

Atlantic Area Supplemental Tentative Agreement

For the Period Upon Ratification through July 31, 2013

covering:

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

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

This Supplement to the National Master United Parcel Service Agreement shall apply to all United Parcel Service employees working in the classifications set forth in the Wage Schedule and within the jurisdiction of Locals 22, ~~28~~, 29, 61, 71, 171, 175, 322, 355, 391, 453, 505, 509, 639, 697, 822 and 992. Except as provided herein, the provisions of the National Master UPS Agreement shall prevail.

ARTICLE 46 -ACQUISITION OF SENIORITY

Section 1

A new employee shall work under the provisions of this Agreement but shall be employed only on a thirty (30) working day trial basis, during which period he may be discharged without further recourse, provided, however, that the Employer may not discharge or discipline for the purpose of evading this Agreement or discriminating against Union members. After working thirty (30) days within a ninety (90) consecutive day period, the employee shall be placed on the regular seniority list and his seniority date shall be the first day worked within any ninety (90) day period of his employment. He shall be placed on the seniority list of the classification in which he worked. In case of discipline within the probationary period, the Employer shall notify the Local Union in writing.

Time worked from November 1 through December 31 of each year shall not accrue towards seniority. Any employee who is retained after December 31 or recalled within sixty (60) days after December 31 must work thirty (30) days in a ninety (90) consecutive day period commencing with the first day worked after December 31. However, those employees hired prior to November 1 and retained after December 31 or recalled within sixty (60) days will retain credit for the number of days worked prior to November 1. These days retained will count

towards the thirty (30) days worked in a ninety (90) consecutive day period commencing with the first day worked after December 31. November and December shall not be used in computing the ninety (90) consecutive day period. These employees shall acquire seniority as of the date of their original employment. Seasonal employees hired from outside sources prior to November 1 and retained after December 31, will retain credit for the number of days worked prior to November 1. These days retained will count towards the thirty (30) days worked in a ninety (90) consecutive day period commencing with the first day worked after December 31, and their seniority dates shall be the first day worked after December 31. Seasonal employees, when hired, shall be notified they are seasonal. **Upon request, the Employer will provide a list of peak season employees to the Local Union.**

Attendance at orientation meetings, not to extend beyond five (5) days, shall **not** count as working days. **After successfully qualifying within the ninety (90) consecutive day period, these employees shall acquire seniority as of the first day of orientation.** Orientation pay, for newly hired employees, shall be eight dollars and fifty cents (\$8.50) per hour for part-time employees for all hours worked and all work performed. **Full-time e**Employees shall be paid at nine dollars and point three seventy-five cents (\$9.375) per hour during **full-time** orientation, except that actual work performed within the classification will be paid at the appropriate contract rate. **Upon qualifying in the new job assignment, current seniority employees shall be compensated the difference between the orientation rate and the applicable rate for the classification of work for time spent in orientation.** The Company agrees that employees shall be reimbursed any expenses above normal if they are required to travel out of town for orientation including travel expenses, motel, meals, etc. Meal costs shall not exceed amounts listed in Article 59.

6-AA

Article 48 – Seniority

Section 3 – Full-Time Inside Jobs

A schedule of all starting times within each classification, by center, shall be posted for bid on the first (1st) Monday in April and shall remain posted for three (3) weeks.

The first (1st) week of posting shall be for employees' review. During the second (2nd) and third (3rd) weeks, employees will select jobs in seniority order. A total of ten percent (10%) of the employees will bid each day of the bidding process. Once an employee has bid such employee will not be permitted to change his bid. All employees shall bid on their assigned day; otherwise their selection will be made from the jobs available at the time of their bid.

All bids will be written and will be posted at one designated point in each building. **Upon request, the Company will provide the Union with copies of the completed bid sheets.**

Employees in each classification including Article 22, Section 3, full-time inside only, shall in the order of their seniority, have the right to bid starting times within their own classification from the schedule posted. (For the purposes of clarification, full-time air and full-time air combination employees shall bid from their own seniority list.)

Such bid will be held until the schedule is posted the following April. **Full-time 22.3 bids shall include a start time and shift description including, but not limited to carwash/hub, hub/preload, preload/air, etc.**

The schedule of starting times shall become effective by the first Monday in May unless otherwise mutually agreed.

B. In the event of changes in starting times exceeding one (1) hour, employees in those classifications in the order of their overall seniority within the operating center shall be permitted to select such jobs. In the event that no employee within the classification elects to fill the new starting time the least senior employee in that classification will be required to fill the new starting time. In the event an employee elects to select such starting time and this results in a starting time where there is again a spread of over one (1) hour, the same procedure shall be followed.

Starting time changes exceeding one (1) hour in November and December shall not be subject to the job bidding procedure. If the new starting times become permanent they shall be posted for bid during January.

C. During the year between the posting of the schedule, full-time inside seniority employees in order of their seniority shall have the right to move to another shift within the same building when a new permanent full-time job or vacancy occurs. The Employer will fill the third opening which results from the above procedure. The employee shall be limited to

one (1) move each year, however, this shall not limit advancement to a higher rated position. In addition, part-time employees successfully bidding on full-time 22.3 jobs shall be precluded from bidding to a different 22.3 job **for a period of twelve (12) months until completion of the full-time progression.** This restriction shall not apply during the annual bid. This procedure shall also apply to any full-time employee who is hired off the street to fill a 22.3 job. If as a result of the Article 48 bid procedure a 22.2 opening that otherwise would be offered to part-time employees or filled by the Company will first be offered to all eligible employees who hold 22.3 full-time jobs within the building. The opening created by this move will then follow the respective bid language and be filled by part-time employees or by the Company.

