

# UNITED PARCEL SERVICE

## Southwest Package Rider

### Tentative Agreement

Local Union No.'s 63, 104, 186, 381, 396, 492, 542, 572, 631 and 952

For the Period Beginning 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 AGREEMENT made and entered into this 1<sup>st</sup> day of August, ~~2008~~ 2002, by and between UNITED PARCEL SERVICE; SOUTH EAST CALIFORNIA, WEST LOS ANGELES, SOUTH CALIFORNIA, **GREAT BASIN (Southern Nevada)** and DESERT MOUNTAIN (~~Southern Nevada~~, New Mexico and Arizona) DISTRICTS, hereinafter referred to as the "COMPANY" or the "EMPLOYER", and LOCAL UNION NOS. 63, 104, 186, 381, 396, 492, 542, 572, 631 AND 952, affiliates of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, hereinafter referred to as the "UNION".

#### **SECTION 2 - EMPLOYMENT AND DISCHARGE**

The Union agrees that the Company's business is of a specialized character which requires different and varied experience from that of other members of the Union. The Company shall have the right to hire any person who is over eighteen (18) years of age and who is a citizen of the United States or who has legally declared his intention of becoming a citizen. All such new employees, as well as present employees covered by this Agreement, if not already members of the Union, shall become members of the Union on the thirty-first (31<sup>st</sup>) day of continuous employment or thirty-one (31) days following the execution of this Agreement, whichever is later, and shall become and remain a member in good standing of the Union as a condition of continued employment.

The Employer shall not and the Union shall not discriminate against any individual with respect to compensation, terms, conditions or privileges of employment because of race, religion, color, sex, **sexual orientation, disability, veteran status**, national origin and/or age, as otherwise provided by law. Where the pronouns "he" or "she" or any other pronoun designating

sex are used in this Agreement, it shall be deemed to refer to either/and both sexes.

The Company shall be the sole judge of the competency and qualifications of its employees, and reserves the right to discharge any person in its employ not deemed by it to be satisfactory. However, before the Company discharges a seniority employee, it agrees to notify the Union of its intention and will discuss the grievance with the Union and the employee.

The exception to the above rule will be cases of:

(1) Proven dishonesty; (2) Drinking of alcoholic beverages while on duty; (3) Recklessness resulting in a serious accident while on duty; (4) The carrying of unauthorized passengers; (5) Unprovoked assault on an employee or a supervisory employee while on duty; (6) Selling, transporting or use of illegal narcotics while in the employment of the Employer; (7) Willful, wanton or malicious damage to the Employer's property, shall be dischargeable offenses without the necessity of a warning letter being in effect.

The first offense of signing for a package where dishonesty is not proven, will not result in discharge or suspension. The second such offense shall be cause for immediate discharge.

**An employee who fails to report to work and is a "No Call-No Show" for three (3) consecutive working days, who has been given a warning notice for "No Call-No Show" within the nine (9) month period immediately preceding the three (3) consecutive working day "No Call-No Show", shall be subject to immediate discharge and loss of seniority. In instances of proven emergencies or extraordinary circumstances this language shall not apply.**

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**Upon request of the Union, the Company shall provide copies of SPARC's reports.**

**Upon request of the employee, steward or Local Union, the Company shall provide copies of ODS messages. When such request is made on the same day the transmission(s) took place the operating center shall provide the printed copy of the transmission(s). When such request is made after the day the transmission(s) took place the printed copy of the transmission(s) shall be provided, for a period of thirty (30) calendar days from the date of transmission, by the Company entity that maintains such information database and as such database is implemented.**

The Union agrees that the Company will be notified not less than seventy-two (72) hours before any employee of the Company, a member of the Union, be taken off the job because of his failure to maintain good standing in the Union.

The Employer recognizes the employee's right to be given requested representation by a Steward, or designated alternate, at such time as the "employee" reasonably contemplates disciplinary action, unless specifically waived by the employee, in writing, with a copy to the Union.

The Employer recognizes the right of the Local Union to designate job stewards and alternates from the Employer's seniority list.

