

# TEAMSTERS LOCAL 959 ALASKA FULL-TIME 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 1

### PREAMBLE AND PURPOSES OF THIS AGREEMENT

**1.02** THIS AGREEMENT made and entered into this eighteenth (18th) day of July, 2018 ~~3rd day of May 2013~~, by and between United Parcel Service, Inc., hereinafter called the Employer, the party of the first part, and Local 959 of the International Brotherhood of Teamsters, hereinafter called the Union, the party of the second part, witness to:

## ARTICLE 2 HIRING HALL

**2.05** The Employer utilizes a web based application process for job applicants. When the Employer seeks to fill open positions, it will notify the Union that the website is open for applicants to schedule interviews. Additionally, the web based application is always open for job applicants. Filled positions will be communicated in accordance with Section 2.07 below.

**2.07** Newly-Hired Employees. The Employer will notice the Union when an employee is hired. The Employer agrees to provide the Union the right and opportunity to conduct an orientation within the first week of employment for a new hire. The orientation will be held during the employee's normal working hours. New hires will obtain a dispatch from the Local Union prior to completing the thirty (30) day probationary period. ~~December new hires will obtain a dispatch prior to orientation from the Union hall.~~

## ARTICLE 4 FULL-TIME WAGES

**4.01**

Effective <del>08/01/2013</del> <u>08/01/2018</u>	
Classification	Top Rate
Package Car/Ground Shuttle Drivers	<u>\$39.50</u>
Tractor Trailer/Feeder Drivers	<u>\$39.75</u>

Clerical	<u>\$31.59</u> See Article 41.3 of the NMUPSA
Mechanics Automotive/G.S.E.	<u>\$39.50</u>
Full-Time Combo Jobs Article 22.3/40	<u>\$31.59</u> See Article 41.3 of the NMUPSA
Utility Driver	Starting Package Driver rate in Article 41.2(c) of the NMUPSA

**Explanation of Top Wage Rates:** The wage scale shall be adjusted on both August 1 and ~~February 1~~ of each year of this Agreement, pursuant to Article 34 and Article 41 of the National Master United Parcel Service Agreement and in conjunction with Article 30 of the Western Region of Teamsters UPS Supplemental Agreement.

## ARTICLE 5 FULL-TIME EMPLOYEES' WORKING RULES FOR EMPLOYEES OTHER THAN THOSE LISTED IN ARTICLE 6 OF THIS AGREEMENT

**5.03** All full-time employees shall be entitled to a one (1) hour unpaid lunch period, during each working day. Meal periods shall be scheduled and completed between the fourth (4th) and sixth (6th) hour of an eight (8) hour workday. It is agreed that two (2) fifteen (15) minute paid rest periods will be allowed all full-time employees and taken on area. ~~One must be taken before lunch and one after.~~ The unpaid lunch period may not be fractured.

**5.04** No employee shall be required or permitted to take less than one-half (1/2) hour nor more than one (1) hour for meal periods. ~~A request for a one-half (1/2) hour lunch shall be given full and reasonable consideration.~~ It is agreed there is no specific restrictions to the number of one-half (1/2) hour lunches allowed.

~~b. December Lunch Period. It is understood and agreed that during the month of December, employees will be allowed to take a one-half (1/2) hour unpaid lunch or a one (1) hour~~

unpaid lunch. This choice must be made known to management by December 1.

5.09 Feeder Drivers, irrespective of domicile, shall work as directed including, but not limited to: loading, unloading, and sorting as directed in any operating location of the Employer.

d. At any point during this Agreement should extra volume, expansion of existing service areas, or assumption of new service areas cause the Employer to subcontract out feeder work for three (3) days a weeks for a four (4) workweek period, excluding peak season, the work shall be brought in-house and bid in accordance with this Agreement as a feeder route within sixty (60) calendar days of the end of the four (4) week period.

e. The movement of trailers to Wasilla will be performed by a Feeder Driver.

f. Back-up Feeder Drivers will be offered available work to be made whole for missing a package driving shift as a result of working as a Feeder Driver.

5.14 G.S.E. Mechanics shall not perform routine Automotive Mechanic's duties. G.S.E. Mechanics will be required to perform Automotive Mechanic repairs when necessary.

Automotive Mechanics will be required to perform G.S.E. Mechanic repairs when necessary.

G.S.E Mechanics will be required to obtain a DOT Medical Certificate; unless valid medical documentation exists showing the employee cannot obtain a DOT Medical Certificate.

5.15 G.S.E. and Automotive Mechanics Alternate Work Schedule.

5.16 Matanuska-Susitna Center Mechanic. If the Company, during the term of this Agreement, opens a Center in the Mat-Su Valley, the parties will meet to determine the feasibility of having the package car mechanic work performed by Company employees. This Section shall not be construed to be an admission by the Union that future package car mechanic work is not the exclusive work of the Union.

5.17 6 Daily Layoff. Employees may be laid off due to a lack of work. When the Company finds it necessary to lay off an employee it shall be from the bottom up on the respective seniority list. If there are more senior employees who volunteer to take a less senior employee's daily layoff, the Company will give the request full consideration taking into account operational needs, and seniority, if there are multiple volunteers.

5.18 Package Car Routes, Bidding, and Daily Elimination.

a. When a route is created, in accordance with Article 6.2 of The Western Region Supplemental Agreement, drivers who have at least twenty percent (20%) of their delivery stops taken from their route to create the new route, shall be allowed to bid the new route prior to offering the route to all other drivers.

b. When the Company makes the decision to temporarily eliminate a route, it will make a reasonable effort to eliminate the base line route(s).

c. The Union may request the rebid of a loop if it is determined that

the volume growth has exceeded twenty percent (20%) during the life of this Agreement, thereby causing significant change to the original bid routes within the loop. No more than one rebid per loop will be allowed during the term of this Agreement.

5.19 Protective Clothing. The Company will provide protective clothing for employees whose job requires them to sort and load outside, to include loading and unloading TP-60's. To fulfill this obligation, the Company will, after an employee has requested and been employed for six (6) consecutive months, provide a voucher for two hundred dollars (\$200.00) to be used for protective clothing. The voucher is valid towards the purchase of artic lined coveralls, coats, or bibs only. It does not cover the purchase of miscellaneous items such as socks, hats, boots, or gloves. No cash refunds for spending less than two hundred dollars (\$200.00) will be given. On the second anniversary date following the initial voucher, and every two years after, the Company will provide an additional two hundred dollars (\$200.00) voucher based on employee request and wear and tear of the current clothing.

## ARTICLE 6

### ARTICLE 22.3/40 FULL-TIME COMBINATION EMPLOYEE JOB WORKING RULES

6.01 Regular full-time employees are guaranteed a full week's work when available. The Employer regularly experiences reduced work during holiday weeks. Regular full-time employees who are put to work shall be guaranteed eight (8), or ten (10) see Section 6.11 below, hours work or pay. These guarantees shall not apply to the bottom two (2) seniority employees on each shift, nor shall they apply when acts of God cause a curtailment of all or part of the Employer's operation. Full-time employee reduction of guaranteed hours, during domestic and international holidays that affect the jet schedule, will be as work load dictates. However, no employee put to work during these times shall receive less than one half (1/2) of their daily guarantee.

6.03 Paid Break and Unpaid Lunch Accounted for by Time Clock.

a. **Lunches.** Lunches are flexible to reduce to thirty (30) minutes or expand to one (1) hour as volume and arrivals/departures require. Meal periods shall be scheduled and completed between the fourth (4th) and sixth (6th) hour of the workday. Meal periods shall not be scheduled prior to the completion of the ~~third (3rd) hour.~~ Employees, who work through their breaks and/or lunch, at management's direction, will notify management by the fifth (5th) hour that they have not had breaks and/or lunch. Should management not have responded by the end of the sixth (6th) hour of their shift, the employee will notify management of no ~~break and/or~~ lunch and will be allowed to clock out, unless directed to stay for further work.

b. **Breaks.** There will be two paid (2) fifteen (15) minute breaks.

6.04 Employees reporting for work pursuant to instructions, but not worked, shall be paid one half (1/2) their daily guarantee. Employees who do not complete the workday at their own request, other than on-the-job injury, will be paid for hours worked only.

Employees working a 5 X 8 schedule shall be paid time and a half (1 1/2) on any sixth (6th) day worked in a work week, and double time for any seventh (7th) day worked in a work week.

Employees working a 4 X 10 schedule shall be paid time and a half on any fifth (5th) and sixth (6th) day worked in a work week,

and double time for any seventh (7th) day worked in a work week.

Employees will be paid the greater of, actual hours worked, or two (2) hours, on days worked outside of their scheduled workweek, and holidays worked.

Employees, called back to work for additional work on a day where they have already completed their work shift, will be paid the greater of the actual hours worked or two (2) hours.

#### 6.08 Training and Disqualification.

##### a. Full-time Training Qualifications.

7. The Company will hold one full-time class each year of this Agreement. The Company will admit six (6) additional employees, above and beyond, the employees needed to fill current full-time openings into the class. The Company may hold additional classes as necessary to fill full-time openings.

8. The Company will bid future additional positions for Hazmat/1st Responder. No employee that is a Hazmat/1st Responder shall be removed, unless it is for good cause.

9. Employees, upon request, will have the opportunity to be trained on equipment. Training will be done at times convenient for the Company. The Company may reject requests for training for good cause. Such good cause will be discussed with the Union.

#### 6.09 Job Openings and Preload.

##### a. Job Openings.

2. Bid award will be by overall seniority of those who sign bid list.

A. A complete rebid will occur; between the second and third year a minimum, within six (6) months following the effective date of this Agreement; if no rebid has occurred in 2013.

B. There will be two (2) rounds of bidding for all positions, after which, the Company will fill vacant shifts. After a second round, employees who successfully bid into vacancy, or new job, will commence the new position no later than seven (7) working days after the close of the bid.

6.13 Hub and Gateway Operation. It is understood and agreed that the work of loading and unloading United Parcel Service, Inc. aircraft at Anchorage International Airport is the work of the bargaining unit subject to the following provisions:

a. Movement of the "K" loader or elevator to or from aircraft shall be performed by bargaining personnel. Operation of such equipment is the work of the bargaining unit.

b. The fueling of aircraft and contract snow removal, lavatory servicing, and catering, is not the work of the bargaining unit.

c. All other work currently associated with the Air Hub operation, including movement of equipment for job set up purposes, is the work of the bargaining unit.

1. De-icing work may be performed by an outside service by mutual agreement. Mutual agreement will not be unreasonably withheld.

d. Employees involved in Air Hub and Gateway Operation shall be covered under the same conditions as all other employees with the following exceptions:

1. Start times may be adjusted with one (1) hour notification prior to affected employees reporting for work to coincide with the arrival and departure of planes. In the event a second change of starting time is necessary due to inclement weather conditions, the starting time may again be adjusted provided one (1) hour notice is given to affected employees.