All employees, including those who are red circled wage employees, who elect to bid to a lower paying wage classification shall receive the rate of pay for the classification to which they bid.

Those employees who are red circled wage employees will lose the protection of the red circle wage if they bid to a lower paying wage classification.

Should the employee transfer from a job covered under Article 22, Section 2, to another job covered under Article 22, Section 2, the employee will continue to receive the protection as outlined in that Article. An Article 22, Section 3 full-time employee with a protected wage rate which is higher than the contractual rate shall not lose such protected inside rate as a result of bidding to another Article 22, Section 3 inside job. This protection applies only to the inside portion of their job.

Section 5 – Package Area Bids

A. There shall be area bids for all full-time package delivery drivers in accordance with Section (3A) above. These bids shall be posted annually on ~~April 1st~~ **the second Monday in January.** **All bids will have route numbers and start times.** Delivery drivers in the order of their seniority shall be permitted the opportunity to bid the area of their choice within their center. Such area bid shall not be considered as a move for the purpose of a bid on a new vacancy as outlined in Section 6(A).

Such bids will be posted in each center and will remain posted for three (3) weeks. The first (1st) week of posting will be for employee review. During the second (2nd) and third (3rd) weeks the employees shall bid "in seniority order." A total of ten percent (10%) of the employees will bid each day. All employees shall bid on their assigned day; otherwise their bid will be made from the areas available at the time of their bid.

All package delivery drivers shall be placed on their bid route within ~~thirty (30)~~ **sixty (60)** calendar days following the completion of the bid.

Package drivers who did not exercise a bid **or drivers who are removed from their bid training route** will work as cover drivers.

6-AA

The primary job of these employees is to cover vacations or absences of a week or more in duration.

These package cover drivers must select such work in seniority order. This selection will be completed by Thursday for the following weeks to be covered. Example: Driver Smith on vacation for one (1) or more weeks. Cover driver Brown selects to cover Smith's vacation. Brown must cover for duration of vacation(s). Once cover work is selected, the cover driver must complete the work schedule selected prior to making another selection.

Any cover driver who does not receive a start time for the following week will be assigned any work in the classification or be subject to the appropriate layoff Article.

All bids will be written and will be posted at one designated point in each building. **Upon request, the Company will provide the Union with copies of the completed bid sheets.**

Section 6 – (Package) New Jobs and/or Permanent Vacancies

A. Package drivers shall be given the preference to select in their building, based on seniority, permanent vacancies or when a permanent new area is established. The employee shall be limited to one move each year. In the event of an emergency or possible service delay, the Company may temporarily reassign the driver another area within the center. The vacancy created by this move shall be filled by the Company. **After ratification, all employees obtaining a package driver position are required to remain in the classification for two (2) years.**

All permanent vacancies and permanent new areas shall be bid by seniority to all package drivers in that building. If not filled or this creates another vacancy, such vacancy shall be bid by seniority in the building including any tractor trailer driver who meets the requirements of this Agreement and has expressed in writing his desire to bid back to package. The vacancy created by this move shall be filled by the Company. It is agreed by the parties that permanent vacancies, including all package cover drivers, shall be replaced with full-time employees at the time of the vacancy pursuant to the bidding procedure as outlined in this section. When a package driver's bid area is geographically permanently (thirty (30) calendar days) changed by fifty percent (50%) or more, the driver will have the option to choose which portion of the delivery area he will keep, excluding November and December.

Section 7 – Tractor Trailer Bids

A. Twice each year on March 1st and September 1st, all tractor-trailer runs (time and **farthest** destination) will be posted for bid and will remain posted for three (3) weeks.

The first (1st) week of posting will be for employees' review. During the second (2nd) and third (3rd) weeks, employees

will select jobs **or pass the bid; however, all bids must be filled. Drivers passing the bid will perform available tractor-trailer work** in seniority order. A total of ten percent (10%) of the employees will bid each day of the bid process. Once an employee has bid, such employee will not be permitted to change his bid. All employees shall bid on their assigned day; otherwise their bid will be made from the jobs available at the time of their bid.

The March 1st and September 1st bids in the tractor-trailer center will be subject to bid by all present tractor-trailer drivers on the tractor-trailer seniority list. Runs will be awarded according to seniority and will become effective the first Monday thereafter.

Section 10 – Tractor-Trailer Qualifying School

New tractor-trailer openings will be filled from the list of qualified employees. In the event no employee on the list of qualified employees elects to fill an opening, the least senior employee on the list of qualified employees for tractor-trailer drivers must fill the opening. After filling a permanent opening, such employee shall exercise all of his seniority in the tractor-trailer classification. Tractor-trailer drivers shall work as directed, including but not limited to, loading, unloading, sorting and performing yard work in any operation center irrespective of domicile.

Those employees on the building Tractor-Trailer Qualified List will be used, in seniority order, to fill tractor-trailer coverage jobs, except during the month of December.

The building Tractor-Trailer Qualified List will be used in seniority order to fill tractor-trailer coverage jobs. Any qualified list driver who has worked in the tractor-trailer classification during the month of November shall be eligible to work in that classification in the month of December for that year. The Qualified List will be maintained at a sufficient number of employees to provide tractor-trailer coverage as required. **The qualified list shall be maintained at no less than fifteen percent (15%) of the total number of bid feeder runs where the center's bid runs exceeds ninety (90).** Those employees will be dovetailed into the tractor-trailer seniority list for vacation selection only at the time of the vacation bid.