Employees covered by this Collective Bargaining Agreement who are not subject to DOT mandated drug testing are only subject to reasonable cause testing. Reasonable cause is defined as an employee's observable action, appearance, or conduct that clearly indicate the need for a fitness-for-duty medical evaluation. Refusal to submit to a reasonable cause drug test is a dischargeable offense.

### **SECTION 10 - WORKDAY-WORKWEEK**

#### **SUBSECTION 2 - PACKAGE CAR DRIVERS**

(a) The regular scheduled work day shall consist of eight (8) consecutive hours, with an established start time, excluding a non paid meal period of either one-half (1/2) or one (1) hour as provided in each respective area or local Addendum or Rider. The regular scheduled work week shall consist of five (5) consecutive eight (8) hour days Monday through Friday or Tuesday through Saturday, subject to the provisions of (b) below.

(b) It is agreed that no employee with a seniority date prior to August 1, ~~2008~~ 1996, will be forced on to a Tuesday through Saturday work week unless otherwise mutually agreed to or unless the employee bid such work week in accordance with the bidding procedures set forth in Article 6, Section 2.

(c) Start times shall be posted on the prior Friday of the week for which the starting times shall be effective. Employees who are ordered to report for work prior to said scheduled

starting times shall receive time and one-half (1-1/2) for all hours worked prior to their regular starting time. Employees who are ordered to report for work later than their scheduled starting time shall receive time and one-half (1-1/2) for the number of hours equal to the number of hours called into work after their scheduled start time. **If the Employer fails to post start times, employees shall not be disciplined for tardiness.**

#### **SUBSECTION 3 - ALL OTHER FULL-TIME EMPLOYEES**

(a) The regular scheduled workday shall consist of eight (8) consecutive hours, with an established start time, excluding a non paid meal period of either one-half (1/2) or one (1) hour. The regular scheduled workweek shall consist of five (5) consecutive eight (8) hour days, Monday through Friday or Tuesday through Saturday, subject to the provisions of (b) below.

(b) It is agreed that no employee with a seniority date prior to August 1, ~~2008~~ 2002, will be forced on to a Tuesday through Saturday workweek unless otherwise mutually agreed to or unless the employee bid such workweek in accordance with the bidding procedure set forth in Article 6, Section 2 of the Western Region of Teamsters United Parcel Service Supplemental Agreement.

(c) Start times shall be posted on the prior Friday of the week for which the starting times shall be effective. Employees who are ordered to report for work prior to said scheduled starting times, shall receive time and one-half (1-1/2) for all hours worked prior to their regular starting time. Employees who are ordered to report for work later than their scheduled starting time shall receive time and one-half (1-1/2) for the number of hours equal to the number of hours called into work after their scheduled start time.

#### **SECTION 11 - UTILITY DRIVERS**

After completion of a thirty (30) day on road training period in the same center, a new driver is given the utility driving job, unless a driver with more seniority wants such utility work. This enables high seniority drivers to be on regular assigned sections when such work becomes available in the center to which the employee is assigned. Seniority shall be observed when loaning out utility drivers to another center. When directed on a scheduled day of dispatch, travel time to and from another facility shall be considered paid for time.

Employees will use the Employer's vehicles whenever possible. Employee's who use their personal vehicle shall be reimbursed at the applicable IRS rate per mile. Employees using their personal vehicles shall be paid for both time and mileage beyond his/her normal commute.

When delivery area vacancies are scheduled for a week or more, utility drivers shall bid, in seniority order, those vacated areas on a week by week basis. **Once a utility driver is**

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**awarded a weekly vacancy bid, in accordance with their seniority, they shall not be removed from that weekly vacancy bid, except when the regular bid driver returns to work during the week.** These delivery area vacancies shall be posted by Thursday of the prior week.

**SECTION 13 - TRANSFER REQUEST**

It is the Employee's responsibility to verify all benefits at the requested transfer location. Benefits may vary by state and location. The medical, dental, vision, retirees medical coverages and pension rates may be less or non-existent in the location you desire. Contact the Local Union in the area you wish to transfer to for all information pertaining to the area benefits.

