



## SUMMARY OF THE Teamsters Local 769 Latin America Inc, Miami Cargo Tentative Agreement

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- In Article 2, Definitions; we accomplished enhanced language and new language.
- In Article 3, Hours of service; accomplished appropriate rest period, opportunity to receive premium pay.
- In Article 4, Probation; reduction in probationary period.
- In Article 5, Stewards; the ability for stewards to attend orientations.
- In Article 6, Grievance procedure; we changed the language to reflect the actual practice.
- In Article 7, Seniority; limited employers' ability to change start times.
- In Article 11, Uniforms; the ability for some employees to have facial hair.
- In Article 12, Equipment; improved safety language, removed language that would hold witness accountable for accidents that another employee failed to report.
- In Article 16, Management rights; clarification of "Just Cause" protections.
- In Article 19, Pension; enhancements to pension pay outs.
- In Article 31, Relief Coverage; clarification of relief employees.

# TEAMSTERS LOCAL 769 LATIN AMERICA, INC. MIAMI AIR CARGO TENTATIVE AGREEMENT

For the Period:

August 1, ~~2013~~ 2018 through July 31, ~~2018~~ 2023

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 Agreement, as applied and interpreted during the life of such Agreement. Additions and new language are **bold and underlined**. Language from the prior Agreement that is being deleted is ~~struck through~~.

## ARTICLE II. Definitions

- A. Calendar Day – The time commencing at 0001 and ending at 2400 based on local time.
- B. Calendar Week – The pay period will begin on Sunday and end on Saturday.
- C. Calendar Month- Means the first calendar day of any given month to the last calendar day of that month.
- D. Lead Employee – Responsible to perform work in his or her duty assignment area as a working member of his or her group and in addition will be required to direct other employees assigned to him or her, to ensure that the work assigned is performed in an efficient and productive manner.

## ARTICLE II. DEFINITIONS

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- B. Calendar Week – The pay period will begin on Sunday and end on Saturday.
- C. Calendar Month – Means the first calendar day of any given month to the last calendar day of that month.
- D. Lead Employee – Responsible to perform work in his or her duty assignment area as a working member of his or her group and in addition will be required to direct other employees assigned to him or her, to ensure that the work assigned is performed in an efficient and productive manner.
  - 1. Leads may call overtime to other bargaining unit employees. Overtime disputes will be the responsibility of management.
- E. Relief Lead – The employer reserves the right to have a relief lead per shift/work area at the time of the general bid. The relief lead will be used to cover the days off of the lead on that shift/work area. The relief lead will not have the same days off as the lead and is not required to have the same start time on the general bid.

## ARTICLE III. Hours of Service

- A. All time worked in any continuous tour of duty including overtime shall be considered as work performed on the day and on the work shift within which the tour of duty is started.
- B. The starting time of a regular scheduled shift (including overtime continuous with the regular shift) will determine the shift premium

paid on that shift. Overtime not continuous with the shift will have shift premium pay determined, if applicable, by the starting time of the overtime period.

- C. ~~The Company will not schedule an employee for less than ten (10) consecutive hours of rest between his or her shifts. When an employee has less than ten (10) consecutive hours of rest between his or her shifts, the Company will either relieve him or her of duty with pay for such portion of his or her shift so as to give him or her the ten (10) consecutive hour rest period, or compensate him or her at a time and one-half rate for those hours his or her minimum rest period were shortened. This provision shall not apply if insufficient rest is a result of the employee's bids at a periodic shift bid so as to create the insufficient rest or if the reason is due to a voluntary decision of the employee (for example a voluntary overtime shift, or any action initiated by the employee).~~

## Article III. Hours of Service

- A. All time worked in any continuous tour of duty including overtime shall be considered as work performed on the day and on the work shift within which the tour of duty is started.
- B. The Company will not schedule an employee for less than Ten (10) consecutive hours of rest between his or her shifts. When an employee has less than Ten (10) consecutive hours of rest between his or her shifts, the Company will either relieve him or her of duty with pay for such portion of his or her shift so as to give him or her the Ten (10) consecutive hour rest period, or compensate him or her at a time and one-half rate for those hours his or her minimum rest period were shortened. This provision shall not apply if insufficient rest is a result of the employee's voluntary decision of the employee (for example a voluntary overtime shift).

In cases of a general bid and or post bid that results in a work schedule change for an employee, said employee may elect not to work both shift if the change will result in less than ten (10) hours off between these shifts. The employee will notify the Employer of their desire not to report for one of the two shifts a minimum of seventy-two hours prior to reporting for either shift.

The employer will consider the employees preference on which to work, but the Employer will determine and notify the employee which shift they will work based on business needs. The employee will not be entitled to any compensation for the shift the Employer has chosen for the employee not to work.

#### ARTICLE IV. Probationary Employees

A new regular full-time employee shall be covered by the provisions of this Agreement but during his or her first ninety (90) days worked from the date of employment excluding all time off for reasons such as sickness, strike, lockout, leaves of absence, etc., such employee may be disciplined or discharged at the sole discretion of the Company without cause, and without recourse to the grievance and arbitration procedure hereunder unless there is a discrepancy in the employee's compensation involving rate of pay, hours of service, or payroll deductions. After ninety (90) days said employee shall be placed on the seniority list. The employee's seniority date shall be the date the probationary period began.

The Company has no responsibility to re-employ or to recall any employee separated during his or her probationary period. However, if an employee's service is broken during his probationary period as a result of a reduction in force and the employee is recalled, the employee's seniority date will be adjusted to reflect credit for all past service. An employee will not accrue benefits such a sick, or occupational, injury, leave, insurance, vacation, holidays etc. during any period of separation. If the employee returns from a break in the probation period such return will be at the Company's discretion; however, an employee who worked less than 45 days will have their remaining probation period extended by 30 additional days (to 120 days total). If he or she worked more than 45 days, the probation period will be extended by 15 additional days (to 105 days total).

#### ARTICLE IV. Probationary Employees

A new regular full-time employee shall be covered by the provisions of this Agreement but during his or her first sixty (60) days worked from the date of employment. Probationary employees may be disciplined or discharged at the sole discretion of the Company without cause, and without recourse to the grievance and arbitration procedure hereunder unless there is a discrepancy in the employee's compensation involving rate of pay, hours of service, or payroll deductions. After sixty (60) work days said employee shall be placed on the seniority list. The employee's seniority date shall be the date the probationary period began.

The Company has no responsibility to re-employ or to recall any employee separated during his or her probationary period. However, if an employee's service is broken during his probationary period as a result of a reduction in force and the employee is recalled, the employee's seniority date will be adjusted to reflect credit for all past service. An employee will not accrue benefits such a sick, or occupational, injury, leave, insurance, vacation, holidays etc. during any period of separation.

#### ARTICLE V. Stewards

E. The Union business agent or a maximum of one steward shall be permitted to attend new hire orientation for up to fifteen (15) minutes. The employer agrees to provide the Union notice of the date, time and location of such orientation. The sole purpose of the Union attendance shall be to inform and distribute materials about the Union membership and contractual benefits.

#### ARTICLE VI. Grievances/System Board of Adjustment, No Strike-No Lockout

Section A. Grievances/System Board of Adjustment:

1. Grievances

(a) The parties agree that an alternative dispute resolution mechanism (ADRM) shall be established which shall consist of the procedures set forth below. The ADRM shall consist of a grievance procedure with strict time limits, as hereinafter set forth; selection of an arbitrator to hear and decide unresolved disputes pursuant to rules of the National Mediation Board; hearing conducted by the arbitrator which are noticed in advance, transcribed and conducted in English with the same assistance of translators if necessary; and awards by the arbitrator which are final and binding upon all parties to the dispute.

(b) Grievances arising under the ADRM shall be processed as follows:

(1) The affected employee shall verbally present the grievance to the Company within ten (10) working days of the event giving rise to the grievance. Working days for the purpose of filing a grievance shall be defined as the employees scheduled work week.

(2) The Company shall have ten (10) working days to respond to the grievance.

(3) If the grievance is unresolved, the Union shall have ten (10) working days to file a written grievance with the Company.

(4) The Company shall respond in writing to the grievance within ten (10) working days.

(5) In the event the grievance remains unresolved, the Union shall have fifteen (15) working days within which to determine whether the grievance is granted, denied, or deadlocked, and, if deadlocked, proceed to the System of Board of Adjustment pursuant to section B.

(6) In the event the Company fails to comply with the time limits set forth herein, the grievance shall automatically proceed to the next step.

(7) In the event the employee or Union fail to comply with the time limits set forth herein, the grievance shall be deemed unresolved in favor of the Company and shall constitute a bar to arbitration, unless otherwise mutually agreed by the parties in writing.

(c) All arbitration hearings shall be conducted in Miami, unless otherwise agreed to by the parties. All hearings shall be conducted in English, with the aid of translators if appropriate. The cost of the arbitrator, hearing room and interpreter shall be borne equally by the parties. The cost of a court reporter shall be borne by the requesting party, unless otherwise agreed.

(d) The Union shall have the right to examine time sheets pertaining to the computation of compensation of any individual whose pay is in dispute pertaining to a special grievance.

#### Section B. System Board of Adjustment

1. There is hereby established a System Board of Adjustment for the purpose of adjusting and deciding disputes which may arise under the terms of this Agreement and any amendment or additions thereto and which are properly submitted to it, which Board shall be known as the Company System Board of Adjustment, hereinafter referred to as "the Board."