After being on the Tractor-Trailer Qualified List for two (2) years or more, an employee may remove his name from the Qualified List and will not be offered any work in the tractor-trailer classification.

After being in the tractor-trailer classification for two (2) years or more, employees may bid into a lower paying classification when a vacancy or new job occurs, provided he is qualified. After accepting a job in the lower paying classification, the employee shall be removed from the Qualified List. However, such employee may request to be put back on the Qualified List at a later date providing he still meets all necessary requirements. Should the employee, after being on the

6-AA

Qualified List for two (2) years or more, desire to remove his name from the Qualified List will not be offered any work in the tractor-trailer classification, and, in addition, he will not be permitted to bid into either the tractor-trailer center or the Tractor-Trailer Qualified List for a period of two (2) years.

ARTICLE 49 – GRIEVANCE PROCEDURE

Section 2 – Grievances

A grievance is hereby jointly defined to be any controversy, complaint, misunderstanding or dispute arising as to interpretation, application or observance of any of the provisions of this Agreement.

Grievance procedures may be invoked only by authorized Union representatives. In the event of a grievance, it shall be handled in the following manner:

(a) The employee shall report it to his shop steward in writing within five (5) working days. The steward shall attempt to adjust the matter with the supervisor within forty-eight (48) hours. **Management will sign and date each grievance that is presented to them, provided this does not interrupt the operations, regardless of the merits of said grievance. The purpose of the signature is only to verify that the grievance was actually received.**

(f) It is understood and agreed that the United Parcel Service representatives and the Local Union representatives of the A.A.P.G.C. representing the United Parcel Service operation and/or Local Union involved in a proceeding before the panel will be ineligible to act as a member of the panel during the proceeding. **Representatives from Local Union(s) utilizing the A.A.P.G.C. may be involved in the hearing of Atlantic Area cases.**

Section 4

(a) The A.A.P.G.C. shall be composed of United Parcel Service representatives and representatives from each of the Local Union Nos. 22, ~~28~~, 29, 61, 71, 171, 175, 322, 355, 391, 453, 505, 509, 639, 697, 822 and 992. The expense incurred by the A.A.P.G.C. shall be borne equally by all the Local Unions on a pro rata basis for the Local Unions having cases docketed on the agenda and United Parcel Service operations which are covered by this Agreement.

ARTICLE 53 – WAGES AND HOURS

Section 1

Classifications	8/1/02	8/1/03	8/1/04	8/1/05	8/1/06	8/1/07
Package Pickup and Delivery						
Drivers, Feeder Drivers	\$23.80	\$24.55	\$25.35	\$26.15	\$27.05	\$28.05
Tractor-Trailer Drivers	\$23.90	\$24.65	\$25.45	\$26.25	\$27.15	\$28.15
Truck-Truck or						
Truck-Pup Drivers	\$23.90	\$24.65	\$25.45	\$26.25	\$27.15	\$28.15

Pre-loader-Sorter	\$23.80	\$24.55	\$25.35	\$26.15	\$27.05	\$28.05
Package Handlers	\$22.54	\$23.29	\$24.09	\$24.89	\$25.79	\$26.79
Car Washers	\$22.29	\$23.04	\$23.84	\$24.64	\$25.54	\$26.54

Employees in the above classifications will receive the following general wage increases for each contract year. In each of the years, the increase shall be paid in two (2) equal installments. The first half of the increase shall become effective on August 1 of the specified year. The second half of the increase shall become effective on February 1 of the following calendar year. The total wage increase for the year will be as follows:

2008	seventy cents (\$0.70)
2009	seventy-five cents (\$0.75)
2010	seventy-five cents (\$0.75)
2011	eighty-five cents (\$0.85)
2012	ninety-five cents (\$0.95)

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

Employees pulling doubles will receive sixty cents (\$0.60) per hour over the package driver rate. Employees pulling twin 40's or triple trailers off the property shall receive seventy-five cents (\$0.75) per hour over the package driver rate. Employees pulling "truck pups" will receive twenty-five cents (\$0.25) per hour over the package driver rate.

Package Driver Helper Rate of Pay shall be \$10.50 per hour.

Full- and part-time driver helpers may be used between **Thanksgiving November 1st** through December 31 of any calendar year, during periods of weather emergencies or volume peaks and at customer's locations where the customer or another carrier is loading and/or unloading packages, providing the Local Union is contacted to explain the reason for and the expected duration. No tractor-trailer driver will be laid off or displaced from tractor-trailer classification as a result of this. The Company will use part-time employees to fill part-time helper jobs and will not hire part-time helpers off the street until all seniority part-time requests for this work are honored. The part-time helper work will be awarded in seniority order providing that this work would not interfere with their regular scheduled duties for the work day.

Package driver helpers shall be guaranteed three (3) hours per day provided they report at their helper scheduled start time.

Not more than one (1) helper will work from a vehicle with a driver at any one (1) time. The helper must deliver or pickup packages only in conjunction with the drivers they are assigned to while on duty.

A helper will normally not be required to work a split shift of helper work. There may, however, be occasions when an

6-AA

employee may work more than one (1) shift as a helper in a twenty-four (24) hour period.

If a helper is scheduled to meet a driver and the driver is late at the scheduled meet point, the helper hours will commence from the scheduled time of the meet.