**Employees whose current health care coverage is provided by a jointly administered Taft-Hartley Trust Fund plan who are transferring to an area where health care coverage is provided by a Company administered plan will be eligible immediately for health care benefits upon the first day worked at the new location.**

**Employees whose current health care coverage is provided by a Company administered plan who are transferring to an area where health care coverage is provided by a jointly administered Taft-Hartley Trust Fund plan will have to satisfy the eligibility requirements of the jointly administered Taft-Hartley Trust Fund plan once beginning to work in the new location. An employee in this situation will not have health care coverage until the eligibility requirements have been met and will receive a COBRA (Consolidated Omnibus Budget Reconciliation Act) notice from the Company notifying them of their options in reference to continuing health care coverage with no lapse in coverage. COBRA payments are the responsibility of the employee.**

**Employees should contact the Local Union they are leaving and the Local Union they are transferring to in order to verify what type of health care plan administration each area uses in order to make the proper arrangements for uninterrupted health care coverage.**

The following language shall render null and void all language in any Supplement, Rider or Addenda for those Local Unions signatory to this Agreement regarding building to building transfers for package car and feeder drivers. All full-time package car drivers covered by this Agreement, with one (1) year seniority, shall have the right to transfer according to paragraphs (1) through (10) below. All full-time feeder drivers covered by this Agreement, with one (1) year seniority, shall have the right to transfer according to paragraph (11) below.

1. During the month of October of each year, a transfer list will be posted in each center which will become effective January 2<sup>nd</sup> of the following year.

2. Package car drivers interested in transferring to another

building within the Western Region of Teamsters United Parcel Service Supplemental Agreement jurisdiction in the following year must sign this transfer list designating the building requested. **Package car drivers shall be allowed to select two (2) buildings when requesting a transfer.**

3. By December 1<sup>st</sup> of each year, all center lists will be combined to form one Master Transfer Roster, listing all interested package car drivers according to their package car driver seniority with a copy to all Local Unions signatory to this Agreement. An employee may protest the accuracy of his/her seniority date on the final Master Transfer Roster, provided however, that such protest must be made in writing within thirty (30) days from December 1<sup>st</sup>. Failure to protest a Master Transfer Roster seniority date within the thirty (30) day period shall result in the list being considered accurate. A designated UPS district and a designated Teamsters Local Union shall share joint responsibility for immediately communicating any revisions to the list to all Local Unions signatory to this Agreement.

4. Part-time employees shall have the right to fill full-time positions within their Local Union jurisdiction before accepting transfers from the Master Transfer Roster on a six (6) for one (1) basis in each facility within each Local Union's jurisdiction. [Six (6) part-time to full-time within each facility to every one (1) transfer within each facility.]

5. At the time of notification, package car drivers actively working in their classification, with good records, in accordance with their package car driver seniority, are given first consideration in filling openings before new people are hired, provided such jobs are believed to be regular. The employee must accept or reject the available transfer, by written response, within twenty-four (24) hours of notification. Failure to comply with the twenty-four (24) hour notification will result in the employee being removed from the list. Such requests shall not be unreasonably denied. Transfer requests will comply with Article 15-Military Clause of the National Master United Parcel Service Agreement. Each affected Local Union shall be notified of every transfer into their jurisdiction prior to the effective date of the transfer. Notification shall include the employee's name, social security number, Company seniority date, effective date of the transfer and the origin and destination location.

6. Transfers are not considered during the period when seasonal help is being trained.

7. If a transfer becomes available and the qualified package car driver offered the transfer rejects it, he/she shall not be eligible for future transfers within that year.

8. A package car driver who transfers shall retain his/her Company seniority for the purpose of fringe benefits, but shall be placed at the bottom of the center seniority list for the purpose of layoff, rehire, bid and the selection of vacation. Package car drivers transferring outside their Local Union's

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jurisdiction shall be placed at the bottom of the center seniority list for the purpose of promotion.

