and Car Washers shall bid on open job assignments by seniority.

Porters and Car-washers shall not be required to maintain their CDL license, providing the law does not require it.

The Company shall have the right to subcontract porters and car washers

work as per past practice provided, however, such subcontracting does not result in the layoff of any Porter or Car Washer. (See National Contract Article 32).

ARTICLE 23 EXAMINATION AND MEDICAL ARRANGEMENTS

Section 1 - Physical Examination Policy

In accordance with Workers' Compensation Laws of the State of New York and New Jersey the following shall be the Company policy with respect to physical examinations.

(a) At the discretion of the Medical Director, employees out on compensation injuries may be requested to visit the Medical Department for examination. If unable to travel, arrangements will be made for visits to his/her home by a staff doctor.

(b) Arrangements for examination of injured employees who have since returned to work will be made at the discretion of the Medical Department where deemed necessary as follows:

1. Employees will be asked voluntarily to visit the Medical Department at a convenient time for proper examination, or,

2. If unable or unwilling to visit Medical Department, arrangement will be made for examination locally by a staff doctor of the Company's choosing either at the employee's home, place of business, the Company doctor's office, or in his/her home doctor's office.

3. Appointments to visit specialists or other doctors will be made by the Medical Department or insurance carrier at the convenience of the employee and doctor concerned without regard to day off schedule.

Section 2 - Doctors Reports

When a medical leave of absence is requested, the Company may request appropriate medical evidence. This will usually be satisfied by the submission by an employee of his/her personal doctors report. The Company may, however, have the employee examined by the Company doctor. If the Company doctor does not agree with the report rendered by the employee's personal doctor, the two doctors involved will select an impartial third doctor to render a report. If the two doctors cannot agree upon the selection of a third doctor, the Union and the Company shall select the third doctor either through the Arbitrator or by request to the New York County Medical Society.

Section 3 - Return to Work Procedure

(a) An employee who seeks to return to work after a medical leave of absence (including a leave of absence covered by Workers Compensation) or after an absence caused by a chronic or recurrent condition may be required by the Company to submit a doctor's report. The Company may also require the employee to submit to an examination by the Company doctor. If the Company doctor and the employee's personal doctor do not agree, the procedure set forth in the preceding paragraph regarding the utilization of an impartial third doctor shall be followed. If the third party doctor agrees with the employee's doctor the Company will be liable for lost wages from the date the employee's doctor authorized him to report to work.

(b) When the Company, pursuant to this Article requires an employee whose residence (town or city) is more than 25 miles from the designated medical facility, to submit to an examination by the Company doctor at the designated facility (except in compensation cases), the employee shall be paid three (3) hours straight-time wages for each visit to the Medical Facility.

(c) The Employer shall not pay for any time spent in the case of applicants for jobs, and shall be responsible to other employees for only time spent at the place of the examination or examinations, where the time spent by the employee exceeds two (2) and in that case, only for those hours in excess of said two (2) on that day.

ARTICLE 24 OPERATING CENTERS

Employees who are employed in operating centers where they are required to sort, sheet, load and deliver common carrier and retail merchandise shall be assigned on a delivery dispatch that will include allowance for sorting, sheeting, and loading.

ARTICLE 25 MAINTENANCE OF STANDARDS

The employer agrees that all conditions of employment relating to wages, hours or work, overtime differential, and general working conditions, as negotiated or agreed upon, shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement except as specifically provided in this Agreement, and the conditions of employment shall be improved wherever specific provisions for improvements are made elsewhere in this Agreement.

It is agreed that the provisions of this section shall not apply to inadvertent or bona fide errors made by the Employer or by the Union in applying the terms and conditions of this Agreement.

ARTICLE 26 UNION COOPERATION

The Union agrees that it recognizes it is in the best interests of both parties for it to encourage its members, individually and collectively, to perform loyal and efficient work and will use all reasonable efforts to that end. The Company will not request or require from any employees any more than a reasonable performance.