The Company may continue a TAW program pursuant to Article 14, Section 2. Part-time employees on TAW shall be paid \$10.50 per hour, unless their current pay rate is less than \$10.50, in which case they shall receive their current rate of pay. Full-time employees on TAW shall be paid \$16.25 per hour, unless their current pay rate is less than \$16.25, in which case they shall receive their current rate of pay.

The following wage progression schedule shall cover all full-time employees, except apprentices, hired on or after August 1, 1990. The rate in effect on July 31, ~~2002~~ **2008** will be used to calculate the progression rates for the life of this Agreement.

Rate in Effect on July 31, 2002 2008	
Start	70%
Seniority	75%
Seniority Date Plus one (1) year	80%
Seniority Date plus eighteen (18) months	90%
Seniority Date plus two (2) years	Top Rate

Part-time employees on the payroll as of 7/31/~~02~~ **08** who are subsequently promoted to full-time employment will be paid their current wage rate until such time as the calculated progression rate exceeds that rate. The transfer date will become his/her full-time start date for purposes of applying the above progression.

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

Section 5 – Notice of Layoff

One (1) day (**by the end of the previous work day**) unwritten notice is required for layoff of less than fourteen (14) days. The Company is obligated to give as much notice as possible. Except for employees who do not have a telephone, the Company is obligated where possible and as soon as possible, to attempt to notify employees when an emergency occurs beyond its control. Notice must be given before the employee's regular starting time. The Company shall be deemed to have fulfilled its obligation when an employee is called and does not answer the telephone. In the event of an emergency, available work shall be performed in seniority order by employees normally assigned to that work and that starting time within the classification.

ARTICLE 54 -SUNDAYS AND HOLIDAYS

Section 1 -Holidays

(a) The following named holidays, or the days observed as such shall be recognized as legal holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, day after Thanksgiving, Christmas Day and December 31. Seniority employees shall be eligible for the above named holidays after the employee's seniority date and ~~six (6)~~ **twelve (12)** months.

ARTICLE 61 – HEALTH AND WELFARE AND PENSION

Section 1- Local Union No. 992

Health and Welfare and Pension

See Article 34 of the National Master

Section 2 – Local Unions Nos. ~~28~~, 61, 71, 391 and 509 Health and Welfare

~~In the jurisdiction of the Local Unions parties to this Agreement, the Employer shall contribute to the Central States, Southeast and Southwest Areas Pension Fund for each employee covered by this Agreement who has been on the payroll thirty (30) days or more, the sum:~~

~~\$166.00 per week-~~

~~Effective August 1, 2003, August 1, 2004, August 1, 2005 and August 1, 2006, the Employer contributions to the Health and Welfare and Pension shall be increased a total of sixty cents (\$0.60) per hour. Effective August 1, 2007, the Employer contributions to the Health and Welfare and Pension shall be increased a total of seventy cents (\$0.70), per hour. Allocations shall be determined by the Joint Supplemental Area Negotiating Committee, subject to approval of the Joint National Negotiating Committee.~~

~~There shall be no other pension fund under this contract for operations under this contract.~~

(a) The Employer's contribution increases to the Central States Southeast and Southwest Areas Health & Welfare Fund (CSH&W Fund) shall be increased twenty-two dollars (\$22.00) per week effective August 1, 2008, and fourteen dollars (\$14.00) per week effective on each August 1 thereafter during the life of this contract.

By the execution of this Agreement, the Employer authorizes the Employers' Associations which are parties hereto to enter into appropriate **health and welfare** trust agreements necessary for the administration of such funds, and to designate the Employer Trustees under such agreement, hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such Trustees within the scope of their authority.

6-AA

If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of four (4) weeks. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months. ~~If an employee is granted a leave of absence, the Employer shall collect from said employee prior to the leave of absence being effective, sufficient monies to pay the required contributions into the pension fund during the period of absence.~~

There shall be no deduction from equipment rental of owner-operators by virtue of the contributions made to the pension fund, regardless of whether the equipment rental is at the minimum rate or more and regardless of the manner of computation of owner-driver compensation. Contributions to the health and welfare fund must be made for each week on each regular or extra employee, even though such employee may work only part-time under the provisions of this contract, including weeks where work is performed for the Employer but not under the provisions of this contract, and although contributions may be made for those weeks into some other pension fund. Employees who work either temporarily or in cases of emergency under the terms of this contract shall not be covered by the provisions of this paragraph.

~~Employers presently making payments to the Central States, Southeast and Southwest Areas Health and Welfare Fund, and Employers who may subsequently begin to make payments to such Fund shall continue to make such payments for the life of this Agreement.~~

Notwithstanding anything herein contained, it is agreed that in the event the Employer is delinquent at the end of a period in the payment of his contribution to the Health and Welfare or Pension fund or funds created under this Agreement, in accordance with the rules and regulations of the Trustees of such funds, the employees or their representatives, after the proper official of the Local Union shall have given seventy-two (72) hour's notice to the Employer of such delinquency in health and welfare and pension payments, shall have the right to take such action as they deem necessary until such delinquent payments are made and it is further agreed that in the event such action is taken the Employer shall be responsible to the employees for losses resulting there from.