2. Composition of the Board

(a) The Board shall consist of four (4) members, two (2) of whom shall be selected and appointed by the Company and two (2) of

whom shall be selected and appointed by the Union, and such appointees shall be known as "Board Members." In addition, the Company and the Union shall each designate an alternate, and in the event of unavailability of a Board Member, such alternate shall serve in place of the absent Board Member. It is understood that the Company will not select a Management person from the operation in which the grievance originated. The Union will not select an Official from TLU 769, but shall be selected from a Local Union signatory to the UPS Southern Region Supplement or UPS Freight Agreements.

- (b) The two (2) Board Members appointed by the Company and the two (2) Board Members appointed by the Union and their alternates shall serve for one (1) year from the date of their appointment and thereafter until their successors have been duly appointed. Vacancies shall be filled within thirty (30) days in the same manner as provided herein for the selection and appointment of the original Board Members and the original alternates.
- (c) The terms of office of Chairman and Vice Chairman shall be for one (1) calendar year. Thereafter, from year to year, the Board shall designate one (1) member to act as Chairman and one (1) member to act as Vice Chairman for one (1) year terms or until his or her successor has been duly selected. Such terms of office shall commence on January 1st of each year.
- (d) The office of the Chairman shall be filled and filled alternatively by the parties. A Union representative shall serve as Chairman and a Company representative shall serve as Vice Chairman in even years, and vice versa, in odd years. The Vice Chairman shall act as Chairman in his or her absence.
- (e) The Board shall meet once every two (2) months at mutually determined location, during the months of January, March, May, July and September and November for each year provided that at such times there are cases filed with the Board for consideration. The meetings shall continue in session until all matters before it have been considered unless otherwise mutually agreed upon in writing or unless two (2) members terminate the meeting. In case where there are off the payroll discharges, the Board will meet sooner than the two (2) month schedule.
- (f) Members of the Board who are employees of the Company shall suffer no loss of pay while attending to Board meetings.

### 3. Jurisdiction of the Board

- (a) The Board shall have jurisdiction over all disputes growing out of grievances. The jurisdiction of the Board shall not extend to proposed changes in hours of employment, rates of compensation, or working conditions covered by this or other existing agreements between the parties hereto.
- (b) The Board shall consider any dispute properly submitted to it when such dispute has not been previously settled in accordance with the other provisions of this Agreement.

### 4. Proceedings Before the Board.

- (a) All disputes properly referred to the Board for consideration shall be addressed to the Chairman. Five (5) copies of each petition, including all papers and exhibits in connection therewith, shall be forwarded to the Chairman, who shall transmit one (1) copy thereof to each member of the Board within ten (10) calendar days. Each case submitted shall show:

- (1) Question or questions at issue.
- (2) Statement of facts
- (3) Position of grievant(s)
- (4) Position of Company

(b) Upon receipt of notice of the submission of a dispute the Chairman shall set a date for hearing, which shall be the time of the next regular meeting of the Board as provided in Section B above, or if at least two (2) Board Members consider the matter of sufficient urgency and importance, then at such earlier date at such place as the Chairman and Vice Chairman shall agree upon but not more than forty-five (45) days after such request for a meeting is made by at least two (2) of said Board Members, and the Chairman shall give the necessary notices in writing of such meeting to the Board Members and to the parties to the dispute. Failure to meet within forty-five (45) day time limit of said meeting will result in automatic deadlock and will proceed to Deadlock Procedure when requested by either party. It is understood and agreed that there will not be any defaults under any section of this provision, relating to the selection of the Board and its meetings and its processes. If there are failures or what would be regarded as actions inconsistent with the provisions relating to the Board, the process will move to the next step, involving the use of the neutral. If there are any difficulties then the neutral will resolve the difficulties and hear the disputed without other Board Members.

- (c) Employees covered by this Agreement may be represented at Board hearings by such person or persons as they may choose and designate, and the Company may be represented by such person or persons as it may choose to designate. Evidence may be presented either orally or in writing, or both.
- (d) The Board Member(s) may summon witnesses who are employed by the Company and who are deemed necessary by the entire Board. Such employee shall suffer no loss of pay.
- (e) The Board shall be competent to hear the disputes properly submitted to it and decide said disputes by a majority vote of all members of the Board. Decisions of the Board shall be final and binding upon the parties hereto. The Board may, at the option of two members, agree to have an arbitrator hear the case without the Board present.

### 5. Deadlock Procedures:

—When a dispute is properly submitted to the Board for hearings before the two (2) Company and two (2) Union Board Members or their alternates, and the Board is unable by majority vote to decide the dispute, the Board shall declare itself deadlocked and the Company and the Union shall select an arbitrator as provided herein. The arbitrator shall join the Board as a Board Member and as Chairman in subsequent and hearing of the dispute if three or more members so desire. The Board, so composed or with only the neutral arbitrator shall be competent to decide said dispute by majority vote. Decisions of the Board so composed shall be final and binding on the parties. The Board may agree by vote of two or more to have the arbitrator hear the case without the Board present.

### 6. Deadlock Notices:

- (a) When a deadlock occurs for any reason, the board, by written notice shall immediately notify the Union of such deadlock;

including the date hereof, and the need for the services of a fifth member of the Board. If the Union desires to submit the case to such five (5) member Board pursuant to the terms of this provision, it must do so by written notice to the Company Cargo Service Manager with copies to the Chairman and Vice Chairman of the Board within ten (10) days from the receipt of notice from the Board that the Board was deadlocked.

#### 7.—Selection of a Fifth (5th) Board Member (Arbitrator):

(a) If notice is provided of the desire to convene the five (5) member Board, or a neutral arbitrator pursuant to the terms of this provision, the Union and the Company shall promptly meet, but in no event later than fifteen (15) days from the date of such notice by the Union to select an arbitrator by mutual agreement, and if agreement is reached, shall advise the members of the Board of the name, address and availability of the arbitrator.

(b) Within twenty (20) days after proper notification, if no agreement on the selection of an arbitrator can be reached, the Company or the Union may petition American Arbitration Association (“AAA”) for a list of seven (7) names from which the fifth (5th) member of the Board shall be selected. Either party shall have the right to reject one (1) list of arbitrators sent by the AAA in its entirety, in which case the parties will request a new list of arbitrators from the AAA. The order of striking shall be determined by lot for the first case in which a neutral member is chosen under the provisions thereof and in subsequent cases, the parties shall alternate taking the first strike.

#### 8.—Five (5) Member Board Hearing

Within sixty (60) days after selection of the fifth (5th) member from the panel or whenever that fifth (5th) member of the arbitrator is available and with the arbitrator’s concurrence, the Board shall schedule a hearing of the dispute by the five (5) member Board, or by the neutral arbitrator, including the presentation of such witnesses and evidence as the five (5) member Board or neutral arbitrator shall in its or the arbitrator’s discretion permit. A decision of the majority of the Board sitting with the fifth (5) member or the neutral arbitrator shall be final and binding upon the parties hereto. The Board by vote of any two members, may agree to have the arbitrator hear the case without the Board present.

#### 9.—General

##### (a) Expenses of the Board

Each of the parties hereto will assume their respective travel expenses and other expenses of the Board members selected by it and each of the parties hereto will assume their respective travel expense and other expenses of the witnesses called or summoned by it except employees of the Company will suffer no loss of pay and that the Company will provide space available transportation over its lines, in accordance with existing regulations, for any Board member or Company employee who is called or summoned as a witness. The reasonable expense and compensation of the fifth (5th) member arbitrator appointed in accordance with Section G hereof will be borne equally by the parties.

##### (b) Freedom Act

It is understood and agreed that each and every Board member shall be free to discharge his or her duty in an independent

manner, without fear that his or her individual relations with the Company, with the employees or with the Union will be affected in any manner by any action taken by him or her in good faith in his or her capacity as a Board member.

##### (c) Time Limits

Time limits set forth in this may be extended in writing by mutual agreement of the Company and the Union.

##### (d) Rights Under The Law:

Nothing herein shall be construed to limit, restrict, or abridge the rights or privileges accorded either to the employees or to the Company, the Union, or to their duly accredited representatives under the provisions of the law.

##### (e) Records of the Board

The Board shall maintain a record of all matters submitted to it for its consideration and of all findings and decisions made by it.

#### Section C. No Strike—No Lockout

1. The Company, the Union and the employees represented by the Union shall not engage in, encourage, threaten or assist any strike, slowdown or other restriction or interruption of work during the term of this Agreement. Any such prohibited activity, including unfair labor practice strikes, sympathy strikes or any refusal to handle or perform work on any shipments, goods, consignments, parts or supplies because of any labor dispute, even though not initiated or countenanced by the Union, shall be construed to be an essential violation of this Agreement. Any employee engaging in such activity shall be subject to selective discipline up to and including discharge.
2. It is agreed that the Union, its representatives, officers, stewards, and/or other officials are charged with an affirmative duty to maintain this Agreement and shall immediately take all reasonable and necessary steps to prevent or stop such illegal acts as quickly as possible.
3. The Company shall not engage in any lockouts during the term of this Agreement.

### **ARTICLE VI. Grievances/System Board of Adjustment, No Strike-No Lockout**

#### **Section A. Grievances/System Board of Adjustment:**

**Business Days in this article is defined as Monday thru Friday excluding named holiday mentioned in this agreement. Employee Work Day in this article is defined as dates that the employee is scheduled to work.**

##### **1. Grievances**

**(a) The parties agree that an alternative dispute resolution mechanism (ADRM) shall be established which shall consist of the procedures set forth below.**

**(b) Grievances arising under the ADRM shall be processed as follows:**

**(1) The affected employee shall file a written grievance to present to the Company within ten (10) working days of knowing said violation and /or the event giving rise to the grievance. Working days for the purpose of filing a grievance shall be defined as the employees scheduled work days.**

**(2) In event that the Local Union or Company official file a written grievance to present to the Company / Local Union within ten (10) business days of knowing said violation and/**

or the event giving rise to the grievance. Business days for the purpose of filing a grievance shall be defined as the Monday thru Friday excluding named holiday mentioned in this agreement.