2. When employees working a combination of jobs, which include Air Hub and Gateway Operation, and are on duty when notified that aircraft are expected to arrive late, they shall not be relieved from duty unless the expected arrival exceeds one (1) hour past the completion of the primary function of their combined work.

3. Employees involved in the Air Hub and Gateway Operation shall be paid time and one-half (1-1/2 times) for all hours worked in excess of eight (8) or ten (10) hours respective to a five (5), eight (8) hour or four (4), ten hour day. Calculation of hours worked for the purpose of overtime shall commence from the start of an employee's scheduled shift, up to the commencement of the next scheduled shift. Each shift will have a minimum of eleven (11) hours off between shifts, except employees who double shift.

6.14 Protective Clothing. It is understood and agreed that the Company will provide the following protective clothing.

a. Protective outer winter clothing (e.g., parkas) for Ramp workers. To fulfill this obligation, the Company will, after an employee has requested and been employed for six (6) consecutive months, provide a voucher for two hundred and dollars (\$200.00) to be used for protective clothing. The voucher is valid towards the purchase of artic lined coveralls, coats, or bibs. It does not cover the purchase of miscellaneous items such as socks, hats, boots, or gloves. No cash refunds for spending less than two hundred dollars (\$200.00) will be given. On the second anniversary date following the initial voucher, and every two years after, the Company will provide an additional two hundred dollar (\$200.00) voucher based on employee request and wear and tear of the current clothing.

b. NIOSH-approved gloves for fueling equipment.

c. NIOSH-approved clothing and protective gear, to include gloves and raingear, for de-icing aircraft.

## ARTICLE 7 HOLIDAYS

7.04 The employee's anniversary date of employment and floating holidays shall be granted if the combination of vacation, anniversary date of employment, and floating holidays does not exceed the percentage agreed upon in Article 8.03 of this Agreement. If the granting of the anniversary date of employment and floating holidays combined with the vacation already selected in Article 8 would exceed the percentage agreed upon in Article 8.03, the anniversary date of employment and floating holidays will be observed by mutual agreement except for the exception agreed to below in Section 7.06 of this Agreement. Mutual agreement will not be unreasonably withheld. In centers having less than ten (10) drivers, a second

denial will result in the affected driver being paid the overtime rate for all hours worked that day, as well as being paid for the floating holiday. These holidays shall ~~not be taken during the month of December.~~ **be granted between the third full week in January and the week of Thanksgiving and the last week of December (the last week of December begins with the Monday following December 24).** These holidays may be bid between ~~January~~ February 1 and ~~January~~ February 15 in seniority order. Employees who do not bid in this time period may select available days off in accordance with the above provisions, provided the request is made ten (10) working days in advance. ~~Optional Holidays shall be granted January 1 through January 15 upon mutual agreement.~~

**7.05 Holidays will be awarded, and available, to the employee on their initial anniversary date of employment, and each anniversary date thereafter.** Holidays are to be taken anniversary date to anniversary date, inclusive. Those not taken will be cashed out the week following their anniversary date.

**7.06 In Centers with twenty-four (24) or more drivers, floating holidays will be granted at one (1) additional person off above the percentage allowed in Section 8.03 of this Agreement.**

**ARTICLE 8  
VACATIONS**

**8.01 Accruals.** All regular employees who have been in the service of the Employer continuously for one (1) year shall be granted two (2) weeks' of vacation pay plus one (1) additional day's pay.

**All regular employees who have been in the service of the Employer continuously for two (2) years or over, more shall be granted** three (3) weeks' of vacation with pay plus two (2) additional day's pay.

**All regular employees who have been in the service of the Employer continuously for four (4) years or over, more shall be granted** three (3) weeks' of vacation with pay plus three (3) additional day's pay.

**All regular employees who have been in the service of the Employer continuously for ten (10) years or over, more shall be granted** four (4) weeks' of vacation with pay plus three (3) additional day's pay.

**All regular employees who have been in the service of the Employer continuously for twenty-five (25) years or over, more shall be granted** five (5) weeks' of vacation with pay plus three (3) additional day's pay.

**The above referred to weeks shall be paid at forty-five (45) hours per week. The individual days shall be paid at eight (8) hours per day, or ten (10) hours if an employee is a 4 X 10 employee.**

**When the singular days above are combined with any combination of Floating Holidays or The Employee's Anniversary Date of Employment to make an entire workweek it shall herein be referred to as the Combo Week. If the Combo Week is not scheduled in accordance with Section 8.05.a, the singular day(s) shall be cashed out upon receipt of an employee's first vacation check issued each selection year.**

In addition to the foregoing, employees **will be granted** may select to either take an additional one (1) **additional** week's paid

vacation, or an additional one (1) week's pay. **This week shall herein be referred to as an Option Week. The Option Week will be paid at forty (40) hours. The Option Week may be cashed out upon request at any time during the year after being granted, the Company, after notification from the employee, will have fourteen (14) calendar days to make the payment. If the employee does not request to cash out the Option Week it will be cashed out on the pay period following their vacation anniversary date. The scheduling of the option week must be made during the vacation selection pay period.** The decision on this option week must be made when vacation is selected pursuant to Sections 8.03 and 8.07.

**The following chart is for illustrative purposes:**

**Accruals**

	<b><u>45 Hour Weeks</u></b>	<b><u>Days</u></b>	<b><u>40 Hour Option Weeks</u></b>	<b><u>40 Hour Week Cash- out</u></b>	<b><u>May Work 45 Hour Week and Receive Cash-out</u></b>	<b><u>Combo Week</u></b>
<b><u>One Year</u></b>	<b><u>2</u></b>	<b><u>1</u></b>	<b><u>1</u></b>	<b><u>Yes</u></b>	<b><u>No</u></b>	<b><u>Yes</u></b>
<b><u>Two Years</u></b>	<b><u>3</u></b>	<b><u>2</u></b>	<b><u>1</u></b>	<b><u>Yes</u></b>	<b><u>Yes</u></b>	<b><u>Yes</u></b>
<b><u>Four Years</u></b>	<b><u>3</u></b>	<b><u>3</u></b>	<b><u>1</u></b>	<b><u>Yes</u></b>	<b><u>Yes</u></b>	<b><u>Yes</u></b>
<b><u>Ten Years</u></b>	<b><u>4</u></b>	<b><u>3</u></b>	<b><u>1</u></b>	<b><u>Yes</u></b>	<b><u>Yes</u></b>	<b><u>Yes</u></b>
<b><u>Twenty-Five Years</u></b>	<b><u>5</u></b>	<b><u>3</u></b>	<b><u>1</u></b>	<b><u>Yes</u></b>	<b><u>Yes</u></b>	<b><u>Yes</u></b>

a. Employees, who do not exercise their right to select in January, an extra week's vacation as outlined in Section 8.08, will have their extra day(s) as described in this paragraph cashed out upon receipt of their first vacation check issued each selection year. Those extra days are recognized for use in Section 8.08 or pay only.

b. Employees with three or more weeks of vacation, have the option of working one of their vacation weeks, and receiving payment for hours worked and the vacation pay. Employees choosing to work their vacation, shall indicate that option at their vacation selection time. Once an employee chooses to work a vacation week they must work the full week. Such weeks shall not be considered toward the calculation of the percentage of employees allowed off during that week.

**8.02 Accrual Proration, Vacation Cash-out, and Termination Cash-out.**

**8.02 a.** All regular employees shall receive prorated vacations after nine (9) months' of service at the rate of one-twelfth (1/12th) of the determined vacation pay for each month of service upon termination.

**b. Upon termination from employment, accrued vacation shall be paid in a lump sum to the employee. The hourly rate to be used in computing the cash-out payment shall be the regular straight time rate paid to the employee on the date that the termination notice is given to the employee or the effective date of the resignation notice. Such vacation will be paid within three (3) working days of termination of the employee's employment by the Company, or on the next regular payday that is at least three (3) working days after the Company received notice of the employee's resignation (to include retirement) if employment is terminated by the employee.**

c. Any employee who shall have been absent from work for provable illness for a total not to exceed sixty (60) calendar days shall be considered for determining vacation privileges, as having been continuously employed. After sixty (60) calendar days, vacations may be prorated at the rate of one twelfth (1/12th) of the determined vacation pay for each month of service. Any employee who shall have been absent from work because of an industrial injury for a period not to exceed one hundred eighty (180) calendar days, shall be considered for determining vacation privileges, as having been continuously employed. After one hundred eighty (180) calendar days, vacations may be prorated at the rate of one twelfth (1/12th) of the determined vacation pay for each month of service.

d. Employees may elect not to take all of their forty-five hour vacation weeks granted, on any applicable year's entitlement date, before the end of the applicable current calendar year, however; the employee must then take the unused vacation weeks before the next entitlement date, or they will be cashed out on the paycheck following the entitlement date.

e. Employees with three or more weeks of vacation, have the option of working one of their vacation weeks, and receiving payment for hours worked and the vacation pay. Employees choosing to work their vacation shall indicate that option at their vacation selection time. Once an employee chooses to work a vacation week they must work the full week. Such weeks shall not be considered toward the calculation of the percentage of employees allowed off during that week.

f. If through no fault of the employee, the Company cashes out an employee's vacation week when no vacation week was scheduled, the employee shall be allowed to take a week of no pay at a time based on mutual agreement and not to exceed the thirteen percent (13%) allowance.

g. All vacation cash outs shall be paid at the employee's applicable hourly rate of pay at the time of the cash out.

#### 8.03 Vacation Eligibility and Black-Out Dates.

a. Vacations shall be granted between January 1 and November 30, and at other times mutually agreed upon. The Company will allow thirteen percent (13%) of the employees in each classification to take vacation in accordance with the sentence below. to take vacation between January 1 and November 30. Vacations shall be granted between the third full week in January and the week of Thanksgiving.

b. Five percent (5%) of employees in each classification will be allowed to take vacation the last week in December starting on the Sunday following the 25th of December through the second (2nd) full week of January. Additionally, if an employee's workweek days occur after the 25th they will be allowed to bid the week of the 25th. If an employee's complete workweek does not occur after the 25th they will not be allowed to bid that week.

8.04 Seniority Date Used For Vacation Selection. Vacations shall be taken according to seniority and seniority list shall be posted. Outside the Anchorage area, Feeder and back-up Feeder Drivers

shall bid and take their vacations by Center seniority. There shall be no more than one (1) Feeder or back-up Feeder Driver off at any one time.