(b) Jointly Trusted UPS/IBT Full Time Pension Fund: Locals 61, 71, 391, 505, 509 and 697

The following provisions pertain to the UPS/IBT Full-Time Employee Pension Plan (hereinafter "UPS/IBT Plan") to be created for employees who under the prior Agreement participated in the Central States Southeast and Southwest Pension Fund ("CS Plan") and for future employees who would have participated in the CS Plan absent this agreement who have one (1)

hour of service in Covered Employment on or after January 1, 2008.

- (1) Effective January 1, 2008, the Employer and the Union will establish a new, single employer, jointly trustee and administered defined benefit plan within the meaning of 29 U.S.C. Section 302(c)(5) for full-time employees who under the prior agreement would have participated in the CS Plan. As of December 26, 2007, the Employer will cease to have an obligation to contribute to the CS Plan and will have no other obligation to provide such employees with future benefit accruals under the CS Plan.
- (2) The benefit formula for current or future full-time employees who are participants in the UPS/IBT Plan will be as set forth below for each year of future service (hours worked in Covered Employment on or after the effective date) up to a maximum of thirty-five (35) years of Credited Service (such limitation is only applicable to service pensions). This benefit is unreduced if payable at Normal Retirement Age (age 65) and 5 years of vesting service or at age 62 with 20 years of Credited Service. Benefit payments may begin as early as Early Retirement Age (age 50 with five years of vesting service) and are reduced 6% per year for each year and partial year prior to Normal Retirement Age. There shall be no reduction or change in the level of benefits described herein unless negotiated and agreed to by the Union.

<u>Calendar Year Beginning</u>	<u>Monthly Benefit</u>
<u>January 1, 2008</u>	<u>\$132.00</u>
<u>January 1, 2009</u>	<u>\$132.00</u>
<u>January 1, 2010</u>	<u>\$135.50</u>
<u>January 1, 2011</u>	<u>\$147.00</u>
<u>January 1, 2012</u>	<u>\$158.50</u>
<u>January 1, 2013</u>	<u>\$170.00</u>

- (3) Eligible employees become participants on the first day of the month coincident with or immediately following the date the employee completes one year of service with 750 hours of service (upon becoming a participant, service credit will accrue beginning with the very first hour of service that had been performed when the participant began working in Covered Employment). Employees already participants in the CS Plan at the date this plan is established will be immediately eligible to participate in the UPS/IBT Plan. No benefits are payable unless the participant has at least 5 years of vesting credit or has reached Normal Retirement Age while an employee. One (1) year of vesting credit is earned for each calendar year in which the participant works 750 or more hours. The Employer will grant vesting credit for those employees employed by the Employer before the effective date of the UPS/IBT Plan based on the employment records of the Employer or records of the CS Plan.

6-AA

- (4) Full-time employees will receive one (1) year of Credited Service for each 1801 paid hours in Covered Employment in a calendar year beginning on or after January 1, 2008. Employees will receive partial years of Credited Service in monthly increments (i.e., one month if employee worked 150 or more hours in Covered Employment in that month). For purposes of earning service credit for the service pensions only, full-time employees will receive one week of service credit if he has one (1) hour of service in Covered Employment. For service pensions only, if an employee has 0-19 weeks of service credit, he shall not receive any service credit for that calendar year. If he has 20-39 weeks of service credit, the amount of credit for that year will be equal to a fraction the numerator of which is the number of weeks of credit and the denominator is 40. If the employee has 40 weeks of service credit for that calendar year, he shall receive one year of service credit.
- (5) The Employer will be responsible for funding the UPS/IBT Plan as required by applicable law.
- (6) In addition to the normal benefit provided in paragraph (2) above, there shall be a service benefit payable after twenty (20), twenty-five (25), thirty (30) and thirty-five (35) years of full-time service. There is a twenty (20) year benefit for anyone who has reached age 50 and the amount will vary based on the person's age. There is a twenty-five (25) year service retirement benefit for anyone who has twenty-five years of service regardless of age, which shall be \$2000 per month if less than age 57 when benefits commence and \$2500 per month if at least age 57 when benefits commence. The benefit for thirty (30) year service retirement shall be \$3000 per month regardless of the age of the retiring employee. The benefit for thirty-five (35) years service retirement shall be \$3500 per month regardless of the age of the retiring employee. The plan document shall specify the amounts for the 20 year service pension, eligibility criteria and how the benefits are calculated.

<u>Years of service Pension Credit</u>	<u>Age</u>	<u>Monthly Service Pension</u>
<u>35 years</u>	<u>Any age</u>	<u>\$3,500</u>
<u>30 or more years</u>	<u>Any age</u>	<u>\$3,000 plus \$100/yr of service for years over 30 up to \$3,500</u>
<u>25 years</u>	<u>Any Age up to age 57</u>	<u>\$2,000</u>
<u>25 years</u>	<u>57 or older</u>	<u>\$2,500 plus \$100/yr of service for years over 25 up to \$3,500 maximum</u>

The UPS/IBT Plan will recognize full-time service in the CS Plan for determining eligibility for the benefits in this section and will offset at Normal Retirement

Age the benefits accrued from the CS Plan commencing at Normal Retirement Age. If the benefit paid from the CS Plan is reduced as permitted or required by law, the amount of such reduction shall not be included in this offset.

- (7) The UPS/IBT Plan will also provide eligible employees with a monthly disability benefit or lump sum disability benefit (based on age and years of service).
- (8) The UPS/IBT Plan will be governed by the terms of the plan document and trust agreement, both of which are incorporated herein by reference. Any claims for benefits are subject to resolution solely through the UPS/IBT Plan administrative claims process.
- (9) If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall ensure that the employee is credited with up to 190 hours of pension credit or four weeks of service pension credit (depending on the length of the absence). If an employee is injured on the job, the Employer shall ensure that the employee receives pension credit until such employee returns to work; however, such pension credit shall not exceed 1801 hours of service or 40 weeks of service pension credit (depending on the length of the absence).