9. Package car drivers who transfer shall receive the appropriate fringe benefits and rate of pay in effect at their new location. Those employees shall also be subject to all contract provisions of the applicable Rider and/or Addendum in effect at their new location.

10. It is understood that the Employer shall not be responsible for any costs associated with an employee transfer.

11. In addition, if feeder vacancies cannot be filled by the Company's Feeder Request List, qualified feeder drivers in accordance with their feeder seniority, on the Feeder-Master Transfer Roster will be offered the opening(s) prior to hiring from the street. The same procedures for package car driver transfers, along with all provisions outlined in this section, shall apply to those feeder drivers accepting transfers.

### SECTION 17 - HOLIDAYS AND PERSONAL DAYS

The following holidays shall be granted to seniority employees without reduction in pay:

New Year's Day	Christmas Day
Memorial Day	December 31 <sup>st</sup>
July 4 <sup>th</sup>	Labor Day
Thanksgiving Day	Day After Thanksgiving

Every January each seniority employee shall be granted floating holidays to be taken each calendar year. Local Union Nos. 63, 186, 381, 396, 492, 542, 572 and 952 eligible seniority employees shall be entitled five (5) personal days to be taken each anniversary year and every January 1<sup>st</sup> each seniority employee shall be granted four (4) floating holidays to be taken each calendar year. Local Union Nos. 104 and 631 eligible seniority employees shall be entitled five (5) personal days to be taken each anniversary year and every January 1<sup>st</sup> each seniority employee shall be granted five (5) floating holidays to be taken each calendar year. Employees hired on or after October 1, 1993, shall be eligible for the floating holidays upon completion of one (1) year seniority.

The employee shall designate on a form provided by the Company which of the selected days off are to be paid as floating holidays and which of the selected days off are to be paid as personal days. The employee shall be given a copy of this form once it is filled out and these days shall be paid from the appropriate entitlement bank.

Floating holidays and personal days shall be selected in the following manner. Floating holidays and personal days which are available for selection in accordance with the procedures and formulas contained in this section and are scheduled during the vacation selection process shall be guaranteed time off for the employee requesting such days. Those employees not selecting during the vacation selection period may request their floating holidays or personal days at any time during the calendar year.

Seniority shall prevail when the floating holidays and personal days which are available for selection in accordance with the procedures and formulas contained in this section and have been selected at least ten (10) working days prior to the selected dates, and time off shall be guaranteed ten (10) working days prior to the dates the floating holidays or personal days occur. Floating holidays and personal days may be selected as individual days, blocks of days (two (2), three (3) or four (4) days) or combined in blocks of five (5) days and selected as full weeks.

Seniority shall prevail when an excessive number of employees have chosen the same day.

The Company shall make available for selection floating holidays in each center according to the following schedule regardless of the fifteen percent (15%) allowed off per week in each center for earned vacations;

In centers of thirty (30) drivers or less, a minimum of one (1) floating holidays/personal days per day shall be granted.

In centers of thirty-one (31) drivers to fifty-nine (59) drivers, a minimum of two (2) floating holidays/personal days per day shall be granted.

In centers of sixty (60) drivers to ninety-nine (99) drivers, a minimum of three (3) floating holidays/personal days per day shall be granted.

In centers of one hundred (100) drivers **to one hundred twenty-nine (129) drivers or more**, a minimum of four (4) floating holidays/personal days per day shall be granted.

**In centers of one hundred thirty (130) drivers to or more, a minimum of five (5) floating holidays/personal days per day shall be granted.**

The granting of floating and personal holidays may be limited **from December 1st through December 25th, during the month of December.**

Employees hired on or after the ratification of this agreement shall be eligible for holiday time off for the named holidays above, but shall not be eligible for pay for the above-named holidays until they have six (6) months seniority with the company. (This provision does not apply to Local 104 in the state of Arizona **where employees are eligible for pay effective with their date of hire.**)

If the Company decides to shut down its operation in the Southern California Area on another day, a floating holiday will be assigned to that day.

When a holiday falls on a Sunday, the following Monday will be observed as the same.

The above holidays will be paid regardless of what day in the week they may fall.

