UPS Local 177

Drivers Supplemental Tentative Agreement

For the Period Beginning <u>Upon Ratification</u> through July 31, <u>2013</u> covering:

The parties reserve the right to correct inadvertent errors and omissions.

Where no reference is made to a specific Article or Section thereof, such Article and Section are to continue as in the current Master Agreement, as applied and interpreted during the life of such Agreement. Additions and new language are **bold and underlined**.

Article 39. Wages and Hours

Section 3 – Tractor Drivers Change to read:

TRACTOR DRIVERS:

Tractor Drivers pulling doubles any combination of equipment, i.e. double trailers, single trailer with a dolly, or a dolly will be paid seventy cents (.70) eighty five cents (\$.85)-per hour over the prevailing tractor driver rate for all hours worked.

Tractor Drivers pulling double 40's will be paid seventy-five cents (.75) per hour over the prevailing tractor driver rate for all hours worked.

Tractor Drivers pulling triples will be paid eighty cents (.80) over the prevailing tractor driver rate for all hours worked.

Tractor Drivers who pull double or triple trailers a minimum of one hundred (100) days during the twelve (12) months immediately preceding their scheduled vacation shall receive the appropriate rate of pay for their vacation.

Add New Language:

Tractor Drivers who bid jobs that are scheduled to pull doubles, or triples and who because of the operating needs of the Company have those doubles or triples removed from their jobs will have the option to stay with that job or elect to become a spare driver. Should the doubles return to the vacated job within 30 days the driver who vacated the job will have the right to return to that job.

Article 39-Section 3

Helpers:

The starting rate for <u>full time year round</u> helpers shall be 50% of the prevailing package driver rate. After attaining seniority, a 10% increase will be added one (1) year from their employment date. An additional 5% will be added two (2) years from their employment date. <u>Full time year round helpers shall receive the general wage increases as is outlined in Article 41, Section 1 of the UPS-National Master Agreement.</u>

There will be a 15% cap applied for helpers in each building. This cap will not be applied between October 15 and December 25 30.

The starting rate shall not apply to such helpers.

Peak season helpers hired between October 15 and December 30 shall receive the all other rate per hour for all hours worked as is outlined in Article 22 Section 5 of the UPS – National Master Agreement.

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

If no non-seniority package drivers are working in his or her building, the laid off employee may displace the junior helper working in his or her Center and shall be compensated at the laid off employees' prevailing rate of pay.

If no helpers are working in his or her Center, he or she may displace the most junior helper in the building and will be paid at the helper's rate of pay.

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Employees hired or transferred into the helper classification may request a transfer to another classification after one (1) year.

Full time helpers who were previous part time employees, who successfully transfer into full time package driving jobs, will receive top rate of the full time package driver classification.

Persons hired as helpers, who successfully transfer to full time package driving jobs, will receive the appropriate rate of pay based on their years of service.

Article 40- Hours of Work and Overtime

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 a Labor Management Committee. the grievance procedure.
- (b) Day off people will be called in seniority order in the center where the need occurs. Then, all people living within a reasonable distance (one hour ride) to any center other than their own and interested in working on their day off, will submit their names and telephone numbers to the Shop Steward and the Center Manager. The Manager then will make a list of these people, in seniority order, and exhaust this list before using a Supervisor.

Add new

- (c) In the event of a supervisor working grievance having been paid and in the event of subsequent violations of the same identified supervisor performing bargaining unit work, the following steps will be applied:
 - 1) For the second violation the Division Manager and District Labor Relations Manager will be notified and the affected employee will be paid two (2) hours or the actual hours worked, whichever is greater at double time the affected employee's rate of pay.
 - 2) For a third violation the matter will be taken up with the Region Labor Relations Manager and the Local Union. The affected employee will be paid four (4) hours or the actual hours worked whichever is greater at double time the employee's rate of pay.

Article 42 - Meal Period

Section 1

Add New Language:

(f) Mileage drivers may elect to forego their lunch period provided there is no delay at their turn around. Drivers electing not to take their lunch must notify the appropriate management person.

Article 44 - Grievance and Arbitration

Section 2

Add new language:

Any grievance settlement not paid within ten (10) working days of the settlement shall entitle the grievant(s) to a penalty payment. Such penalty payment will be equal to one half (1/2) of his/her daily guarantee at his/her regular hourly rate. The ten (10) working day period shall begin to run when the Labor Department representative agrees to the settlement, or is notified by the Union or management team of the settlement. The Union will notify the Company of a grievant settlement with an agreed to standardized form. The Employer shall pay a maximum of one penalty payment for a multi-grievant grievance.