Section 3- Local Unions Nos. 22, 29, 171, 322 and 822 Health and Welfare and Pension

See Article 34 of the National Master Agreement

Section 4- Local Union No. 639 Health & Welfare and Pension

See Article 34 of the National Master Agreement

Section 5- Local Union No. 453 Health & Welfare and Pension

See Article 34 of the National Master Agreement

~~Section 6- Local Union No. 505~~

~~DELETE~~

Section 7- 6 Local Union No. 697 Health & Welfare

See Article 34 of the National Master Agreement

Pension- DELETE references to Central States and See Section 2 above

Section 8- 7 Local Union No. 175 (Pension and Health & Welfare) and 505 (Health & Welfare)

See Article 34 of the National Master Agreement

6-AA**Section 9- 8 Local Union No. 355****See Article 34 of the National Master Agreement****Section 10- 9**

Add to current language: Any dispute in the allocation of Health and Welfare and Pension money shall be determined and/or resolved by the Joint National United Parcel Service Negotiating Committee.

ARTICLE 62

**WEST VIRGINIA & EAST, SOUTH AND WEST
CAROLINAS DISTRICTS OF UNITED PARCEL
SERVICE, INC. AND TEAMSTER LOCAL UNIONS ~~28,~~
61, 71, 175, 391, 453, 505, 509 AND 697**

This Article of the Atlantic Area Supplement to the National Master United Parcel Service Agreement for the period ~~August 1, 2002~~ [date of ratification to be added] to July 31, ~~2008~~ 2013, shall apply exclusively to all maintenance employees in the classifications listed in Section 7 below, who are employed in the States of West Virginia and the Cumberland, Maryland Area, North Carolina and South Carolina. Except as otherwise provided herein, the provisions of the National Master United Parcel Service Agreement and the Atlantic Area Supplement thereto shall apply to said employees.

Section 5 – Seniority

(h) Maintenance start time bids shall include required job qualifications, i.e., CDL, etc. **All bids will be written and will be posted at one designated location in each building.**

(i) Maintenance employees shall be covered by Article 67 upon loss of driving license.

New Section (j)

If a mechanic loses his or her DOT card, the following language shall apply:

If the mechanic is actively pursuing a waiver/exemption with the DOT, and there is a reasonable expectation that it will be granted, the employee may work inside pursuant to this section for one year. This section also applies to a mechanic who loses a DOT card but who can reasonably expect to get it back within one year. The employee will not be permitted to replace another full-time employee, regardless of seniority, but he may displace the most junior part-time employee in his location or be offered available work before it is assigned to new employees. Mechanics who are eligible to work inside pursuant to the above language, provided they are qualified, will be paid the appropriate part-time rate for the inside job they perform based on their Company seniority.

Section 7

Classifications	8/1/02	8/1/03	8/1/04	8/1/05	8/1/06	8/01/07
Automotive Mechanic						
Plant Maintenance	\$24.40	\$25.15	\$25.95	\$26.75	\$27.65	\$28.65
Mechanic (Any						
Combination of Above)	\$24.40	\$25.15	\$25.95	\$26.75	\$27.65	\$28.65
Partsmen	\$23.70	\$24.45	\$25.25	\$26.05	\$26.95	\$27.95

The following wage progression schedule shall cover all full-time employees, except apprentices, hired on or after August 1, 1990. The rate in effect on July 31, ~~2002~~ 2008, will be used to calculate the progression rates for the life of this Agreement.

Rate in Effect on July 31, ~~2002~~ 2008

Start	70%
Seniority	75%
Seniority Date plus one (1) year	80%
Seniority Date plus eighteen (18) months	90%
Seniority Date plus two (2) years	Top Rate

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

The top rate is the wage rate in the job classification then being paid.

Journeyman maintenance and automotive mechanics shall receive the “Doubles Rate” of Pay.

LETTER OF UNDERSTANDING

3.(c) When apprentice openings occur in the Automotive Mechanic classification, the Company shall before going to the outside, offer these openings in seniority order to the employees in the Trailer Repair classification. When openings occur in the Trailer Repair classification the Company shall, before going to the outside offer these openings in seniority order to the employees in the Utility classification.

When “journeyman mechanic” openings occur in the Greensboro automotive mechanic classification, the Company shall offer these openings in seniority order to the employees in the trailer repair classification provided they meet the journeyman requirements of a new hire, which include but are not limited to:

- 1) Having a valid CDL license**
- 2) Being capable of repairing, maintaining and rebuilding all parts of automotive equipment while using the proper methods and procedures**
- 3) Satisfactorily complete all required certifications.**

6-AA**ARTICLE 63 – PART-TIME EMPLOYEES****Section 4 – Part-Time Package Driver Helpers**

Part-time driver helpers may be used between **Thanksgiving November 1st** through December 31 of any calendar year, during periods of weather emergencies or volume peaks, and at customers' locations where the customer and/or another carrier is loading or unloading the packages, providing the Local Union is contacted to explain the reason for and the expected duration. No tractor-trailer driver will be laid off or displaced from the tractor trailer classification as a result of this. The Company will use part-time employees to fill part-time helper jobs and will not hire part-time helpers off the street until all seniority part time requests for this work are honored. The part-time helper work will be awarded in seniority order providing that this work would not interfere with their regular scheduled duties for the work day.