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Employees absent for more than thirty (30) days due to non-industrial illness or injury will not be eligible for holiday pay. In case of industrial injury, employees absent for more than ninety (90) days will not be eligible for holiday pay.

Except as described above, an employee, to be eligible for holiday pay, must have monies earned during the week in which the holiday falls.

**HOLIDAYS WORKED:** Pay shall be one and one-half (1-1/2) times the hourly rate, plus the holiday pay.

There shall be no premium pay for hours worked on a Sunday or a holiday to Night Loaders or Feeder Drivers where their regular job either begins or ends on a Sunday or a holiday. In the case of a holiday, their holiday is either advanced or delayed, but it is, nevertheless, observed and paid as a holiday.

Premium holiday pay shall be paid to feeder drivers for hours worked on a holiday, when the employee's job begins on a holiday, unless the holiday had been advanced or delayed.

Employees may elect, on their anniversary dates to receive five (5) personal days off (40 straight-time hours) or pay in lieu thereof. These five (5) days may be selected under the seniority procedures by the employee as part of the employee's vacation selection procedure.

**SECTION 18 - VACATIONS**

All employees covered by this Agreement shall be entitled to one (1) week of vacation with pay after one (1) year's seniority with the Company; two (2) weeks vacation with pay after three (3) years seniority with the Company; three (3) weeks vacation with pay after five (5) years seniority with the Company; four (4) weeks vacation with pay after ten (10) years seniority with the Company; five (5) weeks of vacation with pay after twenty (20) years seniority with the Company; and six (6) weeks of vacation with pay after twenty-five (25) years seniority with the Company.

Vacation pay for each week of vacation shall be one-fifty-second (1/52) 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 (1/52) shall be defined as all monies paid to an employee for an anniversary year, excluding unused sick pay, pay in lieu of unused vacations or personal days. National negotiated monetary bonus shall be governed by the National Negotiating Committee.

Center seniority, by classification, to prevail for selection of vacation period which may be taken all at one time or may be split, provided it is earned at that time. All vacation dates are to be determined by mutual agreement between the manager and the employee.

In extended package centers where two (2) or less feeder drivers are domiciled, all drivers will be placed on a common

seniority list within such center for vacation selection purposes. For this purpose only, Feeder Drivers will use their most recent date of hire under this Agreement.

A minimum of fifteen percent (15%) of the eligible members at each feeder location shall be allowed time off for earned vacation per week.

A lapse of more than thirty (30) days per year shall break continuity of employment for the purpose of vacation eligibility.

Vacation days will be pro-rated.

**VACATION SELECTION PROCEDURE:** For choice of vacation, once a vacation list is posted, the first full week of January is allowed for the top 25% to select in seniority order; the second week of January for the second 25%; the third week of January for the third 25% to select in seniority order; and the fourth 25% to select the fourth week of January. Those not signing up in their scheduled week shall lose their choice of vacation and must take what is left. Vacation period shall be defined as February 1<sup>st</sup> through the week of Thanksgiving and December 26<sup>th</sup> through January 31<sup>st</sup> of the following year.

By seniority and classification, a minimum of fifteen percent (15%) of the eligible members in each package center shall be allowed time off for earned vacation per week during the vacation period described above.

Earned vacations, for the vacation period scheduled, shall be paid for during the week prior to the date the vacation is taken. Employee's who have earned vacation weeks not selected during the vacation selection period, may select at a later date by mutual agreement, for the available time not selected or may elect to sell back those unscheduled weeks at any time. The maximum number of weeks for sell back shall be limited to two (2) weeks. Vacation pay shall be paid on a separate check. **The Employer shall not allow any employee to work a vacation week which has been selected during the vacation selection period or to work a vacation week which has been selected at a later date by mutual agreement.**

Vacation weeks earned during the current vacation period, declared for sell back, shall be paid two (2) weeks after the employee's anniversary date of hire. Vacation pay shall be paid on a separate check.

After one (1) year of seniority, vacation allowances will be pro-rated on a monthly basis and paid in the event of separation from the Company.