ARTICLE 27 TRACTOR-TRAILER DRIVER VACANCIES AND TRAINING

Section 1 - Vacancies

In the event tractor trailer driver vacancies cannot be filled from Central, the Company will offer such jobs to employees, who in the judgment of the Company are qualified. Any employee who is on the tractor trailer transfer list and attends the Tractor Trailer School and passes the tractor-trailer road test, must accept the feeder assignment when it is offered and must remain in the tractor trailer classification for a minimum of one hundred eighty (180) days. After one hundred eighty (180) days said employee may ask to return to his/her original classification. Said request will be honored. Said request for transfer must be made prior to the completion of the employee's 4th month and returned upon completion of one hundred eighty (180) days. Any employees who return to their original classification will not be allowed to return to the tractor trailer driver classification until they are recalled on the tractor-trailer list. The tractor trailer driver transfer list will be established and maintained by Local 804 and provided to the Company when changes are made or when requested.

Section 2 - Training

Employees who are interested in qualifying as tractor trailer drivers shall so notify the Company by use of intention notice. Copies of intention notices will be supplied to Local 804 upon request. Such employees, in seniority order, will be permitted to attend, on their own time, the Company training program which may be established from time to time as the need occurs. Employees will be allowed to use vacation, sick days, optional paid holidays or request no pay to attend the tractor-trailer training school. The Company agrees to furnish the necessary equipment and instructors. A good driving record is a prerequisite to such training. New tractor trailer drivers may be trained in any district. When training has been completed, drivers will be assigned to a district by seniority after successfully completing the training requirements.

Section 3 - Disputes Over Vacancies and Training

Any dispute involving the application of this provision shall be submitted to a representative of the Union and the Company for mutual agreement.

ARTICLE 28 POLYGRAPH, TACHOGRAPH, STANDARDS OF APPEARANCE, UNIFORMS

Section 1 - Polygraph

Employees shall not be required at any time to take a polygraph or other form of lie detector test.

Section 2 - Tachograph

Tachographs will not be used for the purpose of checking drivers' time schedules.

Section 3 - Standards of Appearance

The employee shall comply with the current standards of personal appearance regulations posted by the Company, and with such reasonable amendments as shall be adopted by the Company. A Joint Committee, consisting of two (2) representatives of the Company and two (2) representatives of the Union, shall be convened periodically for the purpose of reviewing and, where indicated, recommending changes in rules or policies relating to standards of appearance.

In the event of a bona fide doubt as to whether an employee has complied with the Company's standards on personal appearance, the matter shall be referred to the committee for a recommendation before action is taken, provided the committee can be convened and can make a joint recommendation within thirty-six (36) hours.

Section 4 - Uniforms and Personal Appearance

The Employer agrees that if any employee is required to wear any kind of uniform as a condition of his/her continued employment, such uniform shall be furnished and maintained by the Employer, free of charge, at the standard required by the Employer.

The Employer will provide shirts with a maximum of ten (10) shirts allowable each year (5 winter and 5 summer), on the basis of one (1) new shirt for each worn shirt turned in. These shirts will be maintained by the employee.

The uniform and UPS shirts will be worn at all times while on duty and at the standard determined by the Employer. Employees shall not wear any article of clothing determined to be incompatible with the uniform standards established by the Employer.

It is agreed that employees must strictly comply with the Employer's regulations concerning personal grooming and appearance and the wearing of uniforms and accessories.

ARTICLE 29 COMPENSATION CLAIMS, T.A.W.

Section 1 - Compensation Notification

The Union will be notified before any reduction of weekly compensation is imposed.

Section 2 - Reimbursement

The Company shall reimburse employees four (4) hours for attending hearings at the Workers' compensation Board when such hearings result from normal notice of hearing at which the employee is directed to be present. Evidence of such notice must be submitted by the employee to the Company at least twenty-four (24) hours in advance of request for time off. The Company will not reimburse employees for attendance at hearings which result from employee's application for consideration of appeal.

Section 3 - Report to Work After Compensation Hearing

Past practice shall govern the employee's obligation to report for work on the day of the compensation hearing.

ARTICLE 30 PAID-FOR TIME AND PAY PROCEDURE

All regular employees covered by this Agreement shall be paid in full each week. Not more than one (1) week's pay shall be held on an employee. Each employee shall be provided with a statement of total hours and gross earnings and an itemized statement of all deductions for any purpose. Payroll checks shall be in sealed envelopes.