(3) In event that any of the parties fails to comply with the time limits set forth filing grievances the grievance will be deemed to be untimely and shall not proceed further.

(2) The Company shall attempt to resolve grievances claiming violations from language interpretations with the union steward within ten (10) business days. The company will respond in writing to the Local Union with its decision within this ten (10) business day's period. In cases of suspension and discharge or grievances filed by the company shall be discussed by the Business Agent and the company within ten (10) business days.

(3) In the event the grievance remains unresolved, the filing party shall have ten (10) business days from the day it received the company's written position to appeal the grievance to the next step. In the event the grievance remains unresolved the company and the union will meet within ten (10) business days in an attempt to resolve the grievance. If the grievance remains unresolved after this meeting the grievance will be docketed to the next system board hearing unless otherwise mutually agreed.

In the event that any of the parties delay to respond within the time frames defined in this section shall automatically proceed the grievance to the next step under this article.

(A) The Union shall have the right to examine time sheets pertaining to the computation of compensation of any individual whose pay is in dispute pertaining to a special grievance.

## Section B. System Board of Adjustment

1. There is hereby established a System Board of Adjustment for the purpose of adjusting and deciding disputes which may arise under the terms of this Agreement and any amendment or additions thereto and which are properly submitted to it, which Board shall be known as the System Board of Adjustment, hereinafter referred to as "the Board."

### 2. Composition of the Board

(a) The Board shall consist of up to four (4) members, two (2) of whom shall be selected and appointed by the Company and two (2) of whom shall be selected and appointed by the Union, and such appointees shall be known as "Board Members." It is understood that the Company will not select a Management person from the operation in which the grievance originated. The Union will not select an Official from TLU 769, but shall be selected from a Local Union signatory to the UPS Southern Region Supplement or UPS Freight Agreements.

(b) The Board shall meet once every two (2) months at mutually determined location, during the months of January, March, May, July, September and November for each year provided that at such times there are cases filed with the Board for consideration. The meetings shall continue in session until all matters before it have been considered unless otherwise mutually agreed. In case where there are off the payroll discharges, the Board will meet sooner than the two (2) month schedule by mutual agreement.

### 3. Jurisdiction of the Board

(a) The Board shall have jurisdiction over all disputes growing out of grievances. The jurisdiction of the Board shall not extend to proposed changes in hours of employment, rates of compensation, or working conditions covered by this or other existing agreements between the parties hereto, furthermore The Board shall have no authority to add to, subtract from, modify or alter the Agreement in anyway.

(b) The Board shall consider any dispute properly submitted to it when such dispute has not been previously settled in accordance with the other provisions of this Agreement.

### 4. Proceedings Before the Board.

(a) All disputes properly referred to the Board for consideration shall be addressed to the Chairmen.

(b) The Company and the Union will choose six (6) dates per year to meet in a System Board format to hear the unresolved grievances.

(c) All documents to be presented before the System Board must be exchanged between the parties at least ten (10) business days before the commencement of the hearing unless otherwise mutually agreed to by the parties in writing.

(d) Each parties will furnish a written brief of the facts and supporting evidence of their position to each Co-Chairperson and the members.

(e) In regard to postponement must be mutually agreed by the parties in writing.

(f) The System Board will not hear warning letter grievances, except that if a warning letter is on the employees file and later suspension and/or discharged based on such warning letter. For example (progressive discipline.) The System Board will then hear the merits of the warning letter before hearing the case involving the suspension and/or discharge.

(g) Discipline cases; Company present first.  
Language cases; Union present first.  
Each side have a rebuttal.  
No questions from the presenters. The System Board Committee will ask questions.

The System Board will mail or email the decision to each of both parties within ten (10) business days of the hearing. Business days are defined as Monday thru Friday.

### 5. Deadlock Procedures.

When a deadlock occurs at the System Board for any reason, the board, by written notice shall notify the Union and the Employer of such deadlock within ten (10) business days.

Deadlock cases pertaining to discharges will be referred to an arbitrator under this article. Deadlocked cases arising out of language interpretations shall be referred to a deadlock panel. The deadlock panel shall be comprised of the company system board chairperson and an Agent of Local 769. If the parties are unable to reach a resolution the language case shall be submitted to arbitration as provided herein. It is understood by the parties that all deadlock cases excluding language contractual interruption cases may be advanced to the FMCS arbitration provided herein. The deadlock panel will notify in writing the parties of its decision within ten (10) business days of the hearing.

After receiving the written decision from the system board or deadlock panel, the union or the company shall have ten (10) business days to notify the other party if they intend to pursue the grievance through the arbitration process. If the party does not notify the other party within this ten (10) business day period, the grievance will be considered withdrawn.

#### 7. Selection of Arbitrator:

(a) If notice is provided of the desire to a neutral arbitrator pursuant to the terms of this provision, the Union and the Company shall promptly meet, but in no event later than fifteen (15) business days from the date of such notice by the Union to select an arbitrator by mutual agreement, and if agreement is reached the Union will notify the arbitrator in writing a copy being sent to the company.

(b) Within twenty (20) business days after proper notification, if no agreement on the selection of an arbitrator can be reached, the Company or the Union may submit a request to the director of the FMCS to furnish a panel of seven (7) names. The Company and the Union will strike three (3) names each, and the remaining name will be the impartial arbitrator. The striking process will alternate between the company and the union. The decision of the arbitrator shall be final and binding upon both parties.

#### 9. General

(a) Expenses.

(b) Each party shall bear the expense of its own witnesses and of its own representatives. If one of the parties requests the use of a court reporter or they shall be responsible for the payment of all fees, unless both parties agree to bear equally the expense for the court reporter.

(c) The Employer and the Union agree that the cost including filing fee of the arbitration, arbitration fees, and expense of the Arbitrator shall be borne equally by the Employer and the Union. The Arbitrator shall submit his/her decision within thirty (30) days of the filing of post-hearing briefs or closing arguments, unless time is extended by mutual agreement of the parties.

The parties agree that all arbitration hearings will be held in Miami. The decision of the arbitrator shall be final and binding upon both parties. The arbitrator shall have no authority to add to, subtract from, modify or alter the Agreement in anyway.

(d) Time Limits:

Time limits set forth in this may be extended in writing by mutual agreement of the Company and the Union.

(e) Rights Under The Law:

Nothing herein shall be construed to limit, restrict, or abridge the rights or privileges accorded either to the employees or to the Company, the Union, or to their duly accredited representatives under the provisions of the law.

#### Section C. No Strike — No Lockout

1. The Company, the Union and the employees represented by the Union shall not engage in, encourage, threaten or assist any strike, slowdown or other restriction or interruption of work during the term of this Agreement. Any such prohibited activity, including unfair labor practice strikes, sympathy strikes or any refusal to handle or perform work on any shipments, goods, consignments,

parts or supplies because of any labor dispute, even though not initiated or countenanced by the Union, shall be construed to be an essential violation of this Agreement. Any employee engaging in such activity shall be subject to selective discipline up to and including discharge.

2. It is agreed that the Union, its representatives, officers, stewards, and other officials are charged with an affirmative duty to maintain this Agreement and shall immediately take all reasonable and necessary steps to prevent to stop such illegal acts as quickly as possible.

3. The Company shall not engage in any lockouts during the term of this Agreement.

### **ARTICLE VII. Seniority Layoff & Recall**

#### Section A. Seniority

~~A. Seniority is defined as length of continuous bargaining unit employment with the Company since the employee's last date of hire including the probationary period and all time the employee is on an approved leave or layoff as provided by this contract. Seniority rights, as created by this Agreement, exist only to the extent expressed herein, and shall be negotiable beyond the terms of this Agreement. Seniority shall not prohibit the Company from discontinuing its operation, in whole or in part. It also will not prohibit the Company from discontinuing a job classification if the work no longer exists in the classification or rearranging duties within a classification.~~

~~B. The parties recognize the right and need of the Company to have and maintain at all times, the best qualified work force. Seniority shall be applied as set forth in this Agreement provided the employees involved have the qualifications and ability to satisfactorily perform the work involved. "Qualifications and ability" means, able to perform the work in an efficient manner based on experience, job knowledge, training, and skill. It is agreed when the company is moving employees from one work area to another work area the most junior qualified employee will be moved unless a more senior qualified employee is identified by the lead employee to be moved. The company will consider seniority in the assignment of forklift responsibilities within a work area when more senior employees are scheduled to start later than junior employees. In cases when an employee is loading or unloading a vehicle such work should be completed prior to employee reassignment to forklift responsibilities.~~

~~C. Seniority and the employment relationship shall be terminated automatically when an employee:~~

~~1. voluntarily quits~~

~~2. Is discharged for just cause and not reinstated under the grievance machinery;~~

~~3. fails to notify the Company of his or her intent to return to work upon recall from layoff within seven (7) days, or failure to return to work upon recall from layoff within fourteen (14) days after being notified to report to work unless prior arrangements have been made with the Company. Such notification to return to work will be given by registered mail (delivery or attempted delivery) or telegram addressed to such employee at his or her last address filed with the Company. It shall be the responsibility of each employee to have his or her correct address and telephone number on file with the Company.~~