#### 8.05 Vacation Selection.

a. The vacation schedule shall be posted from October 1 through November 20 for the following year. Each employee, in order of seniority, will have two (2) days to select or be passed over. At this time employees will select their forty-five hour weeks, last years unselected forty-five hour weeks, and Option Week. The Schedule must be completed and posted by December 15. After employees select their forty-five hour weeks and Option Week, there will be a second round of bidding to facilitate the selection of the Combo Week. Employees will select the Combo Week in order of seniority.

b. Employees who do not schedule the eligible vacation weeks above during the vacation selection period may schedule them during the year on a first come, first serve basis.

c. Any vacation selected in the above Subsections 8.03.a, 8.03.b, 8.05.a, and 8.05.b is subjected to the thirteen percent (13%) and five percent (5%) limitation for automatic approval. The thirteen percent (13%) and five percent (5%) is rounded up to the nearest whole person if the tenth of a whole number is equal to five-tenths (5/10ths) or above. Any approvals of vacations that would increase the number of employees on vacation on any given week beyond the thirteen percent (13%) and five percent (5%) is subject to the Company's discretion.

d. No employee shall be passed up in their selection of vacation because of an absence from work. It is the responsibility of the employee to contact the Company prior to the vacation bid to ensure they have the opportunity to bid their vacation.

e. During the bid processes the vacation calendar will be continually posted and updated. Upon the completion of the bidding processes, the vacation calendar will be continually posted, and will be updated on a weekly basis, if there have been changes since the last update.

f. Management will give consideration to those employees with pre-arranged vacations during their first (1st) year of full-time employment upon attaining full-time seniority.

g. Vacation that is cancelled will be reflected on the weekly update in Subsection e above.

8.05 Any employee who shall have been absent from work for provable illness for a total not to exceed sixty (60) calendar days shall be considered for determining vacation privileges, as having been continuously employed. After sixty (60) calendar days, vacations may be prorated at the rate of one twelfth (1/12th) of the determined vacation pay for each month of service. Any employee who shall have been absent from work because of an industrial injury for a period not to exceed one hundred eighty (180) calendar days, shall be considered for determining vacation privileges, as having been continuously employed. After one hundred eighty (180) calendar days, vacations may be prorated at the rate of one twelfth (1/12th) of the determined vacation pay for each month of service.

~~8.06~~ The vacation schedule will be posted in November and December for the following year. Each employee in order of seniority will have two (2) days to select or be passed. The schedule must be completed by January 1, and be awarded and posted by January 15.

~~8.07~~ Employees may at their option take three (3) floating holidays and an extra day's pay pursuant to Section 8.01 of Article 8 and select an extra week's vacation. Should an employee have less than a full week he may include the anniversary holiday to complete the week. This week is to be selected after the vacation selection period during January by seniority order.

~~8.08~~ Employees will be allowed to take vacation the last week in December. The last week of December begins with the first (1st) Monday following December twenty fifth (25th):

~~8.09~~ Full-time employees' weeks' of vacation earned as described in Section 8.01 (excluding option weeks) will be paid at the rate of forty-five (45) hours per week.

~~8.0610~~ Part-time to Full-time at Seniority will Receive a Vacation Conversion Date.

b. ~~Vacation hours will be paid at seniority. All vacation hours earned as a part-time employee will be paid when an employee achieves full-time seniority.~~

c. ~~An employee's Vacation Entitlement Date is determined as follows: the Company will use the day and month of an employee's full-time reclassification, then the year of the true half date; that then becomes the employee's adjusted vacation eligibility date for entitlement purposes. For example: if an employee's part-time date is July 25, 2000, and the full-time date is September 30, 2003, then the true half date is February 26, 2002, thereby; assigning the employee an eligibility date of September 30, 2002.~~

The following Section also applies to the selection of vacation by full-time Article 22.3/40 combo job employees:

~~8.11~~ Vacation Scheduling:

a. ~~Full-time will select by seniority order.~~

b. ~~New part-time employees will select in order of seniority after full-time. Those part-time employees with five (5) years of service or more will have the ability to select in overall seniority order.~~

c. ~~Management will give consideration to those employees with pre-arranged vacations during their first (1st) year of full-time employment upon attaining full-time seniority.~~

## ARTICLE 10

### ALASKA TEAMSTER-EMPLOYER WELFARE PLAN

**10.03** The Employer shall make a flat monthly contribution on behalf of each employee, each month, based on the amount established in Section 10.07 below. The contributions shall be paid to the Trust Fund for all compensable hours by the tenth (10th) day of the month following the month in which the employee(s) received compensable hours, or was otherwise eligible, worked. The Trust Fund will furnish the transmittal forms.

**10.04** If an employee is absent due to disability or an on the job injury, the Employer shall continue to make contributions for three (3) consecutive months following the month the absence began. If an employee is absent due to illness, vacation, or an on the job injury, the Employer shall continue to make contributions for the employee based on forty (40) hours per week, as if he were at work, for a period of forty-five (45) days, or longer, if mandated by applicable laws.

**10.06** When an employee transfers from a job classification that changes which Trust provides the employee access to health care, i.e., from The Teamsters Western Region & Local 177 Health Care Plan to the Alaska Teamster-Employer Welfare Trust, and vice-versa, the Company will continue to provide contributions to the original plan, in addition to the new plan, as necessary, to ensure the employee remains eligible for coverage. This provision will not apply unless the employee was eligible for health care in the plan applicable to their current job classification, before changing positions.

**10.07** Monthly Contribution Amount. The parties agree that the monthly contribution rate contributed by the Company shall be applied to the current Composite Rate. The monthly contribution agreed to in this Section 10.07 shall be made commencing the first day of employment in a position agreed to in Section 10.01 of this Agreement.

a. The November 2018 through October 2019 Monthly Contribution Amount is one thousand seven hundred nineteen dollars (\$1719.00).

b. The November 2019 through October 2020 Monthly Contribution Amount is \$\_\_\_\_\_.

c. The November 2020 through October 2021 Monthly Contribution Amount is \$\_\_\_\_\_.

d. The November 2021 through October 2022 Monthly Contribution Amount is \$\_\_\_\_\_.

e. The November 2022 through July 2023 Monthly Contribution Amount is \$\_\_\_\_\_.

f. Future increases to the Monthly Contribution Amount shall be in accordance with Article 34 of the National Master United Parcel Service Agreement and Article 30 of the Western Region of Teamsters UPS Supplemental Agreement.

**10.086** In addition and notwithstanding any contrary provision which may appear in this Agreement, the Union shall have the right to take economic action against any Employer who fails to make the required contributions when due.

**11.01** Effective each August 1 of this Agreement, the Employer shall contribute in accordance with Article 30 of the Western Region of Teamsters United Parcel Service Agreement for each hour of compensation earned by each full-time employee (up to a maximum of two thousand eighty [2080] hours per calendar year), during a given month, to the Alaska Teamster-Employer Pension Trust Fund for the purpose of providing a pension plan for the employees classified as Feeder Drivers, Tractor Trailer Drivers,

Package Car Drivers, and Automotive and G.S.E. Mechanics, in accordance with LOU #47, Pension Rehabilitation Supplemental For Full-Time Employees.

The details of the plan will be determined by the Board of Trustees of the Alaska Teamster-Employer Pension Trust Fund, in accordance with the Trust Agreement. The Employer and the Union agree to be bound by said Trust Agreement and all lawful amendments thereto, and do further agree to accept as their representatives the employer-trustees and union-trustees who constitute the Board of Trustees of said Trust Fund and their lawful successors.

**ARTICLE 12  
WESTERN CONFERENCE OF TEAMSTERS  
PENSION TRUST**

**12.01**

**a. For those employees covered by Article 10.01 of the Alaska Rider (Package Car Drivers, Feeder Drivers, Tractor Trailer Drivers, and Automotive Mechanics), the Employer shall contribute five dollars ninety cents (\$5.90) three dollars ninety cents (\$3.90) plus the increases outlined in Article 34 of the NMUPSA, and Article 30 of the Western Region of Teamsters United Parcel Service Supplemental Agreement for each hour of compensation earned by each employee during a given month (up to a maximum of two thousand eighty [2080] hours per calendar year), to the Western Conference of Teamsters Pension Trust Fund, for the purpose of providing a pension plan for the employees. The details of the plan will be determined by the Board of Trustees of the Western Conference of Teamsters Pension Trust Fund in accordance with the Trust Agreement of April 26, 1955, which created the Trust Fund. The Employer and the Union agree to be bound by said Trust Agreement and all lawful amendments thereto, and do further agree to accept as their representatives the employer-trustees and the union-trustees who constitute the Board of Trustees of said Trust Fund and their lawful successors.**

**b. For all other full-time employees, those covered by the Western Region and Local 177 Health Care Plan (all full-time combination employees and G.S.E Mechanics) the Employer shall contribute four dollars seventy-six cents (\$4.76) plus the increases outlined in Article 34 of the NMUPSA, and Article 30 of the Western Region of Teamsters United Parcel Service Supplemental Agreement for each hour of compensation earned by each employee during a given month (up to a maximum of two thousand eighty [2080] hours per calendar year), to the Western Conference of Teamsters Pension Trust Fund, for the purpose of providing a pension plan for the employees. The details of the plan will be determined by the Board of Trustees of the Western Conference of Teamsters Pension Trust Fund in accordance with the Trust Agreement of April 26, 1955, which created the Trust Fund. The Employer and the Union agree to be bound by said Trust Agreement and all lawful amendments thereto, and do further agree to accept as their representatives the employer-trustees and the union-trustees who constitute the Board of Trustees of said Trust Fund and their lawful successors.**

**c. For probationary employees hired on or after August 1, 2002, the Employer shall pay an hourly contribution rate of**

ten cents (\$0.10) (including \$0.01 for PEER 80 for full-time employees), during the probationary period as defined in Article 4, Section 1, of the WRT/UPS Agreement, but in no case for a period longer than the first ninety (90) calendar days from an employee's first date of hire. If and when this period is completed, the full standard contribution rate shall apply.

**ARTICLE 13  
SICK LEAVE**

**13.05 Employees collecting Workers' Compensation temporary disability benefits may not receive sick leave as herein provided; however, if Workers' Compensation benefits on a daily basis are less than the amount of sick leave otherwise available, employees shall in addition to Workers' Compensation benefits, receive sick leave benefits sufficient to equal the amount of sick leave that would otherwise have been received by deducting from bank the hours required to make up the difference. Sick leave benefits are to be coordinated with health and welfare time loss benefits so as to equal forty (40) hours pay a week. Employees off on disability or compensation must contact the Center Management team every five (5) days to report status on availability.**

**When an employee is on disability, or workers' compensation, the Company will notice the employee of their obligation to remain in contact with the Company in accordance with the paragraphs below.**

**Employees on disability will notify the Company of their status regarding their ability to return to employment every two (2) weeks, and when their treating physician changes or updates their ability to return to work.**

**Employees on Workers' Compensation will notify the Company of their status regarding their ability to return to employment every two (2) weeks, and when their treating physician changes their working restrictions, or releases them to return to work.**

**13.08 Sick Leave Assistance. Employees who have a minimum of forty (40) hours in their sick leave bank may, upon written request, have a determined amount of hours cashed out to assist an employee with a serious health condition.**

**a. There shall be no assistance until the prospective recipient has exhausted their sick leave bank.**

**b. Employees assisting immediate family members, as outlined in the National Master, Article 29, Section 2, are eligible for assistance.**

**ARTICLE 14  
MISCELLANEOUS**

**14.01 Inspection Records.**

**a. The Union has a right to inspect and copy payroll records pertaining to employees performing bargained for unit work in relation to wages, overtime, holidays, vacations and all other fringe items.**

**In addition, b. the Union has a right to inspect and to receive copies of documents regarding hours of work (such as**

W.O.R.'s) that relate to plan days and total hours paid, stop counts, pick-ups, etc.