ARTICLE 31 TIME RECORD

A daily time record shall be maintained by the Employer for all of his/her employees. Each employee shall "punch in" his/her own time card or badge at the start of the day, and "punch out" his/her own time card or badge at the completion of the day's work at the Employer's place of business.

ARTICLE 32 LOCKERS, UNIFORMS

The Employer shall provide lockers and the basic uniform shall be kept in the locker. Employees shall change into uniforms on the Company premises before reporting for duty and change out of uniforms after being relieved from duty each day.

ARTICLE 33 ON-JOB SUPERVISION

On-job supervision of employees shall not be used for purpose of harassing employees.

ARTICLE 34 BREAKDOWNS 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 his/her center), the employee shall be paid for all time up to the time at which he/she arrives at a place of lodging, with overtime payments, if appropriate. Once he/she has arrived at a place of lodging, the employee shall be considered to be relieved from duty and he/she shall remain off duty until his/her regular starting time the next day or until called to duty, whichever occurs sooner. If more than one (1) day elapses before the employee is called to duty, he/she shall be paid not less than his/her daily minimum guarantee each twenty-four (24) hour period, such period to be measured from the employee's regular starting time each day until he/she returns to his/her center or home. In addition, such an employee shall be furnished clean, comfortable, sanitary lodgings, plus meals. The meal allowance shall be ten dollars (\$10.00) for breakfast, fifteen dollars (\$15.00) for lunch, and twenty dollars (\$20.00) for supper.

ARTICLE 35 PIGGYBACKING

No first day deliveries will be piggybacked. Except in case of imbalance no present tractor trailer run will be piggybacked unless a comparable tractor trailer run has been added by the Company. When new tractor trailer runs are established the Company shall designate such runs as replacements for runs which are to be piggybacked. Such runs shall be put up for bid pursuant to the seniority provisions of the contract. No present tractor trailer driver will lose tractor trailer driver's work and no present tractor trailer driver will lose tractor trailer driver's work due to piggybacking. "Present," as used in this section, shall refer to the 91 tractor trailer runs in effect the month of April 1971.

ARTICLE 36 COMPLETE AGREEMENT

The Parties agree that this contract is the sole and complete agreement between them and that any other previous understandings or agreements, oral or written, inconsistent with the provisions of this Agreement are superseded and are of no effect during the terms of this Agreement.

The Parties hereto expressly agree that during the lifetime of this Agreement there shall be no demands for collective bargaining negotiations as to any matter or issue not covered by the provisions of this Agreement, or for the negotiation of any of the provisions of this Agreement, except as elsewhere provided in this Agreement.

ARTICLE 37 DURATION

Section 1 - Duration

This Agreement shall be in full force and effect from August 1, 2013 to and including July 31, 2018 and shall continue from year to year thereafter unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.

Section 2 - Notice of Negotiation of Changes

Where no such cancellation or termination notice is served and the parties desire to continue said Agreement but also desire to negotiate changes or revisions in this Agreement, either party may serve upon the other a notice at least sixty (60) days prior to July 31, 2013 or July 31st of any subsequent contract year, advising that such party desires to revise or change terms or conditions of such Agreement.

Section 3 - Revisions

Revisions agreed upon or ordered shall be effective as of **August 1, 2013** or August 1st of any subsequent contract year, unless otherwise specifically provided. The Employer or the National Negotiating Committee shall be permitted all legal or economic recourse to support their requests for revisions if the parties fail to agree therein.

Section 4 - Failure to Give Notice

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

It has been agreed to by the Parties that the attached agreed upon changes are not intended to change the meaning or interpretation of any references to feeder driver in all articles of the Local 804/UPS Supplement. Proposal: The parties agree to changes the words "feeder driver" or "central driver" to "tractor trailer driver" wherever feeder driver or central driver is stated in the Local 804/UPS Supplement Agreement.

Letter of Agreement

Teamsters Local 804 and United Parcel Service, Inc. ("UPS") agree the following will become effective upon the ratification of the new National Master Agreement (NMA) and Local 804 Supplement:

UPS agrees to create one hundred (100) additional Article 22.3 full-time jobs to bring the total number of 22.3 jobs to five hundred and sixty (560) before August 1, 2014. Such jobs shall thereafter be governed in all respects by the rules of Articles 22.3 and 41.3 of the NMA.