- ~~4. is absent for three (3) consecutive working days without properly notifying the Company within that time. Notice may be by telephone. This provision shall not be construed in any way to modify the Company's right to discipline employees for unexcused absence.~~
- ~~5. fails to report to work as scheduled at the end of a leave of absence.~~
- ~~6. engages in gainful employment while on approved leave of absence.~~
- ~~7. is laid off or absent for any reason for a period of thirty-six (36) months or the amount of his or her seniority as of his or her last day of work, whichever period is shorter.~~
- ~~8. retirees.~~

~~D. The Company shall post on the bulletin board an up-to-date seniority list within fifteen (15) days after the execution of this Agreement and thereafter shall compile and post an updated seniority list as of June 1st and December 1st and this must be posted within thirty (30) days after those specific dates once each six (6) months. In addition, the Company shall furnish a copy of the same list to the Union. Seniority dates of employees shown on the posted lists shall be considered permanently established seniority dates, except as may be corrected as the result of a protest filed within thirty (30) calendar days after posting; such protests shall be confined to names added or deleted since the last posting and errors in the copying of the list. Upon timely presentation of proof of error, such error will be corrected.~~

~~E. It is understood and agreed by the Company and the Union that when two (2) or more employees are hired at the same time, or have the same seniority date, the following method will be used to determine seniority:~~

- ~~1. An employee with a steward and management person present will agree to an acceptable tie break procedure (ex. flip of a coin).~~
- ~~2. Once seniority is established under this procedure, it shall be permanent for the life of the individual's employment with the Company.~~

~~F. An employee covered by this Agreement who transfers out of the bargaining unit shall retain his or her seniority status for up to one (1) month. Employees will lose seniority after one (1) month or thirty (30) days.~~

~~G. It is recognized that the probationary period is a part of the Company's evaluation and selection process and that transfer, reassignment or retention of an employee during the probationary period shall be at the sole discretion of the Company. There shall be no responsibility or obligation for reemployment of employees if they are laid off or discharged for any reason during their probationary periods. There shall be no seniority among probationary employees and they may be laid off, discharged or otherwise terminated at the sole discretion of the Company. Such actions are not subject to the grievance procedure or arbitration.~~

~~H. Upon successfully completing the probationary period, the employee's seniority shall accrue and shall be considered as beginning with his or her most recent date of hire.~~

~~I. An employee may bid shift preference, by classification and seniority, no more than twice a year provided, that the bidding, which is by seniority in the employees' areas or job skills, cannot~~

~~occur more than twice a year. The bidding will take place in the months of January and July.~~

~~J. The Company agrees to review proposed bid schedules with the Local Union prior to posting. Any dispute will be resolved by the Union and Company co chairs of the System Board of Adjustment. The decision of the Co chairs is final and binding.~~

~~K. Job openings or vacancies will be posted for ten (10) days and be awarded on the basis of seniority and ability to perform the job.~~

#### ~~Section B. Layoff~~

~~A. The decision to layoff and/or recall employees, including the order of those affected, shall be made entirely within the discretion of the Company to produce the most effective workforce. Seniority will be the deciding factor in making layoff and recall decisions when, in the opinion of management, the employees are qualified to perform the job.~~

~~B. If an employee is to be laid off from a classification under this Article who has, in the judgment of the Company, the proven skill to immediately perform the work of the most junior employee in that or another classification who has less Company wide seniority than the laid-off employee, then the laid-off employee may bump the junior employee from a job which he or she is qualified to perform. Similarly, an employee bumped under this Article who has, in the judgment of the Company, the proven skill and ability to immediately perform the work of the most junior employee in that or another classification who has less seniority than the bumped employee, then the bumped employee may bump that junior employee from his or her job. The Company agrees that it will not exercise its rights under the Article in an unreasonable manner and such actions shall be subject to the grievance procedure.~~

#### ~~Section C. Overtime~~

~~The Company and the Union agree that overtime will be distributed by seniority and ability in the work area which means job skills (not a physical or geographical location such as one warehouse as opposed to another site at the airport facility). The parties agree that they will discuss this matter further and if they mutually agree to change the provision they shall do so in a written form.~~

~~It is agreed that when an employee has the ability to do an overtime job (such as when, and if, a forklift operator were needed for overtime, and the employee were capable and able to operate the forklift on such overtime), overtime will be assigned by seniority (and such ability). Strict seniority shall be followed, along with the ability as noted above; but, if there are questions as to ability to do the job, or as to seniority, the questions can be the subject of the grievance and arbitration procedure. This process is designed to ensure that issues as to qualifications can be challenged; but, it is understood, when there are questions or disputes, the employees must follow the instructions of management and then file grievances. There is no basis for employees to maintain that they will not work or demand to work, so that another employee chosen by management will be bumped or affected, in a manner that would prevent the management from making the assignments. The employees are obligated to grieve, if they feel that an incorrect decision has been made, so that an arbitrator (if the matter cannot be adjusted through the agreement of the parties) can resolve the problem with finality at a later point. There will not be, as a result of issues, a basis for insubordination, or challenging assignments, and refusing to do work. If employees refuse~~

to do work, when they are assigned overtime under this agreement, then the employees can be disciplined; and, discipline can include suspension without pay, and if deemed appropriate, termination (it being understood that such discipline will be subject to grievance and arbitration too):

If employees are not willing to do overtime work, and there is a need to have overtime work performed, then the Company shall designate those employees it determines to be able and to have the least amount of seniority and they will be required to do the overtime work, provided that:

Overtime will be offered on a seniority basis within the respective job area. In the event there are insufficient volunteers the least senior employee available will be required to work such overtime.

The employer will notify the employees on the clock at least half (1/2) hour prior to quitting time of known overtime.

Overtime will be offered as follows:

If overtime is four (4) hours or less, it will be offered to employees who are at work. If needed overtime exceeds four (4) hours, it will be offered to employees who are on their day off.

Once an employee is working on overtime seniority will prevail provided the employees involved have the qualifications and ability to satisfactorily perform the overtime work involved. "Qualifications and ability" means, able to perform the work in an efficient manner based on experience, job knowledge, training, and skill. Once the overtime work has been assigned to an employee, that employee must complete the work. However, fork lift drivers will have the opportunity to bump junior fork lift drivers provided both drivers are on overtime.

If assignments are being made, and there are assignments which, in the discretion of management, appear to be capable of being performed by all employees, but they are not regarded as the best jobs (such as going out in foul weather, putting nets on palletizing, or going into a cooler) then, assuming that all employees are equally qualified, the Company agrees that it will assign the most junior employees to the work that is undesirable first, provided that:

1. When assignments are made, they must be performed and directions followed; and, if there are objections or grievances, the objections have to be stated and grievances filed and the employees cannot refuse to do the work.
2. If employees are working on a job that they do not feel is desirable, and they see other employees who have less seniority completing work elsewhere, or reporting to work, the employees working are not at liberty to stop working, or to demand that the less senior employees immediately replace them. This is a matter that involves the discretion of management and the Company in terms of completion of the work. The Company will, however, where there are selections and employees are not working, follow the procedure of assigning the least desirable work to the least senior employees, to reward those with seniority. Questions or disputes that arise out of the interpretation of this agreement will not allow employees to refuse to work or refuse to take assignments, and the employees must take the assignments and grieve as to their differences, or any disputes.

## **ARTICLE VII. Seniority Layoff & Recall**

### **Section A. Seniority**

#### **A. Seniority is defined as length of continuous bargaining unit**

**employment with the Company since the employee's last date of hire including the probationary period and all time the employee is on an approved leave or layoff as provided by this contract. Seniority will be applied as set forth in this article and this Agreement for the following layoff, recall, bids, overtime, choice of vacation, holidays and personal holidays.**

**B. The parties recognize the right and need of the Company to have and maintain at all times, the best-qualified work force. Seniority shall be applied as set forth in this Agreement provided the employees involved have the qualifications and ability to satisfactorily perform the work involved. "Qualifications and ability" means, able to perform the work. It is agreed when the company is moving employees from one work area to another work area the most junior qualified employee will be moved unless a more senior qualified employee is identified by the lead employee to be moved. The company will consider seniority in the assignment of forklift responsibilities within a work area when more senior employees are scheduled to start later than junior employees. In cases when an employee is loading or unloading a vehicle such work should be completed prior to employee reassignment to forklift responsibilities.**

**C. Seniority and the employment relationship shall be terminated automatically when an employee:**

- 1. Voluntarily quits**
- 2. Is discharged for just cause and not reinstated under the grievance machinery.**
- 3. Fails to notify the Company of his or her intent to return to work upon recall from layoff within seven (7) days, or failure to return to work upon recall from layoff within fourteen (14) days after being notified to report to work unless prior arrangements have been made with the Company. Such notification to return to work will be given by UPS with tracking availability or certified mail addressed to such employee at his or her last address filed with the Company. It shall be the responsibility of each employee to have his or her correct address and telephone number on file with the Company.**
- 4. Is absent for three (3) consecutive scheduled workdays without properly notifying the Company within that time. Notice may be by telephone.**
- 5. Fails to report to work as scheduled at the end of a leave of absence.**
- 6. Engages in gainful employment while on approved leave of absence.**
- 7. Is laid off or absent for any reason for a period of thirty-six (36) months or the amount of his or her seniority as of his or her last day of work, whichever period is shorter.**
- 8. Retires.**

**D. The Company shall post on the bulletin board an up-to-date seniority list within fifteen (15) days after the execution of this Agreement and thereafter shall compile and post an updated seniority list as of June 1 and December 1<sup>o</sup> and this must be posted within thirty (30) days after those specific dates once each six (6) months. In addition, the Company shall furnish a copy of the same list to the Union. Seniority dates of employees shown on the posted lists shall be considered permanently established seniority dates, except as may be corrected as the result of a protest filed within thirty (30) calendar days after posting; such protests shall**

be confined to names added or deleted since the last posting and errors in the copying of the list. Upon timely presentation of proof of error, such error will be corrected.