Package driver helpers shall be guaranteed three (3) hours per day provided they report at their helper scheduled start time.

Not more than one (1) helper will work from a vehicle with a driver at any one time. The helper must deliver or pickup packages only in conjunction with the drivers they are assigned to while on duty.

A helper will normally not be required to work a split shift of helper work. There may, however, be occasions when an employee may work more than one shift as a helper in a twenty-four (24) hour period.

This work will be offered in conjunction with the seniority part-timers' present job responsibilities. The Company will keep the total hours worked to around eight (8) hours daily. Should there be occasions where the combined hours exceed eight (8) hours (excluding November and December), overtime will be paid on all hours worked in excess of eight (8) hours in that day. The employee will be required and allowed to perform his/her regular job assignment. In November and December overtime will be paid when the total hours exceed forty (40) hours. Overtime will be computed at the helper rate.

Section 9 – Wages**A. Part-Time Employees**

All part-time employees who have attained seniority as of August 1, ~~2002~~ **2008** will receive the following general wage increases **for each contract year. In each of the years, the increase shall be paid in two (2) equal installments. The first-half of the increase shall become effective on August 1 of the specified year. The second half of the increase shall become effective on February 1 of the following calendar year. The total wage increase for each year will be as follows:**

August 1, 2002	seventy-five cents per hour (\$0.75)
August 1, 2003	seventy-five cents per hour (\$0.75)
August 1, 2004	eighty cents per hour (\$0.80)
August 1, 2005	eighty cents per hour (\$0.80)
August 1, 2006	ninety cents per hour (\$0.90)
August 1, 2007	one dollar per hour (\$1.00)

2008	seventy cents (\$0.70)
2009	seventy-five cents (\$0.75)
2010	seventy-five cents (\$0.75)
2011	eighty-five cents (\$0.85)
2012	ninety-five cents (\$0.95)

Part-time employees still in progression on ~~the effective date of the Master Agreement~~ **August 1, 2008** shall receive the above contractual increases and will be paid no less than what they are entitled to in accordance with the wage schedules of Article 22, Section 5. **Between the date of ratification and August 1, 2008 part-time employees will continue to be paid in accordance with the progression contained in the prior Agreement. The progression set forth in (B) below shall be applied effective August 1, 2008.**

~~In addition to the general wage increases above, part time employees who have attained seniority as of August 1, 2002 and were not red circled in or before 1982, shall receive the following increases:-~~

August 1, 2002	ten cents per hour (\$0.10)
August 1, 2003	fifteen cents per hour (\$0.15)
August 1, 2004	fifteen cents per hour (\$0.15)
August 1, 2005	twenty cents per hour (\$0.20)
August 1, 2006	twenty cents per hour (\$0.20)
August 1, 2007	twenty cents per hour (\$0.20)

B. Newly hired Part-Time Employees

All part-time employees who are hired or reach seniority after August 1, ~~2002~~ **2008**, will be paid according to the following wage schedules:

	Hourly Rate	
	Preloader-Sorter	All Others
Start	\$9.50	\$8.50
Seniority plus ninety (90) calendar days	\$10.00 \$10.50	\$9.00 \$9.50
Seniority plus one (1) year	\$10.50 \$11.00	\$9.50 \$10.00
Seniority plus two (2) years	\$11.00 \$11.50	\$10.00 \$10.50
Seniority plus three (3) years	\$11.50 \$12.00	\$10.50 \$11.00
Seniority plus four (4) years	\$12.25 \$12.87	\$11.25 \$11.87

Employees working high volume direct or low volume direct shall receive the preloader/sorter rates.

Part-time clerical positions included in the bargaining unit as of 7/31/02 will be paid the preloader-sorter rate of pay.

6-AA

C. The wage rates and increases provided in (a) and (b) shall be a minimum.

Package Driver Helper Rate of Pay shall be \$10.50 per hour.

Section 10 – Health and Welfare

~~The Employer will provide full coverage for part time employees equal in benefits to those of the full time employees in their area except that benefits covered shall not be effective until four (4) months after the date of hire and, except for weekly accident, sickness benefits and life insurance which shall be one half (1/2) the amount a full-time employee would receive. There shall not, however, be any duplication of health and welfare coverage for part-time employees.~~

~~Identification cards and booklets that describe Local Union plan shall be provided for part-time employees which denote the schedule of coverage. Part-time employees shall be provided a schedule of benefits available to them.~~

~~It is agreed between the Company and Local 697 that the Employer will evaluate a number of alternative procedures for part-time employees including pre certification and utilization reviews, managed care, health care provider contracting and other various programs. The Company will implement those procedures or programs deemed necessary to continue quality health care service in a cost effective manner.~~

Part time employees covered by a Teamster Health and Welfare Fund will continue to be covered by those funds.