Letter of Agreement

Teamsters Local 804 (Union) and United Parcel Service Inc. (UPS) agree to the following as a replacement for the Letter of Agreement on December 3, 2007.

Upon ratification of the Teamsters Local 804 Supplement,

UPS will pay in a lump sum by December 31st of 2013 and each subsequent December 31st, an amount equal to one dollar and seventy-five cents (\$1.75) times the total number of straight-time hours for each employee, as current practice, in the Teamsters Local 804/447 Pension Plan.

The additional fifteen minutes after eight and one-half (8 ¹/₂) hours referenced in the Article 5, Section 1(b) of the Local 804 Supplement will be restored to all eligible full-time employees not then receiving it after the date the Local 804 IBT and Local 447 IAM-UPS Multi-Employer Retirement Plan is no longer in the "endangered status" (as defined in the ERISA Section 305(b)(1)) or in "critical status" (as defined in ERISA Section 305(b)(2)).

The allocation of the one dollar (\$1.00) increase provided in Article 34, Section (a)(1) of the National Master Agreement (NMA) shall be as follows:

For years August 1, 2013 through August 1, 2016, the allocation shall be forty-eight cents (\$0.48) to pension; and thirty-seven cents (\$0.37) for Health &Welfare;

For the August 2017 increase the allocation shall be fifty-two cents (0.52) for pension and thirty-three cents (0.33) to Health &Welfare; and

On each August 1 of the contract, fifteen cents (\$0.15) of the available one dollar (\$1.00) shall be retained by the Company to be applied towards the costs of paragraph 1) above.

LOCAL 804 I.B.T. AND LOCAL 447 I.A.M. UPS MULTI-EMPLOYER RETIREMENT PLAN

WHEREAS, the Board of Trustees (the "Board ") of the Local 804 I.B.T. and Local 447 I.A.M. –UPS Multiemployer Retirement Plan (the "Fund" or the "Plan") maintains the Plan; and

WHEREAS, the Local 804 Union (the "Union ") and United Parcel Service, Inc. (the "Company ") have negotiated a supplemental agreement ("Supplemental Agreement ") to the National Master United Parcel Service Agreement ("Master Agreement ") for the period August 1, 2013 and ending July 31, 2018; and

WHEREAS, the Supplemental Agreement requires certain allocations to be made to the Plan from contributions that the Company is required to make under the Master Agreement; and

WHEREAS, the Trustees have agreed to opt out of funding relief for the 2012 Plan Year in order to adopt the benefit improvements described below, if the New Agreement is ratified;

WHEREAS, upon ratification of the Supplemental Agreement, the trustees will implement the following improvements to the monthly Service Pension amount provided under the Plan.

NOW, THEREFORE, be it RESOLVED as follows:

RESOLVED, that, in consideration of the foregoing premises, effective as of the dates indicated herein and conditioned upon and only effective after ratification of the Master Agreement and the Supplemental Agreement:

Effective January 1, 2014, for Participants who retire on or after that date, the monthly service pension amount under the Plan will be enhanced as follows:

Number of Years	Existing Monthly Pension Amount	Enhanced Monthly Pension Amount
of Service		
25	\$3,100	\$3,400
26	\$3,200	\$3,500
27	\$3,300	\$3,600
28	\$3,400	\$3,700
29	\$3,500	\$3,800
30	\$3,600	\$3,900

b. Additionally, the maximum monthly service pension for participants who are at least age 55 with 25 years of service shall also increase to \$3,900.

Notwithstanding the above, the accrual rate for the Regular Pension shall remain as provided for under the terms of the Plan's current summary plan description.

2. Effective August 1, 2017, for Participants who retire on or after that date, the Service Pension under the Plan will be enhanced as follows:

a.

Number of Years of Service	Existing Monthly Pension Amount	Enhanced Monthly Pension Amount
25	\$3,400	\$3,500
26	\$3,500	\$3,600
27	\$3,600	\$3,700
28	\$3,700	\$3,800
29	\$3,800	\$3,900
30	\$3,900	\$4,000

b. Additionally, the maximum monthly service pension for participants who are at least age 55 with 25 years of service shall also increase to \$4,000.

Notwithstanding the above, the accrual rate for the Regular Pension shall remain as provided for under the terms of the Plan's current summary plan description.