E. It is understood and agreed by the Company and the Union that when two (2) or more employees are hired at the same time, or have the same seniority date, the following method will be used to determine seniority:

1. An employee with a steward and management person present will agree to an acceptable tiebreak procedure (ex. flip of a coin).
2. Once seniority is established under this procedure, it shall be permanent for the life of the individual's employment with the Company.

F. An employee covered by this Agreement who transfers out of the bargaining unit shall retain his or her seniority status for up to one (1) month. Employees will lose seniority after one (1) month or thirty (30) days.

G. An employee may bid shift preference, areas of work by classification and seniority, twice (2) times per year provided, that the bidding, which is by seniority in the employees' classification or job skills, cannot occur more than twice a year. The general bidding will take place in the months of December and June of each year. Furthermore the Employer reserve the right to conduct a third bid as long is mutually agreed by the Employer and the Union.

The Employer may adjust start times up to one and a half (1 1/2) hour (s) with twenty-four hour prior notice to the employee without re-bidding. In cases of situations beyond the employers control, or late planes the Employer will give the employee as much notice as possible but at least a minimum of three (3) hours.

J. The Company agrees to review all proposed general bid schedules with the Local Union prior to posting. Any dispute will be resolved by the Union and Company co-chairs of the System Board of Adjustment. The decision of the Co-chairs is final and binding. Upon final completion of the general bid it is understood that the Company will post the general bid for ten (10) working days and a copy of the posting bid will be provided to the Union the same day is post it.

K. Job openings or vacancies will be posted for ten (10) days and be awarded on the basis of seniority and ability to perform the job. The Company will provide copy of all posting and awarded to the Union.

L. Newly hired employees hired to perform Driver-cargo (CDL) handler work cannot bid out of this area for a minimum of one (1) year. Seniority employees may bid into and bump a newly hired employee in this position during the general bids. Seniority employees bidding into the Driver-cargo (CDL) handler position must remain in the position for the duration of the general bid, but may bid out of the position if there is a new bid job posted and if there is a less senior qualified (CDL) employees with less than one year of seniority who can be forced to assume the bid.

#### Section B. Layoff

A. The decision to layoff and/or recall employees, including the order of those affected, shall be made entirely within the discretion of the Company to produce the most effective workforce. Seniority will be the deciding factor in making layoff and recall decisions

when, in the opinion of management, the employees are qualified to perform the job.

B. If an employee is to be laid off from a classification under this Article who has, the skill to perform the work of a junior employee in that or another classification who has less Company-wide seniority than the laid-off employee, then the laid-off employee may bump the junior employee from a job which he or she is qualified to perform. Junior employee in this section is defined as any employee with less seniority. Similarly, an employee bumped under this Article who has, the ability to perform the work of the junior employee in that or another classification that has less seniority than the bumped employee, then the bumped employee may bump that junior employee from his or her job. It is agreed by the parties that there will not be more than 3 bumps per lay off, if the layoff affects less than 7 employees. If the layoff affects more than (7) seven employees its understood by the parties that the Employer will contact the Union to meet and discuss and reach a resolution in regards to the affected employees on lay off. If the parties are unable to obtain a resolution then a general bid shall be done within 30 days following the procedure step previously indicated in this article. The Company agrees that it will not exercise its rights under the Article in an unreasonable manner and such actions shall be subject to the grievance procedure.

#### Section C. Overtime

The Company and the Union agree that overtime will be distributed by seniority and ability in the work area which means job skills (not a physical or geographical location such as one warehouse as opposed to another site at the airport facility). The parties agree that they will discuss this matter further and if they mutually agree to change the provision they shall do so in a written form.

It is agreed that when an employee has the ability to do an overtime job (such as when, and if, a forklift operator were needed for overtime, and the employee were capable and able to operate the forklift on such overtime), overtime will be assigned by seniority (and such ability). Strict seniority shall be followed, along with the ability as noted above; but, if there are questions as to ability to do the job, or as to seniority, the questions can be the subject of the grievance and arbitration procedure. This process is designed to ensure that issues as to qualifications can be challenged; but, it is understood, when there are questions or disputes, the employees must follow the instructions of management and then file grievances. There is no basis for employees to maintain that they will not work or demand to work, so that another employee chosen by management will be bumped or affected, in a manner that would prevent the management from making the assignments. The employees are obligated to grieve, if they feel that an incorrect decision has been made, so that an arbitrator (if the matter cannot be adjusted through the agreement of the parties) can resolve the problem with finality at a later point. There will not be, as a result of issues, a basis for insubordination, or challenging assignments, and refusing to do work. If employees refuse to do work, when they are assigned overtime under this agreement, then the employees can be disciplined; and, discipline can include suspension without pay, and if deemed appropriate, termination (it being understood that such discipline will be subject to grievance and arbitration too).

If employees are not willing to do overtime work, and there is a need to have overtime work performed, then the Company shall designate those employees it determines to be able and to have the least amount

of seniority and they will be required to do the overtime work; provided that:

Overtime will be offered on a seniority basis within the respective job area. In the event there are insufficient volunteers the least senior employee available will be required to work such overtime.

The employer will notify the employees on the clock at least half (1/2) hour prior to quitting time of known overtime.

Overtime will be offered as follows:

If overtime is five (5) hours or less, it will be offered to employees who are at work. If needed overtime exceeds five (5) hours, it will be offered to employees who are on their day off.

Any employee (s) reporting to work on his/her days off for overtime the parties agree that no employee shall be required to work in excess of eight (8) hour overtime on his or her day off.

Once an employee is working on overtime seniority will prevail provided the employees involved have the qualifications and ability to perform the overtime work involved. "Qualifications and ability" means, able to perform the work. Once the overtime work has been assigned to an employee, that employee must complete the work. However, forklift drivers will have the opportunity to bump junior forklift drivers provided both drivers are on overtime.

If assignments are being made, and there are assignments which, in the discretion of management, appear to be capable of being performed by all employees, but they are not regarded as the best jobs (such as going out in foul weather, putting nets on palletizing, or going into a cooler) then, assuming that all employees are equally qualified, the Company agrees that it will assign the most junior employees to the work that is undesirable first, provided that:

1. When assignments are made, they must be performed and directions followed; and, if there are objections or grievances, the objections have to be stated and grievances filed and the employees cannot refuse to do the work.

2. If employees are working on a job that they do not feel is desirable, and they see other employees who have less seniority completing work elsewhere, or reporting to work, the employees working are not at liberty to stop working, or to demand that the less senior employees immediately replace them. This is a matter that involves the discretion of management and the Company in terms of completion of the work. The Company will, however, where there are selections and employees are not working, follow the procedure of assigning the least desirable work to the least senior employees, to reward those with seniority. Questions or disputes that arise out of the interpretation of this agreement will not allow employees to refuse to work or refuse to take assignments, and the employees must take the assignments and grieve as to their differences, or any disputes.

## **Article VIII. Wages – Holidays**

### **Section A. Wages**

Each employee who reports to work upon request five (5) days in any week as required by his/her department schedule is guaranteed pay for such work equivalent to not less than forty (40) hours per week to be worked in five (5) consecutive eight (8) hour days. The forty (40) hours guarantee does not apply if the employee is absent of his or her own volition. All work in excess of twelve (12) hours in any one (1) day and forty (40) hours in any one (1) week shall be paid at one and one half (1½)-

This guarantee of forty (40) hours is contingent upon conditions beyond the employer's control which may prevent the full operation of the business. No employee shall be required to work in excess of twelve (12) hours in any one (1) day. A meal break must be given to each employee not less than one half (½) hour and no more than one hour in any one (1) day. The meal break should be taken between the fourth and sixth hour, whenever possible. If an employee is required to work through his or her meal break period, then the employee would be entitled to a meal break after eight (8) hours. If a full eight (8) hour shift had to be worked, in the opinion of the Company, then the employee would have the option of either taking the one-half hour meal break and being paid at whatever rate would be applicable (without pyramiding of any special overtime or penalty, pay) or, if the Company and the employee both agreed (and it would have to be mutually agreed to) the employee could be allowed to leave if there were no further reason for the employee to remain. The Company upon such Agreement would pay for the extra one-half hour at the applicable rate, it being understood that there would not be any pyramiding of overtime or penalty pay and the pay would be based upon the regular provisions of the Agreement for the work not done in order to compensate for the lost meal break.

### **Section B:**

1. All employees hired after the date of ratification will be paid in accordance with the following:

\$11.00	— Start
\$12.00	— Seniority
\$14.70	— Seniority plus 12 months
\$17.30	— Seniority plus 24 months
\$19.90	— Seniority plus 36 months
\$22.50	— Seniority plus 48 months

After twelve (12) months at the \$22.50 rate the employee shall be eligible for the subsequent general wage increases.

2. All employees on the payroll who have attained seniority as of August 1, 2013 will receive the general wage increases per the provisions of Article 41 Section 1 of the UPS NMA.