- c. Employees shall have access to their personnel files and evaluation forms before or after working hours. Exception would be when a Business Representative is involved in adjusting a grievance.

**d. Seniority Lists.**

**1. Seniority Lists will be provided pursuant to Article 4, Section 2 of the WRSA.**

**2. The Company will provide notification to the Union of newly hired employees pursuant to Article 3, Section 2 of the NMUPSA.**

**3. Employees who share a seniority date will have such applicable seniority date decided by the employee who has the lower Union ledger number.**

**14.02 Unit Work.** The Employer agrees that the function of supervisors is the supervision of employees and not the performance of the work of the employees they supervise. The Union agrees that the Employer must train employees and must prevent service failures.

- a. Accordingly, the parties agree that supervisors will not perform the work of the employees they supervise except during training, demonstration, and safety education; and supervisors will not perform Union member's work until all reasonable efforts have been exhausted to have the work covered by Union employees of United Parcel Service.
- b. Reasonable effort shall be construed to mean that the Employer will:
  - 1. Use all means possible to contact a bargaining unit employee to perform work due to **sick leave utilization**, sick out, vacations, personal leave, funeral or family leave, holidays, and overflow.

~~14.04 Sick Leave Assistance.~~ Employees who have a minimum

of forty (40) hours in their sick leave bank may, upon written request, have a determined amount of hours cashed-out to assist an employee with a serious health condition.

- a. There shall be no assistance until the prospective recipient has exhausted their sick leave bank.
- b. Employees assisting immediate family members, as outlined in the National Master, Article 29, Section 2, are eligible for assistance.

**14.07 Article 22.4.b Full-Time Combination and Part-Time Employees. Article 22.4.b of the National Master United Parcel Service Agreement outlines certain terms and conditions that may lead to the creation of a new full-time combination driver classification. At this time, the parties do not anticipate this new classification being created in Alaska. When; or if, this classification is created by the terms outlined in the National Master Agreement, or the parties agree to create such classification, the parties will meet and execute a Letter of Understanding prior to such employees performing applicable work.**

**ARTICLE 15  
UTILITY DRIVERS**

**15.01** It is agreed that Package operations may hire Utility Drivers. These Utility Drivers may be used to cover absentees, overflow work, vacations, etc. There shall be no restriction on the starting time of Utility Drivers.

- b. **See Article 6, Section 6 of the Part-Time Rider for instructions on how to be placed on the Utility Driver Seniority List.**
- c. **In the event there is a shortage of employees seeking utility work, the Company and Union will meet to discuss a higher rate of pay.**

**15.02** There shall be one (1) additional Utility Driver at all remote sites. **At remote centers, the Company may hire and pay employees at the Utility Driver rate of pay to perform clerk work, and utility drive, as needed in accordance with this Agreement.**



# TEAMSTERS LOCAL 959 ALASKA PART-TIME 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 1

### PREAMBLE AND PURPOSES OF THIS AGREEMENT

**1.02** THIS AGREEMENT made and entered into this eighteenth (18th) day of July, 2018 ~~3rd day of May 2013~~, by and between United Parcel Service, Inc., hereinafter called the Employer, the party of the first part, and Local 959 of the International Brotherhood of Teamsters, hereinafter called the Union, the party of the second part, witness to:

## ARTICLE 2 HIRING HALL

**2.05** The Employer utilizes a web based application process for job applicants. When the Employer seeks to fill open positions, it will notify the Union that the website is open for applicants to schedule interviews. Additionally, the web based application is always open for job applicants. Filled positions will be communicated in accordance with Section 2.07 below.

**2.07** Newly Hired Employees. The Employer will notice the Union when an employee is hired. The Employer agrees to provide the Union the right and opportunity to conduct an orientation within the first week of employment for a new hire. The orientation will be held during the employee's normal working hours. New hires will obtain a dispatch from the Local Union prior to completing the thirty (30) day probationary period. ~~December new hires will obtain a dispatch prior to orientation from the Union hall.~~

## ARTICLE 4

### PART-TIME EMPLOYEES, WAGES, AND WORKING RULES

**4.01** The wage scales for part-time employees shall be as follows:

Effective 08/01/2013	
Classification	Top Rate
Part-time Employees	See Article 22 and 40 of the NMUPSA
Utility Drivers	Starting Package Driver rate in Article 41.2(c) NMUPSA

Part-time Employees as Helpers	Regular Rate
Peak Drivers	<u>\$21.00</u> Starting Package Driver rate in 41.2(e) NMUPSA
Seasonal Helpers	Starting <del>All Other</del> rate in Article 22.5(b) NMUPSA

**Explanation of Top Wage Rates:** Wages shall be adjusted on ~~both~~ August 1 ~~and February 1~~ of each year of this Agreement, pursuant to Article 22, 34, 40, and 41 of the National Master United Parcel Service Agreement and in conjunction with Article 30 of the Western Region of Teamsters UPS Supplemental Agreement.

## ARTICLE 5 PART-TIME EMPLOYEES' WORK RULES

**5.03** Part-time employees reporting to work shall be guaranteed a minimum of three and one-half (3½) hours pay or work. Should any such employee work more than five (5) hours in any one shift, he/she shall receive time and one-half for all hours worked beyond the fifth (5th) hour.

~~**5.04** Part-time employees working more than five (5) hours in a day shall be entitled to a one-half (1/2) hour unpaid lunch period without disrupting the Employer's operation. Part-time employees working more than six (6) hours shall be entitled to a ten (10) minute paid rest period.~~

**5.05** Part-time employees shall receive the pay rate of the job being performed; provided, however, that if such employee works at a higher rated job for more than one (1) hour in any one (1) tour of duty, he/she shall receive the higher rate for all work performed during that tour of duty.

**5.07** Part-time employees with seniority shall receive holiday pay, vacation pay, funeral leave pay, and sick leave at the rate provided for below:

c. Sick Leave – Fifty percent (50%) of that of a full-time employee, four (4) hours of pay per day.

- d. Vacation Pay – Vacation pay for each Regular Week of vacation, except for the Option Week and Combo Week, shall be one-fifty-second (1/52nd) of the gross annual earnings of the employee during the twelve (12) month period immediately prior to the employee’s employment anniversary date. One-fifty-second (1/52nd) shall be defined as all monies paid to an employee (from the Employer, not to include disability pay, workers compensation pay, or any other pay not listed here that is not directly paid from the Employer) for an anniversary year, excluding unused sick pay, pay in lieu of unused vacations or unused personal days. If the National Master Agreement designates bonuses as part of an employee’s package in lieu of, or in part lieu of wages or back wages, such bonuses shall count towards the gross annual earnings.

Upon request, an employee will be provided with their previous years gross annual earnings for the purpose of calculating vacation pay.

The Option Week shall be based on twenty (20) hours of pay for weeks earned.

**5.14 Protective Clothing. It is understood and agreed that the Company will provide the following protective clothing.**

- a. Protective outer winter clothing (e.g., parkas) for Ramp workers. To fulfill this obligation, the Company will, after an employee has requested and been employed for six (6) consecutive months, provide a voucher for two hundred dollars (\$200.00) to be used for protective clothing. The voucher is valid towards the purchase of artic lined coveralls, coats, or bibs only. It does not cover the purchase of miscellaneous items such as socks, hats, boots, or gloves. No cash refunds for spending less than two hundred dollars (\$200.00) will be given. On the second anniversary date following the initial voucher, and every two years after, the Company will provide an additional two hundred dollar (\$200.00) voucher based on employee request and wear and tear of the current clothing.

- b. NIOSH-approved gloves for fueling equipment.

- c. NIOSH-approved clothing and protective gear, to include gloves and raingear, for de-icing aircraft.

**5.15 Hub and Gateway Operation. It is understood and agreed that the work of loading and unloading United Parcel Service, Inc. aircraft at Anchorage International Airport is the work of the bargaining unit subject to the following provisions:**

- a. Movement of the “K” loader or elevator to or from aircraft shall be performed by bargaining personnel. Operation of such equipment is the work of the bargaining unit.
- b. The fueling of aircraft and contract snow removal, lavatory servicing, and catering, is not the work of the bargaining unit.
- c. All other work currently associated with the Air Hub operation, including movement of equipment for job set up purposes, is the work of the bargaining unit.
- d. Employees involved in Air Hub and Gateway Operation shall be covered under the same conditions as all other employees with the following exception:

1. Start times may be adjusted with one (1) hour notification prior to affected employees reporting for work to coincide with the arrival and departure of planes. In the event a second change of starting time is necessary due to inclement

weather conditions, the starting time may again be adjusted provided one (1) hour notice is given to affected employees.

2. When employees working a combination of jobs, which include Air Hub and Gateway Operation, and are on duty when notified that aircraft are expected to arrive late, they shall not be relieved from duty unless the expected arrival exceeds one (1) hour past the completion of the primary function of their combined work.

3. Employees involved in the Air Hub and Gateway Operation shall be paid time and one-half (1-1/2 times) for all hours worked in excess of eight (8) or ten (10) hours respective to a five (5), eight (8) hour or four (4), ten hour day. Calculation of hours worked for the purpose of overtime shall commence from the start of an employee’s scheduled shift, up to the commencement of the next scheduled shift. Each shift will have a minimum of eleven (11) hours off between shifts, except employees who double shift.

**ARTICLE 6  
UTILITY DRIVERS**

6.03 If an individual works as a Utility Driver for more than one (1) hour, and then performs his regularly assigned work on a continuous basis, all hours worked for the day will be paid at the Utility Driver rate. If an individual works as a Utility Driver and is released from duty prior to or after his regularly scheduled hours of work, he shall be paid the Utility Driver rate for hours worked as a Utility Driver and his regular rate for hours worked on his normal assignment. Qualified part-time employees may be released from regularly assigned work when Utility driving work is available.

- a. When a part-time employee utility drives, they will be treated as a package car driver for the purpose of lunches and breaks.

6.05 Utility Drivers’ Seniority List. It is understood and agreed there will be a Utility Driver seniority list by which the following procedures will be followed:

- a. Employees will bid for open Utility driving positions by Company seniority. Bidding is open to part-time and full-time employees.
- b. Bidding for Utility driving positions will be held in October of each year, or more often if needed.
- c. Bidding is done by employees submitting a letter.
- d. Utility Drivers’ seniority dates are established by the date they first drive in the Utility Driver position.
- e. If a Utility Driver turns down driving work three (3) times, or removes themselves for other than good cause, they are removed from the Utility Driver seniority list, and cannot bid back on the list until the next bid period.

6.06 Utility Pay Variance.

- a. At remote centers, the Company may hire and pay employees at the Utility Driver rate of pay to perform clerk work, and utility drive, as needed in accordance with this Agreement.
- b. In the event there is a shortage of employees seeking utility work, the Company and Union will meet to discuss a higher rate of pay.