MEMORANDUM OF UNDERSTANDING UPS AND LOCAL 804

This serves to memorialize the understanding that during peak season, feeder drivers in the jurisdiction of Local 804 will maintain or exceed the normal work hours that they have worked during the course of the year. This agreement does not limit the Company's rights under Article 26 of the National Master Agreement or Article 14 of the Local 804 supplement during peak season, nor does it guarantee a minimum or maximum number of hours for Local 804 feeder drivers in excess of the normal hours worked during the course of the year.

RULES OF PROCEDURE LOCAL 804/UPS GRIEVANCE PANEL

ARTICLE I PREAMBLE

It is understood that the purpose of the following Rules of Procedure is to implement the provisions set forth in the grievance procedure of the Teamsters Local 804/UPS agreement (hereinafter referred to as the "Agreement") and that nothing contained herein shall in any way be deemed to alter or amend the procedures set forth in the Agreement.

The Local Union party to the Agreement hereby recognize UPS, its heirs, successors, and assigns, as the party to the Agreement for the purposes of administering the Grievance Procedure Article of the Agreement.

ARTICLE II

Section 1. Local 804/UPS Grievance Panel

The Local 804 / UPS Grievance Panel, hereinafter referred to as the Panel, shall be charged with the responsibility of establishing and implementing the required machinery for performing the functions required under the Teamsters UPS Agreement.

Section 2. Panel Membership

The Local 804/ UPS Grievance Panel shall have jurisdiction over all Teamster represented UPS facilities within Local 804's jurisdiction. The Panel shall be composed of members or alternates representing the Union and members or alternates representing the Employer and the arbitrator. Any member of the Panel so designated by the Union or Employer who may die, resign, become incapacitated, or be removed may be replaced. Panel members, other than the arbitrator must be full time employees of the Union or the Employer.

(a) The Co-Chair for the Union will be the Principal Officer

of the Union, or his or her authorized alternate(s).

(b) The Co-Chair for the Employer will be UPS East Region Labor Manager, or his or her authorized alternate(s).

(c) The Co-Chairs will, after each Panel meeting, be responsible for preparing a written decision and any interpretation of each case heard by the Panel. Once finalized, the Administrator will forward copies of the same to the Co-Chairs of the Panel.

ARTICLE III PANEL MEETINGS

Section 1. Time and Place

The Panel shall meet at least two (2) days every month except December unless otherwise agreed to by the Co-Chairs. The meetings shall be at such time and place as designed by the Co-Chairs. After the Panel members have been notified of the time and place of the Panel meeting, said meeting can be changed only upon agreement by the CO-Chairs and upon proper notification to all Panel members, the Local Union and the Employer and arbitrator.

Section 2. Agenda

Local 804 and the Employer having cases docketed to be heard shall receive notice of all Panel meetings. The docket of cases to be heard at such Panel meetings will be prepared by the Administrator at least thirteen (13) days in advance of the date of each meeting and a copy of such docket mailed to all parties at least ten (10) days prior to the Panel meeting. Once the docket has been prepared by the Administrator and mailed out to all interested parties, and sent electronically via e-mail at the same time, additional cases only can be added to the docket for that meeting by mutual agreement of the Employer and Local 804.

Section 3. Notice to Employee

A discharged employee, or an employee directly involved in a

grievance of continuing liability, shall be notified by the Union, in writing, within a reasonable time prior to the Panel hearing, preferably seven (7) days, of the time and place of the grievance meeting. A copy of the notification shall be made available to the Panel upon request.

Section 4. Warning Letters

The merits of a warning letter will not be heard unless such warning letter is on file as being protested and the party is later suspended and/or discharged as a result of such warning letter. Such protested warning letter will be heard in accordance with ARTICLE V – HEARING PROCEDURES (Below.)

ARTICLE IV PROCEDURE ON DOCKETING GRIEVANCES

Section 1. Docketing of Grievances

The grievance to be docketed shall be reduced to writing by either party on a form approved by the Panel and copies of same shall be filed with the Co-Chair for the Union, the Co-Chair for the Employer and the party against whom the grievance is filed. All copies of such grievance forms shall be filed on the same day either by personal delivery or by certified U.S. Mail, postage prepaid UPS Next day air signature required or approved electronic submission.