3. Differentials

- a. Lead - \$1.50
- b. Palletizing Pallet Control Cargo Auditor - \$1.00 (one clerk per shift)
- c. Dangerous good Document clerk - \$.50 (one clerk per shift)
- d. PPQ Document - \$.50
- e. Night - \$.60
- f. Driver - \$1.00
- g. Customs Agent \$1.50
- h. Ramp Pallet Control / Auditor \$1.00
- i. Cooler Cargo Auditor \$.50

4. Nightshift differential payment between 9:00 p.m. and 4:00 a.m. for the shift that would be known as the nightshift. This nightshift differential would be paid for the hours worked, including overtime in connection with the nightshift. However, if an individual were called in on a prior shift and had to stay late and, as a result, worked into the hours of 9:00 p.m. and 4:00 a.m.; or had been called in early and worked prior to 4:00 a.m.; that employee would not receive the differential (regardless of how many hours that individual worked during the so-called nightshift). This would be because the employee would be entitled to the rate from the prior, or later, shift plus any overtime as to the non-nightshift that would

be available. The pay would not in any way be pyramided. This provision is designed to avoid the possibility that someone called from another shift to do overtime working during the nightshift, or to come in early and do overtime during the nightshift, would be able to obtain the nightshift differential rate. They cannot obtain the nightshift rate unless they work the full nightshift on a regular basis. Employees hired after ratification of this agreement shall not be entitled to the application of the nightshift differential in this agreement.

- The company has the right to correct payroll errors upon discovery of such; however, the employee will only be responsible for overpayments for a period of ninety (90) days prior to such discovery. Likewise, the Company shall only be responsible for correcting underpayments covering a period of ninety (90) days prior to discovery.

**Section C-Holidays**

- The following named holidays, or the days observed as such, shall be recognized as legal holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, and New Year's Eve Day, provided the employees comply with qualifications set forth hereinafter. Seniority employees shall receive eight (8) hour straight time pay for the above designated holidays. One of the qualifications is that seniority employees must complete the regularly scheduled work days which immediately precedes and follows the holiday, except in cases of proven illness, or unless the absence is mutually agreed to.
- All employees on the payroll who have met the hours/reports and years of service requirements listed below shall receive nine (9) personal holidays on January 1st of each subsequent year during the term of this agreement. Personal holidays awarded on each January 1st are to be used by the subsequent November 15th of each year. Unused personal holidays will be paid at eight (8) hours at the employee's straight time hourly rate for each unused day on the second pay period of each December. An employee must be on the payroll to receive this benefit.
- In order for employees on the payroll to receive the nine (9) personal holidays the employee must have worked at least one hundred and fifty six (156) reports in the previous calendar year.
- Newly hired employees are not entitled to holiday pay for personal holidays and named holidays falling within the first year of their employment. After completion of one year of employment, the employee who meets the qualifications stated above will receive pay for future named holidays. They will also receive nine (9) personal holidays on the following and each subsequent January 1st, to be used by each subsequent November 15th, provided the employee worked at least one hundred fifty six (156) reports in the previous calendar year. They shall be paid eight (8) hours at straight time hourly rate for each unused personal holiday. An employee must be on the payroll to receive this benefit.
- Personal holidays shall be awarded by seniority in the order requested and the following procedure shall apply: Any employee desiring a personal holiday will make a request in writing on a form furnished by the Company. Such request must be submitted no later than the start of his/her shift on the seventh (7th) calendar day preceding the day requested. A signed copy of the request form stating approval or disapproval shall be returned to the employee by the end of the next working day.

- No personal holiday may be taken after November 15 or before December 31 of any year.
- Any employee who is out due to sickness or injury shall have the right, after the third day of absence due to such sickness or injury, to be paid for any personal holidays to which they are entitled up to the number of days off due to sickness or injury. Employees may elect to be paid two (2) of their personal holidays for up to two (2) single days of illness. A written request for payment must be made the day following the absence. It is understood for these days to be paid the employee must provide medical documentation to support the absence. If these two (2) days of illness are paid as personal holidays they will not be counted towards management determination of an unacceptable attendance record.

**Article VIII. Wages - Holidays**

**Section A. Wages**

Each employee who reports to work upon request five (5) days in any week as required by his/her department schedule is guaranteed pay for such work equivalent to not less than forty (40) hours per week to be worked in five (5) consecutive eight (8) hour days. The forty (40) hours guarantee does not apply if the employee is absent of his or her own volition. All work in excess of twelve (12) hours in any one (1) day and forty (40) hours in any one (1) week shall be paid at one and one half (1 1/2). Vacation days paid shall be considered as hours of work for the purpose of overtime calculation.

This guarantee of forty (40) hours is contingent upon conditions beyond the employer's control which may prevent the full operation of the business. No employee shall be required to work in excess of twelve (12) hours in any one (1) day. A meal break must be given to each employee of forty-five (45) minutes in duration. The meal break should be taken between the fourth and sixth hour.

**Section B.**

- All employees on the payroll who have completed their progression as of August 1, 2018 will receive the general wage increases per the provisions of Article 41 Sections 1 and 5 of the UPS NMA. All employees still in progression on August 1, 2018 shall be paid in accordance with section 1.1 below.

<u>\$13.00</u>	<u>Start</u>
<u>\$13.00</u>	<u>Seniority</u>
<u>\$14.00</u>	<u>Seniority plus 12 months</u>
<u>\$17.30</u>	<u>Seniority plus 24 months</u>
<u>\$19.90</u>	<u>Seniority plus 36 months</u>
<u>\$22.50</u>	<u>Seniority plus 48 months</u>

After twelve (12) months at the \$22.50 rate the employee shall be eligible for the subsequent general wage increases. Notwithstanding Article 41 Sections 1 and 5, the employees covered by the above progression shall not be eligible for a general wage increase until they reach twelve months at the \$22.50 rate.

- All employees hired after August 1, 2018 shall be paid in accordance with the chart below. They shall not be eligible for the general wage increases in Article 41.

	<u>8-1-2018</u>
<u>Start</u>	<u>\$13.00</u>
<u>Seniority plus 12 months</u>	<u>\$14.00</u>
<u>Seniority plus 24 months</u>	<u>\$16.50</u>
<u>Seniority plus 36 months</u>	<u>\$18.50</u>
<u>Seniority plus 48 months</u>	<u>\$22.50</u>

3. Differentials
  - a. Lead - \$1.50
  - b. Palletizing Pallet Control Cargo Auditor - \$1.00 (one clerk per shift)
  - c. Dangerous good Document clerk - \$.50- (one clerk per shift)
  - d. PPO Document / PPO Sample Puller - \$.50
  - e. Night - \$.60
  - f. Driver - \$1.00
  - g. Customs Agent \$1.50
  - h. Ramp Pallet Control / Auditor \$1.00
  - i. Cooler Cargo Auditor \$.50
4. Nightshift differential payment between 9:00 p.m. and 4:00 a.m. for the shift that would be known as the nightshift. This nightshift differential would be paid for the hours worked, including overtime in connection with the nightshift. However, if an individual were called in on a prior shift and had to stay late and, as a result, worked into the hours of 9:00 p.m. and 4:00 a.m.; or had been called in early and worked prior to 4:00 a.m.; that employee would not receive the differential (regardless of how many hours that individual worked during the so-called nightshift). This would be because the employee would be entitled to the rate from the prior, or later, shift plus any overtime as to the non-nightshift that would be available. The pay would not in any way be pyramided. This provision is designed to avoid the possibility that someone called from another shift to do overtime working during the nightshift, or to come in early and do overtime during the nightshift, would be able to obtain the nightshift differential rate. They cannot obtain the nightshift rate unless they work the full nightshift on a regular basis. Employees hired after August 1, 2013 ratification of this agreement shall not be entitled to the application of the nightshift differential in this agreement.
5. The company has the right to correct payroll errors upon discovery of such; however, the employee will only be responsible for overpayments for a period of ninety (90) days prior to such discovery. Likewise, the Company shall only be responsible for correcting underpayments covering a period of ninety (90) days prior to discovery.

### Section C-Holidays

1. The following named holidays, or the days observed as such, shall be recognized as legal holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, and New Year's Eve Day, provided the employees comply with qualifications set forth hereinafter. Seniority employees shall receive eight (8) hour straight time pay for the above designated holidays. One of the qualifications is that seniority employees must complete the regularly scheduled work days which immediately precedes and follows the holiday, except in cases of proven illness, or unless the absence is mutually agreed to.
2. All employees on the payroll who have met the hours / reports and years of service requirements listed below shall receive nine (9) personal holidays on January 1 of each subsequent year during the term of this agreement. Personal holidays awarded on each January 1 are to be used by the subsequent Sunday after Thanksgiving of each year. Unused personal holidays will be paid at eight (8) hours at the employee's straight time hourly rate for each unused day on the second pay period of December. An employee must be on the payroll to receive this benefit.

3. In order for employees on the payroll to receive the nine (9) personal holidays the employee must have worked at least one hundred and fifty six (156) reports in the previous calendar year.
4. Newly hired employees are not entitled to holiday pay for personal holidays and named holidays falling within the first year of their employment. After completion of one year of employment, the employee who meets the qualifications stated above will receive pay for future named holidays. They will also receive nine (9) personal holidays on the following and each subsequent January 1, to be used by each subsequent prior to the Sunday after the Thanksgiving Holiday, provided the employee worked at least one hundred fifty six (156) reports in the previous calendar year. They shall be paid eight (8) hours at straight time hourly rate for each unused personal holiday. An employee must be on the payroll to receive this benefit.
5. Personal holidays shall be awarded by seniority in the order requested and the following procedure shall apply: Any employee desiring a personal holiday will make a request in writing on a form furnished by the Company. Such request must be submitted no later than the start of his/her shift on the seventh (7,) calendar day preceding the day requested. All requests must be signed by the Employer as received and a copy of such document shall be given back to the employee requesting the time off. A signed copy of the request form stating approval or disapproval shall be returned to the employee by the end of the next working day. Employees may not be subject to discipline for attendance for approved time even if unpaid.
6. No personal holiday may be taken from the Sunday after Thanksgiving through December 24th.
7. Any employee who is out due to sickness or injury shall have the right, after the third day of absence due to such sickness or injury, to be paid for any personal holidays to which they are entitled up to the number of days off due to sickness or injury. Employees may elect to be paid up to five (5) of their personal holidays for single days illnesses. A written request for payment must be made the day following the absence. Employees will not be disciplined for taking these paid days as compensation for illness.