Article 45 – Seniority

SECTION 1 - ACQUISITION OF SENIORITY

- (b) There shall be a free period beginning October 15th and ending December 25th 30th in each year, during which no employee can qualify for seniority.
- (c) An employee who has been hired prior to October 15th and retained after December 25th 30th or recalled within sixty (60) days after December 25th 30th will retain credit for the number of days worked prior to October 15th. Those days retained will count towards the thirty (30) days worked in a sixty (60) consecutive day period commencing with the first day worked after December 25th 30th.
- (d) If an employee is hired as a summer replacement worker and works the period between May 1 and September 30 and in addition works the free period from October 15 thru December 30th the following shall apply: Employees who have worked these two consecutive free periods and are recalled prior to April 1st will gain seniority. Those employees who are hired after April 1st shall be considered a newly hired employee. Such employees cannot be hired a second time as a vacation replacement worker or work in second free period.

Any employee gaining seniority under the above provision

shall have a seniority date identical to his or her first day worked excluding any time spent in orientation.

Section 3 – (c) Trailer Driver

Change to read:

3. In the event the starting time of a feeder run is changed two (2) hours or more than one (1) hour, the driver may stay with the run or elect to become a spare driver.

Section 3-(c) Trailer Driver

Add Language:

10. The Company, whenever possible, will adhere to the drivers scheduled bid.

Article 46 - Report Pay

SECTION 3

For the purposes of other assignments, the following areas are applicable:

- 1. Lakewood, Tinton Falls, Trenton
- 2. Edison, Staten Island, Gould Avenue, Meadowlands
- 3 Parsippany, Bound Brook, Mt. Olive
- 4. Chester, New Windsor
- 5. Saddle Brook, Spring Valley

When accepting such assignments the Company agrees to provide transportation and/or reimburse an employee for all travel time and expenses incurred to and from locations. In those instances where one's residence is in close proximity to the reporting area the employee shall have the option of reporting to his/her home center or the center of the assignment. The option of where to report is solely the choice of the affected employee.

ARTICLE 47 - DISCHARGE

SECTION 1

The following shall be causes for immediate suspension or discharge of an employee: drinking, or proven or admitted dishonesty.

Situations involving serious physical violence, or serious threats of physical violence, or severe physical sexual harassment, or repeated lewd comments of severe sexual nature directed at an individual.

As a matter of interpretation, "serious physical violence" shall not include the following: accidental physical contact or actions reasonably taken in self-defense, pointing of one's finger at another, loud and/or abusive behavior including foul language.

As a matter of interpretation, "serious threats of physical

violence" shall be limited to a clear threat of imminent physical harm under circumstances demonstrating a reasonable ability to do so.

In any and all other matters involving a disciplinary action, the parties agree that the employee will remain on the job until such time of the scheduled arbitration hearing.

In those cases involving disciplinary action where suspension or discharge without pay is not authorized pursuant to the above, but where the Company feels the need to put the employee off property, the parties agree to submit the issues on a priority basis to the expedited discharge arbitration procedure, and the Company agrees to pay that employee all wages and benefits until the completion of the expedited arbitration process. Cases in which the employee is immediately discharged without pay for the grounds set forth above shall have precedence over discharge cases in which the employee remains on the job in the expedited arbitration process.

Any claimed violation of this Agreement shall be heard simultaneously by the discharge arbitrator.

This Agreement shall not affect either parties' rights with respect to discipline under the National Master Agreement other than Article 7.

ARTICLE 52 - MEDICAL ARRANGEMENTS

SECTION 1

In accordance with Workmen's Workers' Compensation Laws of the State of 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 home by a staff doctor.

Article 55 – Welfare Plan

- 3. Eligibility for the UPS Health and Welfare Package for Retired Employees is based on the following:
- (a) Current retired UPS employees receiving benefits or eligible to receive a deferred benefit under The UPS Health Program for Full-Time Retirees of IBT Local 177 (old Plan) have a one-time option at implementation to elect the old Plan or the new Plan. Individuals who have deferred benefits under the old Plan and, who select the new Plan, will receive benefits under the old Plan and, who select the new Plan, will receive benefits at the deferred age established under the old Plan.
- (b) Current benefits-eligible full-time employees who elect coverage under the new Plan at implementation can retire having met the new retire Plan eligibility requirements and receive benefits from the new retiree Plan.

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- (c) Current benefits-eligible full-time employees who elect to stay in the old Plan and subsequently retire shall receive benefits based on the eligibility requirements of the old retiree Plan.
- (d) The Employer may, at its option, allow current benefitseligible employees subsequent opportunities to move from the old Plan to the new Plan. If a current benefits-eligible employee elects the old Plan at implementation and subsequently has another option to elect coverage under the new Plan, and he/she elects coverage under the new Plan, then he/she must remain an active participant in the new Plan for at least four (4) years forty (40) months and meet all new retiree Plan eligibility requirements in order to be eligible to receive benefits under the new retiree Plan.

ARTICLE 57 - HOLIDAYS

SECTION 1

A full time seniority employee shall be paid for the following holidays, provided the employee is on the active payroll and in a working status (this excludes employees on permanent lay-off, on strike, cleared and on leave of absence, other than medical leave of absence): 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 Workmen's Compensation disability need not work during the holiday week in order to receive holiday pay. The amount of holiday pay shall be equivalent of eight (8) hours straight time pay. Part-time seniority employees shall receive holiday pay at the rate of four (4) hours straight time pay per day. Existing full time employees with less than two (2) years seniority must work the day prior or the day after said holiday. All part time employees must work the day prior or the day after said holiday.