Section 2. Selection of Panel

The position of Acting Chairman for each Panel session will be alternately appointed by the respective Co-Chair of the Union and Company.

The Co-Chair for the Union and the Co-Chair for the Employer shall be permanent members of the Panel. Panel members assigned to hear cases will be selected as outlined in Article 18 Section 1 (d). Panel members will be identified for the record, prior to the presentation of a case.

Section 3. Submission Form

A uniform Joint Submission Form setting forth an agreement to submit the grievance to the Panel for a final and binding decision without further recourse to any other tribunal, except as might otherwise be permitted by law, shall be signed by the parties involved and submitted to the Co-Chairs prior to the grievance being heard.

ARTICLE V HEARING PROCEDURES

Section 1. Recording of Proceedings

There shall be no voice or video recording of the procedures except for those required and approved by the Panel. All participants shall be notified if there will be a voice or video recording.

Section 2. Postponement of Cases

Neither party shall be entitled to more than one postponement on any given case and there shall be no more than (2) postponements for any reason on any given case, except in the case of proven medical emergency which must be approved by the Union and Company Co-chairpersons. Notice of request for a postponement shall be given to both Co-Chairs and the opposing party by the fastest possible method of communication upon knowledge of such postponement, preferably within forty-eight (48) hours. Neither party will be allowed to postpone a case after the case is called.

Section 3. Order of Cases

All docketed cases will be heard in the following order: discharges, suspensions, followed by regular (non-discipline and contract interpretation) cases. Any carry-over cases will be heard prior to newly docketed cases regardless of grievant(s) presence. In the event that a grievant is present to testify, those cases will be heard first within their respective category. The Company and Union Co-Chairmen may agree to hear any particular case out of its regular order on the docket.

Section 4. Failure to Appear

If a party to a docketed case scheduled for hearing fails to appear at the time the case is called, without an authorized postponement, the case shall be placed at the end of the agenda for that day and if the party fails to appear when the case is called up later in the day, then the Panel shall receive all evidence presented by the appearing party, and a decision shall be rendered thereon; excepting, however, that in any such case, the Co-Chairman of the group whose party fails to appear may appoint a member of the Committee not sitting on the Panel to present such evidence as may be available.

The Panel shall consider all evidence presented and render its decision thereon.

If both parties fail to appear when a case is scheduled, the case shall be re-docketed for the next meeting of the Panel. If neither party appears at such next meeting, the case shall be withdrawn.

Section 5. Hearings

In Discharge or Suspension cases the Employer shall present its evidence and arguments first (1st) and in regular (non-discipline and contract interpretation) cases the moving party shall present its evidence and arguments first (1st).

Arguments on the facts or the merits of the case shall only be argued by a full -time representative of the Employer or the Union.

Neither party shall be allowed to have attorneys participate in hearings.

In the hearing of a case either party may present any evidence bearing on the facts of the particular case and may present testimony of witnesses either in person or by notarized statements or by statements on letterhead. During the hearing, only Panel members, the Co-Chairs, the Arbitrator and the parties presenting the case shall be allowed to sit in the immediate area where the hearing is being conducted. Other members of the Committee shall be allowed to be present, but shall not intermingle with the group designated above and shall not participate in the presentation, the discussion or the questioning. After each party has presented its case, the Panel, in executive session, shall then render its decision. When the Panel goes into executive session in order to decide the case, all others must retire from the room.

Each party will submit a written statement of all facts involved in each case at the time of the hearing. If such written statement is not submitted to the Panel at the time of the hearing, the case will not be heard. All evidence must be presented during the original presentation. After both parties have presented their case, there shall be a short period of rebuttal for each party. Rebuttal by either party must relate directly to factual evidence and arguments presented by the other party. During the rebuttal no new evidence will be allowed unless it relates directly to the evidence or testimony of the other party. During the rebuttal period, the presiding Chairman may call for an executive session if, in his opinion, the testimony or new evidence does not relate to testimony or evidence presented by the other party.

Arguments on the case can be cut off, upon mutual agreement of the Co-Chairs, by the presiding Chairman after all factual information has been presented or either party becomes repetitious. Following the rebuttal period, questions may be asked of both parties only by members of the Panel or the Arbitrator. No arguments between the opposing parties will be allowed. The presiding Chairman is responsible for limiting repetitious questions, statements or comments.