### **ARTICLE X. Vacations**

- A. Full time employees will be granted paid vacation time based upon the length of their active service. An employee must have worked one hundred and fifty-six (156) reports in the preceding year to earn their vacation. Vacation will be accrued from January 1st to December 31st and taken the following year. Each employee who meets the eligibility rules stated above, shall be entitled to a vacation with pay as follows:

Active Service	Weeks Earned
One (1) year	One (1) week
Two (2) years	Two (2) weeks
Five (5) years	Three (3) weeks
Fifteen (15) years	Four (4) weeks
- B. Newly hired employees will not begin to accrue vacation until January 1st following their hire date.
- C. Vacation time is not cumulative, and must be taken during the calendar year following December 31st. If vacation is not taken by the end of the year, the employee will be paid in lieu of vacation.

- D. Vacation pay shall be at the rate of pay which the employee would normally have received for the regular straight time during the period of their vacation at forty (40) hours for each vacation week.
- E. Vacation will be approved by the Company taking into consideration the desires and seniority, classification, area and shift of the employee and the Company's operational requirements. The Company reserves the right to restrict vacations during high volume periods. Vacation requests will be submitted by November 30th and approved and posted by the following January 1st.
- F. When an employee splits their vacation period, an employee may not exercise their seniority on the second part of their vacation time over any employee who has not picked their vacation.
- G. An employee who does not request a vacation will be assigned to an open vacation period.
- H. When a named holiday falls during an employees paid vacation, the employee will be paid an additional eight (8) straight time hours as holiday pay for the named holiday.

### ARTICLE X. Vacations

- A. Full-time Employees will be granted paid vacation time based upon the length of their active service. An employee must have worked one hundred and fifty-six (156) reports for the full calendar year. The first ten (10) vacation paid days shall count towards the one hundred and fifty-six calculation for vacation purposes.

Vacation will be accrued from January 1st to December 31st and taken the following year. Each employee who meets the eligibility rules stated above shall be entitled to a vacation with pay as follows:

<u>Active Service</u>	<u>Weeks Earned</u>
<u>One (1) year</u>	<u>One (1) week</u>
<u>Two (2) years</u>	<u>Two (2) weeks</u>
<u>Five (5) years</u>	<u>Three (3) weeks</u>
<u>Fifteen (15) years</u>	<u>Four (4) weeks</u>

- B. Newly hired employees will not begin to accrue vacation until January 1<sup>o</sup> following their hire date.
- C. Vacation time is not cumulative, and must be taken during the calendar year following December 31-. If vacation is not taken by the end of the year, the employee will be paid in lieu of vacation.
- D. Vacation pay shall be at the rate of pay which the employee would normally have received for the regular straight time during the period of their vacation at forty (40) hours for each vacation week.
- E. Vacation will be approved by the Company taking into consideration desires and seniority, classification, area and shift of the employee and the Company's operational requirements. The Company reserves the right to restrict vacations during high volume periods. A General bid for vacation shall be done each December in seniority order by Job classification, area and shift. A copy of the completed vacation schedule will be posted by the day after Christmas with a copy provided to the Local Union.
- F. In the event that an employee does not select the vacation at the general bid of each year, the employees shall select from the remaining available time periods on a first come first serve basis. Vacation picks not made at the time of the general bid will be submitted in writing by the employee and will be approved or denied by management in writing within seven (7) calendar days.

- G. When an employee elects to split their vacation period, the employee may not select the second part of the split vacation during the general bid for vacations.

The second part of the split vacation shall be selected from the remaining available time periods on a first come first serve basis.

- H. When a named holiday falls during an employee's paid vacation, the employee will be paid an additional eight (8) straight time hours as holiday pay for the named holiday.

### ARTICLE XI. Uniforms

The Company will continue its policy of providing uniforms (8 shirts and 7 pants) for those employees required to wear uniforms. Exchanged uniforms will be inspected by the company and if a uniform is required it will be new.

The Company will continue to provide jackets, vests, and gloves for the employees working in the cooler area. Jackets, vests, gloves will be exchanged as needed.

Warehouse employees (cargo handlers) will be permitted to have neatly trimmed facial hair. For employees who no longer are required to wear uniforms the employee may wear clothes of their choosing which would not be deemed to be offensive or pose a safety risk to themselves or other employees. The employer will give the union 90 days calendar days' written notice of any change of its uniform policy.

### Article XII. Equipment, Accidents, Etc.

- A. The Employer shall not require employees to take out on the street or highways any vehicle that is not in safe operating condition or equipped with safety appliances prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment unless such refusal is unjustified.
- B. Any employee involved in any accident or who has knowledge of freight damage or theft shall immediately report in writing said accident and any physical injury sustained, freight damage or theft to the Employer before completion of his or her shift that day, and shall turn in all available names and addresses of witnesses to the accident, freight damage or theft. Failure to comply with this provision shall subject such employee to immediate discharge.

### ARTICLE XII. Equipment, Accidents, Etc.

#### Equipments

- A. The Employer shall not require employees to take out on the street or highways any vehicle that is not in safe operating condition or equipped with safety appliances prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment unless such refusal is unjustified.

#### Accidents

- B. Any employee involved in any accident that the driver had or should have had knowledge of shall immediately report to the Employer of said accident and of any physical injury sustained as a result of the accident. Furthermore it's understood by the parties that the employee will complete a written report before the completion of his/her shift of that day.

#### Freight Damage /Theft

- C. Knowledge of Freight damage or theft to the Employer shall be immediately reported to the Employer. Furthermore it's

understood by the parties that the employee(s) will complete a written report before the completion of his/her shift of that day.

Failure to comply with these provisions in this article may subject such employee (s) to discipline up to and including discharge.

#### **ARTICLE XVI. Management Rights**

E. In the event the Company decides to subcontract any work whatsoever, it will notify the union in advance to give the union an opportunity to discuss such subcontracting. The Company agrees it will make all reasonable efforts to use existing personnel within their guaranteed workweek before subcontracting any bargaining unit work. The Employer may not subcontract work in any classification if any employee who normally performs such work is on layoff.

In addition the Employer may subcontract work in order to meet service needs if it does not possess the facility, equipment, or personnel to perform such work.

Any dispute, arising from this article is subject to the grievance procedure:

~~F. Warnings notices and written reprimands (including disciplinary suspensions) will be removed from an employee's file and will not be considered in future warnings, reprimands or discipline in accordance with the following schedule:~~

- ~~1. Warnings, reprimands or discipline related to attendance rules (including, but not limited to, absenteeism, tardiness or leaving work early); after nine (9) months;~~
- ~~2. Warnings, reprimands or discipline related to safety rules or incidents that result in damage or injury: nine (9) months;~~
- ~~3. All other warnings, reprimands or discipline: nine (9) months.~~

G. The Company shall not discharge or suspend any employee without just and proper cause. The Employer recognizes the concept of progressive discipline and will apply it in situations where appropriate. All disciplinary action including suspensions and discharges shall be subject to the grievance provisions of this agreement.

~~The reason for discharge or other disciplinary action must be given to the employee within ten (10) working days of knowing said incident occurred. In cases of suspension and discharge the Company will notify the Union Business Agent of the disciplinary suspension or discharge. The employee will receive a copy of the disciplinary notice issued to him or her. Working days for the purpose of issuing discipline will be defined as days the employee reports to work.~~

~~The Company shall have the sole right to discharge or otherwise discipline any employee without issuing a prior warning notice for the following categories including but not limited to: theft, dishonesty, failure to report an accident or any property damage, gross insubordination, recklessness, negligence, possession of a weapon while on the job or on company premises or other locations where the company does business, use of or possession of drugs or alcohol while on duty or on company property or any location where the company does business, fighting while on the job or on company's premises, falsification of records, and other serious offenses.~~

~~Discipline for minor offenses will consist of: First written notice; Second written notice; Suspension (not to exceed five (5) days); or Final warning notice; Termination.~~

#### **ARTICLE XVI. Management Rights – Discipline and Discharge**

The Company shall not discharge, suspend or discipline any employee without just and proper cause. All disciplinary action including suspensions and discharges shall be subject to the grievance provisions of this agreement.

The reason for discharge or other disciplinary action must be given to the employee within ten (10) working days of knowing said incident occurred. The discipline letter will be given / sent to the employee (s) within ten (10) working days. In the event the company fails to comply with the time limits set forth above the letter will be deemed to be untimely provided a timely proper grievance is filed.

In cases of suspension and/or discharge the Company will provide the Union Business Agent a copy of the suspension and or discharge letter. Working days for the purpose of issuing discipline will be defined as days the employee reports to work. Letters sent to the employee will be by a methods which includes tracking and or certified mail.

The Company shall have the right to discharge any employee without issuing a prior warning notice for the following categories including but not limited to: theft, dishonesty, failure to report an accident or any property damage the employee (s) is involved in, gross insubordination, recklessness, negligence, possession of a weapon while on the job or on company premises or other locations where the company does business, use of or possession of drugs or alcohol while on duty or on company property or any location where the company does business, fighting while on the job or on company's premises, falsification of records, and other serious offenses.

Discipline in cases of employee no-call no-show to work will consist of first written warning, suspension, and termination.