**6.07 Utility qualification period in centers with 24 or more regular package car drivers:**

- a. Upon ratification, utility drivers who are on roll and have been on the utility list for one (1) year or more, shall be considered qualified for the purposes of this section.
- b. All remaining utility drivers and any new utility drivers shall be considered qualified upon completion of a trial period as defined in Article 4 Section 1(b) of the Western Region Supplement. The Company will make every effort to move down, and through, the seniority list of these utility drivers until they have all been offered the opportunity for a trial period.
- c. A utility driver who is considered qualified in accordance with Sections a and b above shall not be required to go through a trial period when they become the successful bidder for a full-time regular package car driver or NMUPSA Article 22.4 position.
- d. Only days driving as a utility driver will count towards their 30 day trial period. He/She has thirty (30) days within a one hundred twenty (120) consecutive day period to be qualified. Utility drivers in progression will be allowed to work their inside job when driving work is unavailable.
- e. An employee who does not successfully complete the trial period to become a utility driver shall be required to wait for the next bid period, or for a period of six (6) months, whichever is less, in order to have another opportunity to become a utility driver.
- f. The Company shall communicate with the Union during the package car driver and utility driver trial period if an employee is having issues that may prevent them from successfully completing the trial period.
- g. An extra training route, as described in Article 8 of the Western Region Supplement, may be established by mutual agreement, to train a utility driver.

**ARTICLE 7  
HOLIDAYS**

7.04 The employee's anniversary date of employment, and floating holidays shall be granted if the combination of vacation, anniversary date of employment, and floating holidays does not exceed the percentage agreed upon in Article 8.03 8:06 of this Agreement. If the granting of the anniversary date of employment and floating holidays combined with the vacation already selected in Article 8 would exceed the percentage agreed upon in Article 8.032, the anniversary date of employment and floating holidays will be observed by mutual agreement **except for the exception agreed to below in Article 7.06 of this Agreement. Mutual agreement will not be unreasonably withheld.** These holidays shall be **granted between the third full week in January and the week of Thanksgiving and the last week of December (the last week of December begins with the Monday following December 24),** not be taken during the month of December. These holidays may be bid between **January** February 1 and **January** February 15 in seniority order. Employees who do not bid in this time period may select available days off in accordance with the above provisions.

7.05 **Holidays will be awarded, and available, to the employee on their initial anniversary date of employment, and each anniversary date thereafter.** Holidays are to be taken anniversary

date to anniversary date, inclusive. Those not taken will be cashed out the week following their anniversary date.

**7.06 In part-time operations with twenty-four (24) or more employees, floating holidays will be granted at one (1) additional person off per Article 8.03 of this Agreement.**

**ARTICLE 8  
VACATIONS**

8.01 **Accruals.** All regular employees who have been in the service of the Employer continuously for one (1) year shall be granted two (2) weeks' of vacation pay plus one (1) additional day's pay.

**All regular employees who have been in the service of the Employer continuously for ~~Two~~ (2) years or over more, three (3) weeks' of vacation with pay plus two (2) ~~one (1)~~ additional day's pay.**

**All regular employees who have been in the service of the Employer continuously for ~~Four~~ (4) years or over more, three (3) weeks' of vacation with pay plus three (3) additional day's pay.**

**All regular employees who have been in the service of the Employer continuously for ~~Ten~~ (10) years or over more, four (4) weeks' of vacation with pay plus three (3) additional day's pay.**

**All regular employees who have been in the service of the Employer continuously for ~~Twenty-five~~ (25) years or over more, five (5) weeks' of vacation with pay plus three (3) additional day's pay.**

**When the singular days above are combined with any combination of Floating Holidays or The Employee's Anniversary Date of Employment to make an entire workweek it shall herein be referred to as the Combo Week. If the Combo Week is not scheduled in accordance with Section 8.05.a, the singular day(s) shall be cashed out upon receipt of an employee's first vacation check issued each selection year. The Combo week will be paid at four (4) hours per day.**

**In addition to the foregoing, employees will be granted one (1) additional week's paid vacation. This week shall herein be referred to as an Option Week. The Option Week may be scheduled as a week of vacation in accordance with this Agreement. If the employee does not schedule, or request to cash out the Option Week, it will be cashed out on the pay period following the vacation anniversary date. The Option week will be paid at twenty (20) hours.**

**The following chart is for illustrative purposes:**

	<u>Regular Weeks</u>	<u>Days</u>	<u>Option Weeks</u>	<u>Regular Week Cash-out</u>	<u>May Work Regular Week and Receive Cash-out</u>	<u>Combo Week</u>
<u>One Year</u>	2	1	1	Yes	No	Yes
<u>Two Years</u>	3	2	1	Yes	Yes	Yes
<u>Four Years</u>	3	3	1	Yes	Yes	Yes
<u>Ten Years</u>	4	3	1	Yes	Yes	Yes
<u>Twenty-Five Years</u>	5	3	1	Yes	Yes	Yes

**In addition to the foregoing, employees may select to either take an additional one (1) week's paid vacation or an additional one (1) week's pay. The decision on this option week must be made when vacation is selected pursuant to Sections 8.03 and 8.07.**

- a. Employees, who do not exercise their right to select, in January, an extra week's vacation as outlined in Section 8.08, will have their extra day(s) as described in this paragraph cashed out upon receipt of their first vacation check issued each selection year. Those extra days are recognized for use in Section 8.08 or pay only.
- b. Employees with three or more weeks of vacation, have the option of working one of their vacation weeks, and receiving payment for hours worked and the vacation pay. Employees choosing to work their vacation, shall indicate that option at their vacation selection time. Once an employee chooses to work a vacation week they must work the full week. Such weeks shall not be considered toward the calculation of the percentage of employees allowed off during that week.

#### 8.02 Accrual Proration, Vacation Cash-out, and Termination Cash-out.

- a. Upon termination from employment, accrued vacation shall be paid in a lump sum to the employee. The hourly rate to be used in computing the cash-out payment shall be the regular straight time rate paid to the employee on the date that the termination notice is given to the employee or the effective date of the resignation notice. Such vacation will be paid within three (3) working days of termination of the employee's employment by the Company, or on the next regular payday that is at least three (3) working days after the Company received notice of the employee's resignation (to include retirement) if employment is terminated by the employee.
- b. Any employee who shall have been absent from work for provable illness for a total not to exceed sixty (60) calendar days shall be considered for determining vacation privileges, as having been continuously employed. After sixty (60) calendar days, vacations may be prorated at the rate of one twelfth (1/12th) of the determined vacation pay (hours) for each month of service. Any employee who shall have been absent from work because of an industrial injury for a period not to exceed one hundred eighty (180) calendar days, shall be considered for determining vacation privileges, as having been continuously employed. After one hundred eighty (180) calendar days, vacations may be prorated at the rate of one twelfth (1/12th) of the determined vacation pay for each month of service.
- c. Employees may elect not to take all of their Regular Vacation Weeks granted, on any applicable year's entitlement date, before the end of the applicable current calendar year, however; the employee must then take the unused vacation weeks before the next entitlement date, or they will be cashed out on the paycheck following the entitlement date.
- d. Employees with three or more weeks of vacation, have the option of working one of their vacation weeks, and receiving payment for hours worked and the vacation pay. Employees choosing to work their vacation shall indicate that option at their vacation selection time. Once an employee chooses to work a vacation week they must work the full week. Such weeks shall not be considered toward the calculation of the percentage of employees allowed off during that week.
- e. If through no fault of the employee, the Company cashes out an employee's vacation week when no vacation week was scheduled, the employee shall be allowed to take a week of no

pay at a time based on mutual agreement and not to exceed the thirteen percent (13%) allowance.

- f. All vacation cash outs shall be paid at the employee's applicable hourly rate of pay at the time of the cash out.

#### 8.03 Vacation Eligibility and Black-Out Dates.

- a. The Company will allow thirteen percent (13%) of the employees in each classification to take vacation in accordance with the sentence below. Vacations shall be granted between the third full week in January and the week of Thanksgiving.
- b. Five percent (5%) of employees in each classification will be allowed to take vacation the last week in December starting on the Sunday following the 25th of December through the second (2nd) full week of January. Additionally, if an employee's workweek days occur after the 25th they will be allowed to bid the week of the 25th. If an employee's complete workweek does not occur after the 25th they will not be allowed to bid that week.

8.04 Seniority Date Used For Vacation Selection. Vacations shall be taken according to seniority and the seniority list shall be posted.

#### 8.05 Vacation Selection.

- a. The vacation schedule shall be posted from October 1 through November 20 for the following year. Each employee, in order of seniority, will have two (2) days to select or be passed over. At this time, employees will select their Regular Weeks, last years unselected Regular Weeks, and Option Week. The Schedule must be completed and posted by December 15. After employees select their Regular Weeks and Option Week, there will be a second round of bidding to facilitate the selection of the Combo Week. Employees will select the Combo Week in order of seniority.
- b. Employees who do not schedule the eligible vacation weeks above during the vacation selection period may schedule them during the year on a first come, first serve basis.
- c. Any vacation selected in the above Subsections 8.03.a, 8.03.b, 8.05.a, and 8.05.b is subjected to the thirteen percent (13%) and five percent (5%) limitation for automatic approval. The thirteen percent (13%) and five percent (5%) is rounded up to the nearest whole person if the tenth of a whole number is equal to five-tenths (5/10ths) or above. Any approvals of vacations that would increase the number of employees on vacation on any given week beyond the thirteen percent (13%) and five percent (5%) is subject to the Company's discretion.
- d. No employee shall be passed up in their selection of vacation because of an absence from work. It is the responsibility of the employee to contact the Company prior to the vacation bid to ensure they have the opportunity to bid their vacation.
- e. During the bid processes the vacation calendar will be continually posted and updated. Upon the completion of the bidding processes, the vacation calendar will be continually posted, and will be updated on a weekly basis; if there have been changes since the last update.
- f. Vacation that is cancelled will be reflected on the weekly update in Subsection e above.

8.02 Vacations shall be granted between January 1 and November 30, and at other times mutually agreed upon. The Company will

allow thirteen percent (13%) of the employees in each classification to take vacation between January 1 and November 30.

~~8.03~~ Vacations shall be taken according to seniority and seniority list shall be posted.

~~8.04~~ Any employee who shall have been absent from work for provable illness for a total not to exceed sixty (60) calendar days shall be considered for determining vacation privileges, as having been continuously employed. After sixty (60) calendar days, vacations may be prorated at the rate of one twelfth (1/12th) of the determined vacation pay for each month of service. Any employee who shall have been absent from work because of an industrial injury for a period not to exceed one hundred eighty (180) calendar days, shall be considered for determining vacation privileges, as having been continuously employed. After one hundred eighty (180) calendar days, vacations may be prorated at the rate of one twelfth (1/12th) of the determined vacation pay for each month of service.

~~8.05~~ The vacation schedule will be posted in November and December for the following year. Each employee in order of seniority will have two (2) days to select or be passed. The schedule must be completed by January 1, and be awarded and posted by January 15.