**An employee who retires from the Company, and is entitled to receive payment for pro-rated unused vacation, shall also be paid a separate additional cash payment equal to the total pension contributions which the Company would have been required to make on behalf of the employee had the**

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**employee utilized all accumulated unused vacation prior to retiring (i.e. the number of pro-rated unused vacation hours multiplied by the hourly pension contribution rate in effect at the time of payment as illustrated in the following example - 40 hours x \$6.60 per hour = \$264.00).**

### **SECTION 20 - DISABILITY AND SICK LEAVE**

Fifty-six (56) hours of straight-time pay (seven (7) eight (8) hour days) will be allowed for each regular full-time employee who has completed one (1) year seniority with the Company.

Each employee will be allowed seven (7) days (at the daily guaranteed rate of pay) on each succeeding sick leave anniversary date.

On the employee's anniversary date, he/she shall have the option to:

- A. Accumulate any/all unused sick leave days, to a maximum of sixty (60) days.
- B. Receive pay for any/all accumulated unused sick leave.
- C. Use in conjunction with vacation time earned, as described below:

At the end of each succeeding twelve (12) months, any unused sick pay may be accumulated, paid, or used in five (5) day segments in conjunction with vacation time off at the option of the employee. These five (5) days, forty (40) straight time hours, may be selected under the same procedure by the employee as part of the employees next vacation selection period. When accumulated unused sick leave is paid, it shall be paid at the employee's current rate of pay.

Sick pay contribution shall be allocated under the following conditions:

1. Sick pay to be allowed for the first day of any period of absence from work due to a bona fide sickness or disability, and shall start when an employee leaves the job because of injury on the job.
2. An employee unable to work because of sickness or disability must notify the Company one (1) hour or more before the employee is scheduled to report for work, unless conditions make it impossible to give such notification, and sickness shall be deemed to have commenced at the time the Company is so notified, unless notification is impossible.
3. No employee shall be entitled to disability leave pay when the sickness or injury is due to intoxication or the use of narcotics, nor shall it apply in case of injury while working for another employer or while self-employed for profit or compensation.
4. No employee shall be requested to have a medical release, from their physician, unless the employee has been on sick leave five (5) consecutive days or more, or in the event of any personal injury.

5. Pro-rated unused sick leave pay will be paid in cases of separation from the Company after one (1) year of employment. **An employee who retires from the Company, and is entitled to receive payment for pro-rated unused sick leave pay, shall also be paid a separate additional cash payment equal to the total pension contributions which the Company would have been required to make on behalf of the employee had the employee utilized all accumulated unused sick leave pay prior to retiring (i.e. the number of prorated unused sick leave pay hours multiplied by the hourly pension contribution rate in effect at the time of payment as illustrated in the following example - 40 hours x \$6.60 per hour = \$264.00).**

6. A lapse of more than thirty (30) days per year shall break continuity of employment for the purpose of sick pay eligibility. Sick pay days will be pro-rated.

7. Earned sick pay may be integrated with Worker's Compensation or Unemployment Compensation Disability Benefits when requested. An employee who is receiving such benefits shall be paid the difference between such benefit payments and his straight-time weekly earnings for each week such benefit payments are made until such sick pay benefits that the employee would be eligible for are exhausted.

A seniority full-time employee who is declared permanently medically incapacitated and thereby unable to perform their normal duties shall have the option of employment in other classifications. The employee will have the option of filling an opening within their Local Union's jurisdiction before accepting transfers from the master list or before new people are hired. This will not permit bumping under any circumstances. This will be subject to their being medically qualified and other qualifications so specified under other provisions of this Agreement.

The appropriate rate of pay for purposes of this Article shall mean that they will be placed at the 80% level of the new classification for a period of ninety (90) calendar days. At the end of ninety (90) calendar days, they are to be paid at the current top rate of that classification.