Discipline will consist of four (4) steps for minor offenses:

- I First written warning.
- II Second written warning.
- III Suspension (will not exceed five (5) day; and or Final written warning.
- IV Termination

Warnings notices and written reprimands (including disciplinary suspensions) will not be considered in future warnings, reprimands or discipline after nine (9) months from the date of issue. The parties subscribe to the principal of progressive discipline being issued for like offenses safety, attendance, and failing to follow supervisor instructions, or job methods. All other infractions not specifically listed in this paragraph will be considered failing under supervisor instruction, or job methods.

The Employer and the Union agree that warning notices are deemed to be automatically protested if the protest is based on the merits of the discipline and will only be heard at the System Board in conjunction with suspension or discharge discipline. Warning Notices protested as a result of a procedural issue (such as timeliness, representation, etc.) must be protested in writing inclusive of the reason for the procedural protest and be presented to the company per provisions of the Article of Grievance/System Board and Arbitration of this CBA.

#### **Article XVIII. Health and Welfare**

A. The employer agrees to provide health coverage under the UPS Health Program Network for eligible employees and their eligible dependents.

1. Plan benefits shall be maintained at levels no less than those in effect as of the date of ratification and shall remain in effect throughout the term of this Agreement.
- B. Upon request the employer will provide to all covered employees summary plan documents describing benefits.
- C. For those full-time or part-time employees who have received health and welfare benefits from the Company Health & Welfare Plan, benefits on and after January 1, 2014 will be provided by the Team-Care Central States Health & Welfare Fund (CSH&W Fund), under the terms set forth in Article 34 of the National Master Agreement. The Company will continue to provide health & welfare benefit coverage under the existing plan through December 31, 2013.
- D. Any eligible employee covered by this Section who retires effective January 1, 2014 or thereafter shall be provided retiree medical benefits through the Team-Care CSH&W Fund.
- E. Current retirees who are receiving benefits through a UPS sponsored plan shall receive coverage on and after January 1, 2014 under the terms of the Memorandum Concerning UPS Sponsored Plans, attached to the National Master Agreement.
- F. Contributions to the pension funds will be made in accordance with Article 34 of the National Master Agreement.

#### ARTICLE XIX. Pensions

When the company implements a 401K Plan the employees covered by this Bargaining Agreement will be allowed to participate in the same manner and guidelines as all other employees. The Company will pay the annual administrative fees associated with the maintenance of this plan.

- A. The Company will provide pension benefit coverage to eligible employees under the terms and conditions contained in the UPS Pension Plan.

Effective for any employee retiring after January 1, 2014, the total monthly service pension benefit will be equal to the following provided the employee meets the Credited Service requirement.

\$1,925 for retirement at any age after 35 years of Credited Service  
 \$1,650 for retirement at any age after 30 years of Credited Service  
 \$1,375 for retirement at age 60 with 25 years of Credited Service

**\$2,100 for retirement at any age after 35 years of Credited Service**  
**\$1,800 for retirement at any age after 30 years of Credited Service**  
**\$1,500 for retirement at age 60 with 25 years of Credited Service**

There shall also be \$1,125 benefit for retirement at any age with 25 years of Credited Service. This is based on \$45.00 per year of Credited Service.

**There shall also be \$1,250 benefit for retirement at any age with 25 years of Credited Service. This is based on \$50.00 per year of Credited Service.**

The accrual rate shall be increased to sixty-five dollars (\$65.00) for each year of future credited service after January 1, 2014.

- B. The employer agrees to provide enrollment opportunities in the UPS/Teamsters National 401(k) tax deferred savings plan for eligible employees.
  1. The employer shall withhold from an employee's earnings,

amounts mutually agreed to between the employer and the employee. Such monies shall be deposited into a 401(k) account in the employees name in compliance with the Internal Revenue Code and E.R.I.S.A. Such deposits will be made in time period which is current practice for deposits made for other Teamsters employees.

2. To the extent participation information is available to other Teamster members such information shall be available to the employees covered by this Agreement.

#### ARTICLE XXVII. Union Representatives

It is understood and agreed between the parties to this Agreement that Officers and Business Representatives of the Union may enter onto the Carrier's premises for the purpose of policing this Agreement or investigating grievances arising thereunder. Provided, however, that said Officers and Business Representatives first notify and obtain permission will be in accordance with all appropriate State and Federal laws, rules and regulations. Such permissions will not be unreasonable withheld by the Carrier.

The authorized agents agree not to unduly interrupt the normal operation and will notify management upon entering the premises. The company also agrees to provide telephone numbers of its appropriate representatives, including mobile phone, or cellular numbers, so that there can be an effort to enable Union representatives to avoid interrupting operations, or appearing without notice; but, at the same time, the Union representatives can obtain permission to enter the premises after being able to communicate with appropriate management representatives.

The Company will determine those names and the telephone numbers that will be provided and the parties agree that if from time to time there are questions about the representatives, while the company will have total control over the designation of its representatives (just as the Union has control over its representatives), the Union can submit a request and within 10 working days, the Company will respond so that if there are changes in management personnel, the parties can cooperate to make appropriate adjustments and make appropriate information available.

**The Company shall, upon written request, provide the Union with documents/information that is reasonably related to a pending grievance(s), or the enforcement or administration of the current Collective Bargaining Agreement.**

#### ARTICLE XXXI. Relief Cover Employees

**Relief Cover Employees:**

**Relief cover employees will be used to cover employee vacation, or other approved leaves such as (workers comp, FMLA, disability.) It is agreed that the Relief employees will be used to cover the same position of the employee that is on approved time away from work. Relief employees may not be used to cover positions of less than 5 days per week or less than 8 hours per day.**

**In regard to new, open or vacancy position may be covered by the relief employees while the position is posted.**

**Schedules open due to approve leave shall be posted on weekly basis. Relief employees shall bid in seniority order to pick the schedule that they want to cover, a steward or a Union representative shall be present for the weekly bid. The bid shall commence every Friday**

between 4:00 pm and 6:00 pm. At the end of the bid the steward shall be entitled to a copy of the complete bid and a copy shall be send to the Union Business Agent at the end of the Bid.

The bid shall show the name of the employees that is out due to a approve leave of absent the days off, start time and end time including the work area that the employee will cover.

It is agreed to keep a ratio of 20 Cargo Handler (warehouse) Relief employees or less and 4 Cargo Agent (office) Relief employees. Should number of bargaining employees significantly change; it is agreed that both parties shall meet in order to discuss the number of Relief employees to be kept. It is agreed to furnish a copy of the Relief schedules to business agent.

#### High Seasons:

It is agreed there are three high seasons. Valentine's Day peak season runs from Mid-January through first week of February. Mother's Day peak runs from mid-April through first week of May. End year peak season runs from third week November through week of Christmas.

It is agreed the Company and Union will meet one month in advance to review the schedules for Relief Cover Employees during high seasons Relief employees will not be scheduled earlier than regular shifts, unless the earlier start time is offer in seniority order to the regularly scheduled employees are not interested to start earlier. The high seasons bid for the vacation relief shall be offer to the Relief employees in seniority order. In case of lay off the Relief Cover employees shall be layoff first in seniority order.

In the event that a layoff affects (7) seven or less fixed position in the general bid the junior(s) employees shall became a Relief Cover. The Master seniority list will be the main factor to determine who is the junior employee.

A. In the event a layoff affects more than (7) seven fixed positions in the general bid its understood by the parties that the Employer will contact the Union to meet and discuss and reach a resolution in regards to the affected lay off, if the parties are unable to obtain a resolution then a general bid shall be done within 30 days following the procedure step indicated in article (7) (seniority) for general bids. The Company agrees that it will not exercise its rights under the Article in an unreasonable manner and such actions shall be subject to the grievance procedure.

All employees referred as "Relief Cover" are cover under the term and condition of the Collective Bargaining Agreement.

## **ARTICLE XXXII. Employee Relations**

The parties agree that the principle of a fair days work for a fair days pay shall be observed at all times and employees shall perform their duties in a manner that best represents the Employer interest. The Employer shall not intimidate or harass an employee in the performance of his or her duties. The employer shall treat employees with dignity and respect at all times. Employees will also treat each other as well as the Employer with dignity and respect.

## **ARTICLE XXXIII. Duration**

This Agreement shall become effective upon ratification. This Agreement shall remain in full force and effect for the duration of the current NMA and will, therefore, continue in full force and effect for the duration of the NMA which succeeds the current NMA. This Supplement to the successor NMA will be subject to cancellation or termination at that time provided that the notice provisions of the NMA are followed.

In Witness Whereof, the parties hereto have signed this Agreement effective \_\_\_\_\_ and signed the document to commemorate their earlier agreement on this day \_\_\_\_\_ day of \_\_\_\_\_, ~~2013~~ 2018

## **LETTER OF AGREEMENT**

UPS Latin America, Inc. ("Company") and Teamsters Local 769 ("Union") agree to the following as an addition to their 2018-2023 Supplemental Agreement:

1. The monthly service pension benefit from the UPS Pension Plan otherwise due to an employee who (i) was hired by Challenge Air Cargo, Inc. before January 1, 1992; (ii) will reach or exceed age sixty-five (65) after the ratification of the 2018-2023 National Master Agreement (NMA) but no later than July 31, 2023; and (iii) who terminates employment after attaining normal retirement age under the UPS Pension Plan shall be no less than \$1,250. This benefit shall commence upon retirement and will be paid in accordance with the terms and conditions contained in the UPS Pension Plan. Since this benefit will commence after an employee has attained his or her normal retirement age, there will be not early retirement reduction of the benefit.
2. The monthly service pension provided by this Letter of Agreement shall terminate and no longer be in effect as of August 1, 2023.