~~8.06~~ Employees may at their option take three (3) floating holidays and an extra day's pay pursuant to Section 1 of Article 7 and select an extra week's vacation. Should an employee have less than a full week he may include the birthday and anniversary holiday to complete the week. This week is to be selected after the vacation selection period during January by seniority order.

~~8.07~~ Employees will be allowed to take vacation the last week in December. The last week of December begins with the first (1st) Monday following December 25th.

~~8.08~~ Vacation pay shall be pro rated pursuant to Section 5.07(d) of this Agreement.

**8.06 Part-time to Full-time at Seniority will Receive a Vacation Conversion Date.**

**a. One-half (1/2) of part-time service.**

**b. All vacation hours earned as a part-time employee will be paid when an employee achieves full-time seniority.**

~~8.079~~ All part-time employees successfully transferring to full-time status will be remunerated for all accrued vacation.

## ARTICLE 10

### ALASKA TEAMSTER-EMPLOYER PENSION TRUST

10.01 Effective each August 1 of this Agreement, the Employer shall contribute in accordance with Article 30 of the Western Region of Teamsters United Parcel Service Supplemental Agreement, (up to a maximum of two thousand eighty [2080] hours per calendar year), for each hour of compensation earned by each part-time employee during a given month to the Alaska Teamster-Employer Pension Trust Fund, for the purpose of providing a pension plan for the employees, in accordance with LOU 58, Pension Rehabilitation Supplemental for Part-Time Employees.

## ARTICLE 11 WESTERN CONFERENCE OF TEAMSTERS PENSION TRUST

11.01 Effective August 1, 2002, the Employer shall contribute **three dollars and twenty-eight cents (\$3.28)** ~~two dollars forty cents (\$2.40)~~ plus the increases outlined in Article 34 of the NMUPSA, and Article 30 of the Western Region of Teamsters United Parcel Service Supplemental Agreement for each hour of compensation earned by each employee during a given month (up to a maximum of two thousand eighty [2080] hours per calendar year), to the Western Conference of Teamsters Pension Trust Fund, for the purpose of providing a pension plan for the employees. The details of the plan will be determined by the Board of Trustees of the Western Conference of Teamsters Pension Trust Fund in accordance with the Trust Agreement of April 26, 1955, which created the Trust Fund. The Employer and the Union agree to be bound by said Trust Agreement and all lawful amendments thereto, and do further agree to accept as their representatives the employer-trustees and the union-trustees who constitute the Board of Trustees of said Trust Fund and their lawful successors.

## ARTICLE 13 SICK LEAVE

13.05 Employees collecting Workers' Compensation temporary disability benefits may not receive sick leave as herein provided; however, if Workers' Compensation benefits on a daily basis are less than the amount of sick leave otherwise available, employees shall in addition to Workers' Compensation benefits, receive sick leave benefits sufficient to equal the amount of sick leave that would otherwise have been received by deducting from bank the hours required to make up the difference. Sick leave benefits are to be coordinated with health and welfare time loss benefits so as to equal twenty (20) hours pay a week. ~~Employees off on disability or compensation must contact the Center Management team every five (5) days to report status on availability.~~

**When an employee is on disability, or workers' compensation, the Company will notice the employee of their obligation to remain in contact with the Company in accordance with the paragraphs below.**

**Employees on disability will notify the Company of their status regarding their ability to return to employment every two (2) weeks, and when, their treating physician changes or updates their ability to return to work.**

**Employees on Workers' Compensation will notify the Company of their status regarding their ability to return to employment every two (2) weeks, and when their treating physician changes their working restrictions, or releases them to return to work.**

**13.10 Sick Leave Assistance. Employees who have a minimum of forty (40) hours in their sick leave bank may, upon written request, have a determined amount of days cashed out to assist an employee with a serious health condition.**

**a. There shall be no assistance until the prospective recipient has exhausted their sick leave bank.**

**b. Employees assisting immediate family members, as outlined in the National Master, Article 29, Section 2, are eligible for assistance.**

**ARTICLE 14  
MISCELLANEOUS**

**14.01 Records Inspection.**

- a. The Union has a right to inspect and copy payroll records pertaining to employees performing bargained for unit work in relation to wages, overtime, holidays, vacations and all other fringe items.
- b. Employees shall have access to their personnel files and evaluation forms before or after working hours. Exception would be when a Business Representative is involved in adjusting a grievance.

**c. Seniority Lists.**

- 1. Seniority Lists will be provided pursuant to Article 4, Section 2 of the WRSA.**
- 2. The Company will provide notification to the Union of newly hired employees pursuant to Article 3, Section 2 of the NMUPSA.**
- 3. Employees who share a seniority date will have such applicable seniority date decided by the employee who has the lower Union ledger number.**

**14.02 Unit Work.** The Employer agrees that the function of supervisors is the supervision of employees and not the performance of the work of the employees they supervise. The Union agrees that the Employer must train employees and must prevent service failures.

- b. Reasonable effort shall be construed to mean that the employee will:
  - 1. Use all means possible to contact a bargaining unit employee to perform work due to **sick leave utilization**, sick out, vacations, personal leave, funeral or family leave, holidays, and overflow.

~~**14.04 Sick Leave Assistance.** Employees who have a minimum of forty (40) hours in their sick leave bank may, upon written request, have a determined amount of hours cashed out to assist an employee with a serious health condition.~~

- ~~a. There shall be no assistance until the prospective recipient has exhausted their sick leave bank.~~
- ~~b. Employees assisting immediate family members, as outlined in the National Master, Article 29, Section 2, are eligible for assistance.~~

**14.045 Change of Operations.**

**14.056 Loss of Seniority.** An employee will lose seniority and all employment rights:

**14.06 Article 22.4.b Full-Time Combination and Part-Time Employees. Article 22.4.b of the National Master United Parcel Service Agreement outlines certain terms and conditions that may lead to the creation of a new full-time combination driver classification. At this time, the parties do not anticipate this new classification being created in Alaska. When; or if, this classification is created by the terms outlined in the National Master Agreement, or the parties agree to create such classification, the parties will meet and execute a Letter of Understanding prior to such employees performing applicable work.**

**LETTER OF UNDERSTANDING # 1**

**By and Between**

**UNITED PARCEL SERVICE, INC.**

**And**

**TEAMSTERS LOCAL 959**

Re: Expansion Relief

- 1. It is agreed United Parcel Service, Inc. will have relief in the following expansion areas:  
Nome, Valdez, Delta, Healy, Denali Park, Chena Hot Springs (Mile 6 to 53), Prudhoe Bay, and Dutch Harbor.  
This Agreement pertains to these expansion areas and not existing delivery areas.
- 2. It is understood there will be work performed by other than UPS employees, however, when the work is performed by a UPS employee, they will become a member of Local 959. When these expansion areas attain six (6) hours of work, a UPS employee shall be employed in that vicinity as a member of Teamsters Local 959.
- 3. Start times would be flexible based on volume arrivals.
- 4. All full time employees would be entitled to a one-half (1/2) hour minimum or one (1) hour maximum lunch, at employee's discretion, and a fifteen (15) minute paid rest period. If they work over six (6) hours, they would receive a second fifteen (15) minute paid rest period.
- 5. Holidays shall be paid at the employee's previous weeks' daily average.
- 6. The initial two (2) driver employees per Center, shall have contributed on their behalf into the Alaska Teamster Employer Welfare Trust, a minimum of eighty (80) hours per month in order that the employees maintain eligibility.

**LETTER OF UNDERSTANDING # 1**

**By and Between**

**UNITED PARCEL SERVICE, INC.**

**And**

**TEAMSTERS LOCAL 959**

Re: Expansion Areas

**The parties have agreed to set aside forevermore the LOU # 1 from 2013 through 2018, and waive any penalties and Trust contributions that may be due in exchange for creating this LOU # 1, with the following terms and conditions:**

- 1. It is agreed that the Company will expand its Anchorage Center's (Wasilla Satellite) delivery area to include the following towns: Big Lake, Houston, and Sutton.**  
**Additionally, the Company will expand its Fairbanks Center's delivery area to include the following town(s): Ester.**
- 2. The expansion agreed upon in Section 1 above will occur no later than March of 2019.**
- 3. Any further additions to the Company's service areas (to mean the work is performed by Company employees) may be unilaterally added by the Company, or through negotiations, when the Agreement is open for negotiations.**

**LETTER OF UNDERSTANDING #2**  
**By and Between**  
**UNITED PARCEL SERVICE, INC.**  
**and**  
**TEAMSTERS LOCAL 959**

**Re: Creation of Feeder/Full-Time Inside Position**

There has arisen a unique opportunity for an account pickup and/or a feeder shuttle run to the Mat-Su sort and load that will occur in the afternoon and/or morning of the business day. This pickup and/or shuttle run will require the utilization of a feeder vehicle, and the work is expected to take from one (1) to three (3) hours of the day. The time and volume of the pickup/shuttle run does not enable United Parcel Service to utilize existing feeder or package car drivers. Consequently, the parties have agreed to create a combination position that shall consist of feeder work and inside work.

Therefore, this Letter of Understanding details the creation of a full-time combination job. This position will account for a full-time job as defined in Article 22, Section 3, of the National Master United Parcel Service Agreement. The following details the manner in which this position is bid and the benefits thereof:

- a. **Bid.** The bid is open for all full-time employees. The bid will be posted in the same manner as all other positions. The bid will be awarded to the employee with the earliest full-time seniority date (i.e. for drivers, the date used will be their full-time driver seniority date, and for full-time inside employees, the date used will be their full-time seniority date).
- b. **Schedule.** At this time, the position is expected to have a coinciding scheduled start time with the sunrise shift, unless operational needs change. The employee will perform inside work before or after the feeder run to fulfill the daily hour guarantee. At the commencement of this Letter of Understanding, the employee is expected to be assigned a schedule of five (5), eight (8) hour days; however, the Union and Company may meet and adjust the schedule to a four (4), ten (10) schedule should this schedule enhance the operation.
- c. **Guarantee of Hours.** For each day the employee reports to work and performs feeder work, this employee shall be guaranteed eight (8) hours. This provision is subject to change in accordance with paragraph (b) above.
- d. **Pay.** For each day the employee performs feeder work, the employee shall be paid one-half (1/2) the daily guarantee at the feeder rate of pay, as agreed upon in Article 4.01 of the Local Rider. The remaining one-half (1/2) of the employee's daily guarantee shall be paid in accordance with Article 41, Section 3, of the National Master United Parcel Service Agreement. If there is overtime work to be performed, the employee shall receive the applicable overtime rate of pay for the classification of work performed. If the feeder work is expanded beyond four (4) hours, the parties shall meet to negotiate a change in the applicable rate of pay.
- e. **Vacation.** The employee may not bid vacation that is in conflict with other feeder drivers. It is expected that the parties will meet to negotiate terms and conditions for a back-up feeder driver that will service all feeder routes. Full-time dates of seniority shall prevail for purposes of vacation bidding.
- f. **Seasonal Nature.** It is understood that this position may be seasonal in nature. As such, the parties agree to meet and

negotiate changes in the terms and conditions of this Letter of Understanding as necessary. If the account ceases to exist, the employee shall resume his or her original position and place on the applicable seniority list.