### **SECTION 21 - PENSION BENEFITS**

**The following pension contribution rates are applicable to Local Union Nos. 63, 104, 186, 381, 492, 542, 572, 631 and 952.**

Pension contributions payable into the Western Conference of Teamsters Pension Trust Fund on account of each full-time employee of the bargaining unit shall be paid for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

For probationary employees hired on or after August 1<sup>st</sup>, 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

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Section 1 of this Agreement, but in no case for a period longer than the first ninety (90) calendar days from an employees first date of hire. If and when this period is completed, the full standard contribution rate shall apply. Contributions shall be calculated on the same basis as described in this Section.

Effective August 1, ~~2008, 2002~~, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of ~~\$7.00~~ ~~\$4.75~~ per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, ~~2009, 2003~~, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of ~~\$7.65~~ ~~\$5.10~~ per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, ~~2010, 2004~~, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of ~~\$8.30~~ ~~\$5.45~~ per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, ~~2011, 2005~~, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of ~~\$8.95~~ ~~\$5.80~~ per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, ~~2012, 2006~~, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of ~~\$9.60~~ ~~\$6.15~~ per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

~~Effective August 1, 2007, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$6.60 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.~~

**The following pension contribution rates are applicable to Local Union No. 396.**

Pension contributions payable into the Western Conference of Teamsters Pension Trust Fund on account of each full-time employee of the bargaining unit shall be paid for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

For probationary employees hired on or after August 1<sup>st</sup>,

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 Section 1 of this Agreement, but in no case for a period longer than the first ninety (90) calendar days from an employees first date of hire. If and when this period is completed, the full standard contribution rate shall apply. Contributions shall be calculated on the same basis as described in this Section.

Effective August 1, ~~2008, 2002~~, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of ~~\$7.15~~ ~~\$4.85~~ per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, ~~2009, 2003~~, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of ~~\$7.80~~ ~~\$5.20~~ per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, ~~2010, 2004~~, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of ~~\$8.45~~ ~~\$5.55~~ per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, ~~2011, 2005~~, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of ~~\$9.10~~ ~~\$5.90~~ per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

Effective August 1, ~~2012, 2006~~, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of ~~\$9.75~~ ~~\$6.25~~ per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.

~~Effective August 1, 2007, the Company shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee working under this Agreement an hourly contribution rate of \$6.70 per hour for each hour for which compensation was paid (all compensable hours) up to a maximum of 2080 hours per calendar year.~~

**SECTION 23 - TRUST FUND ACCEPTANCE**

Overtime hours, production/incentive bonus hours, holidays, floating holidays, personal days, jury duty, funeral leave, sick pay, ~~pro-rated sick pay and vacation time payments made in cases of retirement from the Company~~ and vacation time paid for but not worked shall be considered as time worked for the purpose of Section 21, but no payments shall be made for

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unused sick pay benefits or pro-rated payments made in cases of separation (~~excluding retirement~~) from the Company.

The Employer shall not be obligated to make payments into the Trust Funds of amounts in excess of those which are deductible from gross income by the Employer under Section 404 of the Internal Revenue Code.

The total amount due for each calendar month shall be remitted in a lump sum not later than the 20<sup>th</sup> day of the following month.

The Employer agrees to abide by such rules as may be established by the Trustees of the respective Trust Fund to facilitate the prompt and orderly collection of such amount and the accurate reporting of such amounts paid on account of the employees.

Failure to make the payments herein provided within the time specified shall be a breach of this Agreement.

During the calendar year, monthly and year to date pension contributory hours and monies shall be provided upon an employee's request.

### **SECTION 24 - LEGAL SERVICES TRUST**

The Employer shall contribute ~~\$40~~ **fifteen cents (\$0.15)** per hour, up to a maximum of ~~\$17.30~~ **twenty-five dollars and ninety-five cents (\$25.95)** per month, for each regular employee into the Western Conference of Teamsters Legal Services Trust Fund for the purpose of providing for employees and their eligible dependents, legal benefits as provided for in the Trust Agreement. **(The increased hourly contribution of five cents (\$0.05) shall be re-allocated from the sixty-five cent (\$0.65) August 1, 2008, IBT/UPS National Master Agreement Pension contribution increase on behalf of the Local Unions that are participants in the Western Conference of Teamsters Legal Services Trust Fund.)**