All full time employees who have attained seniority shall be entitled to one (1) Option Holiday

Part-time employees who have attained five (5) years seniority shall be entitled to one (1) Option Holiday.

The employee may request payment for this additional holiday at any time after the effective date in lieu of time off.

ARTICLE 58 – SICK PAY

SECTION 7

A full time employee who is absent due to workman's compensation or disability more than 120 work days of the calendar <u>year</u> on May 1st of each year will received <u>receive</u> sick leave based on two (2) sick days for each four months worked during that calendar year.

ARTICLE 59 – VACATION

SECTION 11

(e) Full time employees and part time employees who are absent due to workmen's Workers' compensation or disability more than 120 days of the calendar year on May 1st of each vear will not be entitled to these additional days.

ARTICLE 62 – JURY DUTY

When a full time seniority employee is called for jury service, they shall be excused from their regular duties on the days they are required to appear in court. For any regular scheduled work day in which time off for jury service is granted, the employee shall be paid a full eight (8) hours pay at their straight time hourly rate, less any amount received as a jury duty fee. The employee will be required, however, to turn over to the Company adequate proof of their jury duty service and compensation, in order to receive the compensation above provided.

ARTICLE 63 - PORTER-CAR WASHER JOBS TO BE RESERVED

SECTION 2

Disable Disabled drivers will be placed in available full time jobs if they are physically capable of performing the work. Such employees shall be paid the rate of the job performed. If no full time work is available, such employees will be allowed to displace the most junior part time employees in their building providing they are judged physically capable of performing the work. Such employees shall be paid for hours worked only at the part time rate of pay applicable to a part time employee hired on the same day as the disabled driver. If the Company's doctor and the employee's doctor cannot agree on a hardship, a third doctor or institution will be used and that decision will be final and binding upon the Company, the Union and the employee.

Article 70 - Miscellaneous

New Section 10

In the event of a national and or state of emergency that would have an effect on employees in the jurisdiction of Local 177 including but not limited to similar events of 9/11 the Company will use the available means of communication to notify all employees in working status of said emergency.

ARTICLE 72 – PART-TIME EMPLOYEES

SECTION 11- VACATIONS

(b) The employee may request payment for these five (5) additional days at twenty-two and one half (22-1/2) hours pay at any time after the effective date in lieu of the time off.

Part-time employees who are absent due to workmen's Workers' compensation or disability more than 120 days of the calendar year, on May 1st of each year, will not be entitled to these additional five (5) days.

ARTICLE 72 – PART-TIME EMPLOYEES

SECTION 12 (c) - SICK LEAVE

(c) In <u>not no</u> event will an employee be entitled to more than three (3) days sick leave per year.

SECTION 13 - PART-TIME START TIMES

The Company shall fix the starting times for part time employees, which shall be posted on Thursday for the following week.

After posting, the start times shall not be changed unless necessitated by the needs of the business.

Add New Language:

Claimed abuses to the aforementioned language will be brought to the attention of the District and/or Region Labor Relation Manager.

SECTION 17

When the Company agrees with the Union that a hardship exists, arrangements shall be made to allow part time employees to take new part time openings in other buildings.

Add new language:

Part-time employees, who have five (5) years or more seniority who wish to transfer to another building within the district shall notify the Employer in writing and will be given the opportunity to fill permanent job openings, subject to the following terms and conditions:

- a. Maximum of three (3) transfers will be allowed from any building in the same calendar year.
- b. Maximum of three (3) transfers will be allowed into any building in the same calendar year.
- c. If an employee transfers, the transferee shall be placed

on the seniority list in the operation to which he or she transferred and his or her seniority date shall be the date of the transfer for the purposes of bidding, etc. However, he or she shall maintain his or her Company seniority date for for the purpose of vacation selection and layoffs.

d. Part time employees will not be allowed to transfer during the months of November and December.

ARTICLE 71 - AIR CONDITIONING

It is understood that new tractors (excluding switchers) ordered after August 1, 1987 will be put in service with the air conditioning equipment activated and functioning. Drivers may not refuse to drive air-conditioned equipment because the air conditioning is not working.

Add new Language:

Malfunctioning air conditioning equipment will be repaired within a reasonable amount of time provided the necessary parts are available.

Memorandum of Understanding

Article 55 – Welfare Plan

The parties agree to allow all benefits eligible employee to select benefits provided by the "New" plan. Such selection must be made each October of each contract year or such time designated by the Company of each contract year. This Agreement shall expire with the expiration of the Teamsters Local 177 collective Bargaining Agreement (CBA) on 7/31/2013.

However, the parties may elect to extend this Agreement for additional periods as determined by future contract negotiations between them.

d. The parties further agree, all plan participants must remain an active plan participant in the "New" plan for at least forty (40) full months and must meet all new retiree plan eligibility requirements in order to be eligible to receive benefits under the new retiree plan. 15-177

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