- g. **Training.** United Parcel Service will provide the training necessary to perform the work as described herein. It shall be the responsibility of the employee to pay all fees necessary to acquire and maintain a commercial driver's license (CDL).
- h. **Change of Position.** Similar to Article 5.09(a) of the Local Rider, the successful bidder will not be eligible to bid a different position, unless it is a newly created Feeder/Full-time combination position for a period of four (4) years from the original bid. Additionally, the Feeder/Full-time combination position is not subject to a rebid of other existing full-time, Article 22, Section 3, positions.

All other terms and benefits of the Collective Bargaining Agreement shall apply. If there are provisions of the Collective Bargaining Agreement that conflict with this Letter of Understanding, the terms and conditions of this Letter of Understanding shall prevail. This Letter of Understanding will continue in effect for the life of the Collective Bargaining Agreement, unless either party serves notice to terminate this letter during a period of renegotiation of the Collective Bargaining Agreement.

**LETTER OF UNDERSTANDING #2**  
**By and Between**  
**UNITED PARCEL SERVICE, INC.**  
**and**  
**TEAMSTERS LOCAL 959**

**Re: Feeder/Full-Time Inside Position**

**The Company has a customer(s) that frequently ships fish. This product must be picked up quickly after it is prepared to be shipped by the customer and must be brought back to the Center in a quick and timely manner. This pickup and/or shuttle run will require the utilization of a feeder vehicle, and the work is expected to take from one (1) to three (3) hours of the day. The time and volume of the pickup/shuttle run does not enable United Parcel Service to utilize existing feeder or package car drivers. Consequently, the parties have created a combination position that shall consist of feeder work and inside work. An employee currently occupies this position, and this updated letter will not change that.**

**Therefore, this Letter of Understanding details the work rules and benefits for this full-time combination job. This position will account for a full-time job as defined in Article 22, Section 3, of the National Master United Parcel Service Agreement.**

- a. **Schedule.** At this time, the position is expected to have a coinciding scheduled start time with the sunrise shift, unless operational needs change. The employee will perform inside work before or after the feeder run to fulfill the daily hour guarantee. At the commencement of this Letter of Understanding, the employee is expected to be assigned a schedule of five (5), eight (8) hour days; however, the Union and Company may meet and adjust the schedule to a four (4), ten (10) schedule should this schedule enhance the operation.
- b. **Guarantee of Hours.** For each day the employee reports to work and performs feeder work, this employee shall be guaranteed eight (8) hours. This provision is subject to change in accordance with paragraph (a) above.

- c. Pay. For each day the employee performs feeder work, the employee shall be paid one-half (1/2) the daily guarantee at the feeder rate of pay, as agreed upon in Article 4.01 of the Local Rider. The remaining one-half (1/2) of the employee's daily guarantee shall be paid in accordance with Article 41, Section 3, of the National Master United Parcel Service Agreement. If there is overtime work to be performed, the employee shall receive the applicable overtime rate of pay for the classification of work performed. If the feeder work is expanded beyond four (4) hours, the parties shall meet to negotiate a change in the applicable rate of pay.**
- d. Vacation. The employee may not bid vacation that is in conflict with other feeder drivers. This position is expected to fill in, as needed, for regular feeder drivers, if all other Anchorage back-up feeder drivers are already working as feeder drivers. Full-time dates of seniority shall prevail for purposes of vacation bidding.**
- e. Seasonal Nature. It is understood that this position may be seasonal in nature. As such, the parties agree to meet and negotiate changes in the terms and conditions of this Letter of Understanding as necessary. If the account ceases to exist, the employee shall resume his or her original position and place on the applicable seniority list.**
- f. Training. United Parcel Service will provide the training necessary to perform the work as described herein. It shall be the responsibility of the employee to pay all fees necessary to acquire and maintain a commercial driver's license (CDL).**
- g. This Feeder/Full-time combination position is not subject to a rebid of other existing full-time, Article 22, Section 3, positions, unless the employee holding this bid gives the Company ninety (90) calendar days written notice prior to the 22.3 rebid. Prior to a 22.3 rebid, the Company will ensure that the employee holding this bid has knowledge of the rebid prior to the ninety (90) calendar days above.**

**All other terms and benefits of the Collective Bargaining Agreement shall apply. If there are provisions of the Collective Bargaining Agreement that conflict with this Letter of Understanding, the terms and conditions of this Letter of Understanding shall prevail.**

**This Letter of Understanding will continue in effect for the life of the Collective Bargaining Agreement, unless either party serves notice to terminate this letter during a period of renegotiation of the Collective Bargaining Agreement.**

**LETTER OF UNDERSTANDING #4  
By and Between  
UNITED PARCEL SERVICE, INC.  
and  
TEAMSTERS LOCAL 959**

**Re: Hub and Gateway Operation, Anchorage International Airport**

It is understood and agreed that the work of loading and unloading United Parcel Service, Inc. aircraft at Anchorage International Airport is the work of the bargaining unit subject to the following provisions:

1. Movement of the "K" loader or elevator to or from aircraft shall be performed by bargaining personnel. Operation of such equipment is the work of the bargaining unit.
2. The fueling of aircraft and contract snow removal, lavatory servicing, and catering, is not the work of the bargaining unit.

3. All other work currently associated with the Air Hub operation; including movement of equipment for job set up purposes; is the work of the bargaining unit.
4. Employees involved in Air Hub and Gateway Operation shall be covered under the same conditions as all other employees both full time and part-time with the following exceptions:
  - a. Start times may be adjusted with one (1) hour notification prior to affected employees reporting for work to coincide with the arrival and departure of planes. In the event a second change of starting time is necessary due to inclement weather conditions, the starting time may again be adjusted provided one (1) hour notice is given to affected employees.
  - b. When employees working a combination of jobs, which include Air Hub and Gateway Operation, and are on duty when notified that aircraft are expected to arrive late, they shall not be relieved from duty unless the expected arrival exceeds one (1) hour past the completion of the primary function of their combined work.
  - c. Employees involved in the Air Hub and Gateway Operation pursuant to this Letter of Understanding shall be paid time and one-half (1-1/2 times) for all hours worked in excess of eight (8) or ten (10) hours respective to a five (5), eight (8) hour or four (4), ten hour day. Calculation of hours worked for the purpose of overtime shall commence from the start of an employee's scheduled shift, up to the commencement of the next scheduled shift. Each shift will have a minimum of eleven (11) hours off between shifts, except employees who double shift.

The parties agree to meet and confer upon request to consider modification of this Agreement.

**LETTER OF UNDERSTANDING #5  
By and Between  
UNITED PARCEL SERVICE, INC.  
and  
TEAMSTERS LOCAL 959**

**Re: Protective Clothing**

It is understood and agreed that the Company will provide the following protective clothing

1. Protective outer winter clothing (e.g., parkas) for Ramp workers:
  - a. The Union and the Company will meet to confer and agree on the appropriated configurations no later than September 1, 2013.
2. NIOSH-approved gloves for fueling equipment.
3. NIOSH-approved clothing and protective gear for de-icing aircraft.

**LETTER OF UNDERSTANDING #6  
By and Between  
UNITED PARCEL SERVICE, INC.  
and  
TEAMSTERS LOCAL 959**

**Re: Utility Drivers' Seniority List**

It is understood and agreed there will be a Utility Driver seniority list by which the following procedures will be followed:



- a. Employees will bid for open Utility driving positions by Company seniority.
- b. Bidding for Utility driving positions will be held in October of each year, or more often if needed.
- c. Bidding is done by employees submitting a letter. Positions shall be awarded on a 3 for 1 basis: 3 part-time employees to 1 full-time Article 22.3 employee.
- d. All unsuccessful bidders' letters will be kept on file for a period of one (1) year.
- e. Utility Drivers' seniority dates are established by the date they first drive in the Utility Driver position.
- f. If a Utility Driver turns down driving work three (3) times, or removes themselves for other than good cause, they are removed from the Utility Driver seniority list and cannot bid back on the list for a period of one (1) year.

**LETTER OF UNDERSTANDING #47**  
**By and Between**  
**UNITED PARCEL SERVICE, INC.**  
**and**  
**TEAMSTERS LOCAL 959**

**Re: Pension Rehabilitation Supplemental For Full-Time Employees**

The Alaska Teamster-Employers Pension Trust (ATEPT) has adopted a funding rehabilitation plan ("rehabilitation plan") pursuant to ERISA Section 305 (added by the Pension Protection Act of 2006).

As the result of such rehabilitation plan adoption, the parties have agreed to the designation of contributions as agreed upon below.

This LOU does not increase the total hourly amount the Company is obligated to pay pursuant to Article 34, Section 1, of the UPS national master agreement. Rather it directs ATEPT on the segregation of the hourly amounts.

Effective	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
<b>Package Car, Tractor Trailer, and Feeder Drivers</b>					
<b>Basic Contribution</b>	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65
<b>Rule of 85</b>	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13
<b>Subtotal</b>	\$6.78	\$6.78	\$6.78	\$6.78	\$6.78
<b>Supplemental Percentage</b>	44.00%	44.00%	44.00%	44.00%	44.00%
<b>Supplemental</b>	\$2.99	\$2.99	\$2.99	\$2.99	\$2.99
<b>Total With Supplemental</b>	\$9.77	\$9.77	\$9.77	\$9.77	\$9.77
<b>Amount Not Subject to Supplemental</b>	\$1.08 BC/ \$0.22 R85	TBD	TBD	TBD	TBD
<b>Total Contribution</b>	\$11.07	TBD	TBD	TBD	TBD

Effective	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
<b>Automotive Mechanics</b>					
<b>Basic Contribution</b>	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65
<b>Rule of 85</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