Cross-examination shall only come through, or by, Panel members.

After each party has presented its case, the Panel will go into an executive session. When the Panel goes into executive session in order to decide the case, all others must retire from the room. The Panel shall then render its decision immediately following the executive session.

The Panel will go into executive session and render a decision after each case has been presented. Only the decision will be recorded on the joint submission form. It will be signed and dated by the two co-chairpersons presiding over the case. The Panel will mail the decision in each case, or recall the parties for an announcement of the decision. In cases involving a discharge of continuing liability, the panel will promptly notify the Employer and the Local Union of the decision.

Section 6. Rules for Conduct of Hearings

The Panel may from time to time adopt such supplemental rules as are deemed necessary for the orderly conduct of hearings. Such supplemental rules may be adopted or changed by written mutual agreement of the Co- Chairs of the Panel.

Section 7. Contract Interpretation

In such cases where interpretation of the Agreement is needed the Co-Chairs may be called during executive session to give clarification.

Section 8. Financing of the Panel

The parties shall jointly be responsible for the costs of conducting the Panel. This shall include any costs for the meeting room(s); refreshments and the impartial arbitrator. Each party shall be responsible for costs associated with attendance of its representatives or any necessary witnesses. Each party shall pay a reasonable assessment at the beginning of the calendar year to cover the joint costs.

ARTICLE VI IMPARTIAL ARBITRATOR

On discharge and suspension cases only, an impartial arbitrator will sit as a fifth (5th) or seventh (7th) Panel member and shall render a bench decision on all deadlocked cases. The Co-Chairs shall choose a panel of four arbitrators, one of whom shall be present at each Committee meeting. However, the present arbitrator(s) who is being replaced will remain as a fifth (5th) or seventh (7th) panel member until a replacement is designated by the Co Chairs. IN WITNESS HEREOF the parties hereto have set their hands and seals this 19 day of December, 2007, to be effective upon ratification, except as to those areas where it has been otherwise agreed between the parties:

IN WITNESS HEREOF the undersigned do duly execute the national master united parcel service agreement and Supplemental Agreements, Riders and/or Addenda. For Local 804, IBT For United Parcel Service

/S/_____/S/_____

MEMBER'S RIGHT TO UNION REPRESENTATION

Your Stewards work hard to prevent management officials from intimidating you. This is especially important when supervisors conduct closed-door meetings to try to get employees to admit wrongdoing.

The right to have a steward or other union representative present in such meetings was established by the U.S. Supreme Court in a case known as Weingarten.

According to the Supreme Court, a member is entitled to have a Union representative present when a supervisor asks for information, which could be used as a basis for discipline.

Speak up! The members must ask for Union representation before or during the interview. Management has no obligation to tell you about your rights.

It's important to know that:

"If you are ever called in by management and asked questions you think might lead to discipline, you have a legal right to request your union steward or other union representative be present."

Once a member asks for a Union representative to be present, any attempt by management to continue to ask questions is illegal until the steward arrives.

Your Responsibilities

BECAUSE YOU ARE A UNION MEMBER YOU HAVE MANY ADVANTAGES AND PRIVILEGES. HOWEVER, EVERY INDIVIDUAL KNOWS THAT PRIVILEGES MEAN RESPONSIBILITIES.

YOUR DUTIES TO YOUR UNION ARE AS FOLLOWS:

• PRACTICE AS WELL AS PREACH UNIONISM.

• YOUR DEMANDS SHOULD BE FAIR.

• JUDGE YOUR FELLOW WORKER BY HIS/HER ACTIONS NOT BY HIS /HER COLOR, CREED OR RELIGION.

• COOPERATE WITH YOUR UNION REPRESENTATIVES BY GIVING THEM ALL THE FACTS CONCERNING A GRIEVANCE.

• SUPPORT YOUR LEADERSHIP BY NEVER DOING ANYTHING THAT WILL LOSE RESPECT FOR YOUR UNION.

WE CANNOT EXPECT COOPERATION FROM MANAGEMENT UNLESS WE OURSELVES ARE UNIFIED, AND ALL ARE WILLING TO DO OUR FAIR SHARE.

> HELP WILLINGLY WHEN CALLED UPON

IN UNITY THERE IS STRENGTH