- (a) **Notwithstanding Article 34, Section 1(d) of the Master Agreement, effective January 1, 2008, health and welfare coverage for all part-time employees on the payroll at that time and those hired thereafter will be provided pursuant to the terms of an Employer sponsored nationwide health care plan, namely, the UPS National Health Plan for Part-Time Employees. (A copy of the Summary Plan Description will be provided.) Features of the plan will include a prescription card. This paragraph shall supersede any provisions on the same subject in any Supplement, Rider, or Addendum, including those Supplemental provisions which require part-time benefits to be equal to or the same as full-time medical benefits.**
- (b) **Notwithstanding Article 34, Section 1(d) of the Master Agreement or any contrary provision in any Supplement, Rider, or Addendum, (i) individual health coverage will be made available to part-time employees hired after August 1, 2008, after twelve (12) months of active employment and (ii) spousal or dependant coverage will be made available to these part-time employees eighteen (18) months after their initial date of employment.**

6-AA**Section 11 – Pension**

The Employer shall provide pension benefit coverage to part-time employees under the terms and conditions as may be contained in the United Parcel Service Pension Plan as required by law.

The Company and the Union agree that they will undertake to attempt to establish appropriate reciprocity agreements and to maintain all existing reciprocity agreements to protect the pension rights of employees.

UPS Part-time Pension Plan

(1) The UPS Pension Plan, covering only part-time employees working in areas where part-time employees are not covered by Teamster Pension Plan, will be improved to provide monthly benefits for a part-time employee with 750 paid hours of Credited Service per year.

The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants will be increased effective August 1, 2004, to fifty-five dollars (\$55.00) for each year of past and future Credited Service to a maximum of 35 years of Credited Service. **The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants will be increased solely for purposes of the monthly accrued benefit, effective August 1, 2008, to sixty dollars (\$60) for each year of future Credited Service to a maximum of 35 years of Credited Service. If a participant is in Covered Employment on August 1, 2008, he shall receive the sixty dollars (\$60) benefit formula for the entire 2008 plan year.**

For example, the The total monthly **service pension** benefit will be equal to the following, provided the employee meets the credited service requirement.

\$1,925 for retirement at any age after 35 years of part-time Credited Service
 \$1,650 for retirement at any age after 30 years of part-time Credited Service
 \$1,375 for retirement at age 60 with 25 years of part-time Credited Service
 \$1,125 for retirement at any age with 25 years of part-time Credited Service
 (Based on \$45.00 per year of Credited Service.)

(2) Part-time employees will receive one (1) year of Credited Service for 750 or more paid hours. (Six (6) months of part-time Credited Service will be granted for 375 to 500 hours worked in a calendar year, and nine (9) months of part-time Credited Service will be granted for 501 to 749 hours worked in a calendar year. This paragraph will also be applied to determine Credited Service for all full-time employees on the payroll on August 1, 2002, who were formerly participants in the UPS Pension Plan.

6-AA

(3) The Employer will be responsible for funding the UPS Pension Plan as required to provide for benefits. The Plan will be governed by the terms of the Plan document.

(4) Effective August 1, 2002, the Employer will grant additional years of Credited Service in accordance with the terms of the Plan to all full-time and part-time employees on the payroll on August 1, 2002, who worked for UPS after they were 21 but were denied Credited Service solely because the UPS Pension Plan required that an employee be age 25 or older to participate in the UPS Pension Plan.

When a part-time employee successfully transfers to full-time, he/she will be provided, upon request, a personal profile of his/her United Parcel Service Company Pension Plan.

**Letter of Interpretation
Article 48, Section 5**

The sentence **“All package delivery drivers shall be placed on their bid route within sixty (60) calendar days following the completion of the bid”** shall be interpreted to mean that if the Company fails to comply with the language, the matter may be referred to the Employer and Union negotiating chairmen for resolution.

**Letter of Interpretation
Article 48**

Section 7 – Tractor Trailer Bids

The sentence in Article 48, Section 7, *“...During the second (2nd) and third (3rd) weeks, employees will select **jobs or pass the bid; however, all bids must be filled. Drivers passing the bid will perform available tractor-trailer work** in seniority order...”* shall be interpreted to mean that feeder drivers who elect to work as a Super Q-List driver, as a result of feeder runs being discontinued during the annual bid, will be only offered daily feeder work in seniority order as outlined in Article 48, Section 8, Subsection 3. However, all unplanned work will be covered by Super Q-List drivers prior to working a Q-List driver, with the exception of those Q-List drivers that work in feeders all year. In addition, all bids at the annual bid will be filled by feeder drivers. No Q-List drivers will be awarded a run.

6-AA

**Memorandum of Understanding on
Article 48, Section 7(A)**

The Employer will provide time and farthest destination on the bid only for normal and customary 5-8's or 4-10 runs. The farthest destination does not need to be put on sleeper team bids or for local pickup and delivery runs (i.e., TDP, CPU, Locals).

**Letter of Interpretation
Article 48, Section 10**

The sentence **“The qualified list shall be maintained at no less than fifteen percent (15%) of the total number of bid feeder runs where the center's bid runs exceeds ninety (90)”** shall be interpreted to mean that the fifteen percent (15%) will consist of the sum total of Super-Qualified list drivers and Qualified-list drivers.

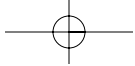
**Letter of Interpretation
Articles 53 & 63 (November 1st through Thanksgiving)**

Helpers

For the interpretation of the changes to Articles 53 and 63, no regular temporary package car driver in the building will be laid off for this period of time due to helper usage. The extended use of helpers to November 1 is also intended to facilitate during this expanded time period the Company's ability to grant personal holidays as per the terms of the agreement.

Memo of Understanding

Within 60 days of ratification of this agreement, employees in the jurisdiction of Local 505 who are currently covered under Central States Health and Welfare will be covered by the Employer-Teamsters Local Union Nos.175 and 505 Health & Welfare Fund.



6-AA

6-AA