<b>Subtotal</b>	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65
<b>Supplemental Percentage</b>	44.00%	44.00%	44.00%	44.00%	44.00%
<b>Supplemental</b>	\$2.49	\$2.49	\$2.49	\$2.49	\$2.49
<b>Total With Supplemental</b>	\$8.14	\$8.14	\$8.14	\$8.14	\$8.14
<b>Amount Not Subject to Supplemental</b>	\$1.11	TBD	TBD	TBD	TBD
<b>Total Contribution</b>	\$9.25	TBD	TBD	TBD	TBD
<b>G.S.E. Mechanics</b>					
<b>Basic Contribution</b>	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65
<b>Rule of 85</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Subtotal</b>	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65
<b>Supplemental Percentage</b>	44.00%	44.00%	44.00%	44.00%	44.00%
<b>Supplemental</b>	\$2.49	\$2.49	\$2.49	\$2.49	\$2.49
<b>Total With Supplemental</b>	\$8.14	\$8.14	\$8.14	\$8.14	\$8.14
<b>Amount Not Subject to Supplemental</b>	\$1.21	\$1.61	\$2.01	\$2.41	\$2.81
<b>Total Contribution</b>	\$9.35	\$9.75	\$10.15	\$10.55	\$10.95
<b>All Other Full-Time Employees</b>					
<b>Basic Contribution</b>	\$3.65	\$3.65	\$3.65	\$3.65	\$3.65
<b>Rule of 85</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Subtotal</b>	\$3.65	\$3.65	\$3.65	\$3.65	\$3.65
<b>Supplemental Percentage</b>	42.00%	42.00%	42.00%	42.00%	42.00%
<b>Supplemental</b>	\$1.53	\$1.53	\$1.53	\$1.53	\$1.53
<b>Total With Supplemental</b>	\$5.18	\$5.18	\$5.18	\$5.18	\$5.18
<b>Amount Not Subject to Supplemental</b>	\$2.17	\$2.57	\$2.97	\$3.37	\$3.77
<b>Total Contribution</b>	\$7.35	\$7.75	\$8.14	\$8.55	\$8.95
<b>Effective</b>	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
<b>Probationary Employees Full-Time Rule of 85</b>					
<b>Basic Contribution</b>	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83
<b>Rule of 85</b>	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17
<b>Subtotal</b>	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
<b>Supplemental Percentage</b>	50.00%	50.00%	50.00%	50.00%	50.00%
<b>Supplemental</b>	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50

<b>Total With Supplemental</b>	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
<b>Amount Not Subject to Supplemental</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Contribution</b>	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
<b>Probationary Employees Full-Time</b>					
<b>Basic Contribution</b>	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
<b>Rule of 85</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Subtotal</b>	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
<b>Supplemental Percentage</b>	50.00%	50.00%	50.00%	50.00%	50.00%
<b>Supplemental</b>	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
<b>Total With Supplemental</b>	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
<b>Amount Not Subject to Supplemental</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Contribution</b>	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50

**LETTER OF UNDERSTANDING #58**  
**By and Between**  
**UNITED PARCEL SERVICE, INC.**  
**and**  
**TEAMSTERS LOCAL 959**

**Re: Pension Rehabilitation Supplemental For Part-Time Employees**

The Alaska Teamster-Employers Pension Trust (ATEPT) has adopted a funding rehabilitation plan (“rehabilitation plan”) pursuant to ERISA Section 305 (added by the Pension Protection Act of 2006).

As the result of such rehabilitation plan adoption, the parties have agreed to the designation of contributions as agreed upon below.

This LOU does not increase the total hourly amount the Company is obligated to pay pursuant to Article 34, Section 1, of the UPS national master agreement. Rather it directs ATEPT on the segregation of the hourly amounts.

<b>Effective</b>	<b>8/01/2018</b>	<b>8/01/2019</b>	<b>8/01/2020</b>	<b>8/01/2021</b>	<b>8/01/2022</b>
<b>Part-Time Employees</b>					
<b>Basic Contribution</b>	\$3.65	\$3.65	\$3.65	\$3.65	\$3.65
<b>Supplemental Charge</b>	42.00%	42.00%	42.00%	42.00%	42.00%
<b>Supplemental Percentage</b>	\$1.53	\$1.53	\$1.53	\$1.53	\$1.53
<b>Total With Supplemental</b>	\$5.18	\$5.18	\$5.18	\$5.18	\$5.18
<b>Amount Not Subject to Supplemental</b>	\$2.47	\$2.87	\$3.27	\$3.67	\$4.07

<b>Total Contribution</b>	\$7.65	\$8.05	\$8.45	\$8.85	\$9.25
<b>Probationary Part-Time Employees</b>					
<b>Basic Contribution</b>	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30
<b>Supplemental Charge</b>	50.00%	50.00%	50.00%	50.00%	50.00%
<b>Supplemental Percentage</b>	\$0.15	\$0.15	\$0.15	\$0.15	\$0.15
<b>Total With Supplemental</b>	\$0.45	\$0.45	\$0.45	\$0.45	\$0.45
<b>Amount Not Subject to Supplemental</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Contribution</b>	\$0.45	\$0.45	\$0.45	\$0.45	\$0.45

**LETTER OF UNDERSTANDING #9**  
**By and Between**  
**UNITED PARCEL SERVICE, INC.**  
**and**  
**GENERAL TEAMSTERS UNION LOCAL NO. 959**  
**ALASKA RIDER**

**Re: Conversion of Health and Welfare rate from hourly to monthly**

It is understood and agreed that this Letter of Understanding #9 (LOU) applies to the employee classifications listed in Article 10; Section 10.01 of the Alaska Rider Covering Full-Time Employees. The intent of this LOU is to convert the long-standing Company hourly Health and Welfare contribution required in Article 10 to a flat monthly contribution. As such, the parties agree to the following:

- a. ~~The Employer currently contributes nine dollars thirty cents (\$9.30) per compensable hour on behalf of each employee for the purpose of providing a health and welfare plan for employees. The parties agree that the new monthly rate shall be one hundred dollars (\$100.00) above the blended rate established by the Trust. The current blended rate is one thousand three hundred seventy eight dollars (\$1,378.00).~~
- b. ~~Future increases to the newly established rate shall be in accordance with Article 34 of the National Master United Parcel Service, Inc. (UPS) agreement and Article 30 of the Western Region of Teamsters UPS Supplemental Agreement.~~
- c. ~~Article 10, Section 10.03 is amended to read as follows: The Employer shall make a flat monthly contribution on behalf of each employee, each month, based on the rate established in Sections a and b above. The contributions shall be paid to the Trust Fund by the tenth (10th) day of the month following the month in which an employee(s) received compensable hours, or was otherwise eligible per Section d below. The Trust Fund will furnish the transmittal forms.~~
- d. ~~Article 10, Section 10.04 is amended to read as follows: If an employee is absent due to disability or an on the job injury, the Employer shall continue to make contributions for three (3) consecutive months following the month the absence began.~~
- e. ~~This LOU shall be effective December 1, 2013, payable commencing the month of January 2014.~~

**LETTER OF UNDERSTANDING #610**  
**By and Between**  
**UNITED PARCEL SERVICE, INC.**  
**and**  
**GENERAL TEAMSTERS UNION LOCAL NO. 959**  
**ALASKA RIDER**

**Re: Health Insurance Coverage**

United Parcel Service, Inc., (UPS), and International Brotherhood of Teamsters Local No. 959 of the Alaska Rider agree to the following:

- a. 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 Teamsters Western Region and Local 177 Health Care Plan in accordance with the Letter of Agreement on the Teamsters Western Region and Local 177 Health Care Plan dated September 6, 2013. The Company will continue to provide health & welfare benefit coverage under the existing plan through December 31, 2013.
- b. Any eligible employee covered by this Section who retires effective January 1, 2014 or thereafter shall be provided retiree medical benefits through the Teamsters Western Region and Local 177 Health Care Plan.
- c. Any eligible employee covered by this Section who retires effective January 1, 2014 or thereafter shall be provided retiree medical benefits through the Teamsters Western Region and Local 177 Health Care Plan.

**LETTER OF UNDERSTANDING #11**  
**By and Between**  
**UNITED PARCEL SERVICE, INC.**  
**and**  
**GENERAL TEAMSTERS UNION LOCAL NO. 959**  
**ALASKA RIDER**

**Re: Western Conference Pension Contribution Allocation**

United Parcel Service, Inc., (UPS), and International Brotherhood of Teamsters Local No. 959 of the Alaska Rider agree to the following:

- a. For those employees covered by Article 10.01 of the Alaska Rider (Package Car Drivers, Feeder Drivers, Tractor Trailer Drivers, and Automotive Mechanics), the pension contributions to the Western Conference of Teamsters Pension Trust Fund (WCPT) shall be three dollars ninety cents (\$3.90) per hour plus increases, if any, as set forth in Article 34 of the IBT/UPS NMUPSA (fifty cents [\$0.50] per hour in years 1-3; to be determined in years 4-5). These employees will continue to be covered by the Alaska Teamster-Employer Welfare Plan for their health and welfare benefits.
- b. All other full-time combination employees, to include G.S.E Mechanics, covered by the Alaska Rider, shall have pension contributions to the WCPT of three dollars ninety cents (\$3.90) per hour plus increases, if any, pursuant to Article 34 of the NMUPSA and the Letter of Agreement on the Teamsters Western Region and Local 177 Health Care Plan dated September 6, 2013 (twenty-five cents [\$0.25] per hour

the first year, no increases in years 2-3, to be determined in years 4-5). These employees will be covered by the Western Region and Local 177 Health Care Plan for their health and welfare benefits.

- e. All part-time employees covered by the Alaska Rider shall have pension contributions to the WCPT of two dollars forty cents (\$2.40) per hour plus increases, if any, pursuant to Article 34 of the NMUPSA and the Letter of Agreement on the Teamsters Western Region and Local 177 Health Care Plan dated September 6, 2013 (thirty-seven cents [\$0.37] per hour the first year, no increases in years 2-3, to be determined in years 4-5). These employees will be covered by the Western Region and Local 177 Health Care Plan for their health and welfare benefits.

**LETTER OF UNDERSTANDING #12**  
**By and Between**  
**UNITED PARCEL SERVICE, INC.**  
**and**  
**GENERAL TEAMSTERS UNION LOCAL NO. 959**  
**ALASKA RIDER**

**Re: Health and Welfare and Pension Contribution Allocation**

United Parcel Service, Inc., (UPS), and International Brotherhood of Teamsters Local No. 959 of the Alaska Rider agree to the following:

- a. For those employees covered by Article 10.01 of the Alaska Rider (Package Car Drivers, Feeder Drivers, Tractor Trailer Drivers, and Automotive Mechanics), the pension contributions to the Western Conference of Teamsters Pension Trust Fund (WCPT) shall be five dollars forty cents (\$5.40) per hour.

There is a year four pension increase of fifty cents (\$0.50) per hour which shall be directed to the Western Conference of Teamsters Pension Trust, effective August 1, 2016.

These employees will continue to be covered by the Alaska Teamster-Employer Welfare Plan for their health and welfare benefits, and in accordance with LOU #9, the monthly Health and Welfare contribution shall be \$1692, effective November, 2016.

- b. All other full-time combination employees, to include G.S.E Mechanics, covered by the Alaska Rider, shall have pension contributions to the WCPT of four dollars fifteen cents (\$4.15) per hour.

There is a year 4 pension increase of sixty one cent (\$0.61) per hour which shall be directed to the Alaska Teamster Employer Pension Trust effective August 1, 2016.

These employees will be covered by the Western Region and Local 177 Health Care Plan for their health and welfare benefits.

- e. All part-time employees covered by the Alaska Rider currently have pension contributions to the WCPT of two dollars seventy seven cents (\$2.77) per hour.

There is a year 4 pension increase of fifty one cent (\$0.51) per hour which shall be directed to the Western Conference of Teamsters Pension Trust Fund effective August 1, 2016.

These employees will be covered by the Western Region and Local 177 Health Care Plan for their health and welfare benefits.