### **SECTION 35 - RATES OF PAY AND METHODS OF PAYMENT**

**OVERTIME RATE:** All hours worked in excess of eight (8) hours per day and forty (40) hours per week shall be overtime hours and paid for at one and one-half (1-1/2) times the regular hourly rate of pay. All work performed on the sixth (6<sup>th</sup>) day shall be paid for at one and one-half times (1-1/2) the regular straight time hourly rate of pay providing the employee has either worked or received paid for time for the previous five (5) consecutive days prior to the sixth (6<sup>th</sup>) day. Double time (2x) the regular rate of pay for any employee required to work on the seventh (7<sup>th</sup>) day.

Tractor-Trailer driver rates are determined daily by the total daily measured miles driven.

If a regular full-time employee (excluding those working under Section 36, Air Agreement) is required to work a com-

bination job and working in a higher paying classification job more than one (1) hour, that employee shall be paid the higher rate of pay for the entire shift.

Employees who operate a UPS on-road vehicle, non-feeder, requiring a Class B license or with a trailer in tow, shall receive thirty-five cents (\$.35) per hour in addition to their regular hourly rate for all hours worked. **Upon ratification of this Agreement, all new package cars towing trailers shall be equipped with power steering.**

The guaranteed hours for regular full-time employees shall be forty (40) hours, exclusive of lunch periods, to be worked in five (5) consecutive days. Days off each week will be assigned the preceding week.

Regular full-time employees reporting to work as scheduled, shall be guaranteed eight (8) hours or ten (10) hours of work, whichever is applicable, or pay in lieu thereof, unless excused at the employee's request.

An employee who is called in to work on his day off shall not be required to take another day off during the week.

All hours worked in excess of eight (8) hours per day, or ten (10) hours per day whichever is applicable and forty (40) hours per week shall be overtime hours and paid for at one and one-half (1-1/2) times the regular hourly rate of pay.

All deliveries on Saturday shall be paid for at the rate of one and one-half (1-1/2) times the employee's regular rate of pay. This premium pay shall not apply to employees on a Tuesday through Saturday workweek.

Saturday shall be considered straight-time hours for pickup, sorting and feeder work; but employees scheduled for such work on Saturdays shall receive another regular day off each week, in addition to Sunday, and to the extent that scheduling requirements of the Company permit, without interfering with the Company's requirements and without requiring the scheduling of overtime for other employees, such day off shall be Monday. Choice for days off shall be determined by job classification, by qualification, and by seniority.

### **SECTION 38 - COVER DRIVERS**

Cover driver jobs will be filled by qualified seniority part-time employees, who have expressed their desire in writing to be on the list, in seniority order and who have been certified by the Employer. Cover drivers will not accrue full-time seniority when driving under this Section. When no cover work is available, cover drivers shall continue to accrue part-time seniority with their appropriate part-time benefits.

The starting rate for cover drivers will commence on the first day of orientation. Part-time employees by seniority who elect to become cover drivers will be allowed to select a specific center, in the building in which they are employed. The

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employee will be placed at the bottom of that center's cover driver seniority list along with the existing cover drivers upon successful completion of the qualifying period.

Employees who disqualify from cover driver positions for whatever reason will not be permitted the opportunity to re-qualify as a cover driver for a period of not less than one (1) year from the date of disqualification. Additionally, after the one (1) year time period has elapsed, a vacancy or new opening must exist and the position will be awarded to the qualified employee with the most seniority. No disqualified cover driver will be denied part-time to full-time job opportunities.

Cover drivers will work as replacements for full-time package drivers only for the purpose of covering vacations, holidays, jury duty, personal holidays, funeral leave, sick days and leaves of absence. The number of cover drivers will be determined by each center but may not exceed the number of persons off for reasons as described in this paragraph. In addition, cover drivers who are qualified or in the process of being qualified, shall be afforded the opportunity to work as peak season drivers, without gaining full time seniority, during October, November and December prior to hiring peak season drivers.

The Local Union will be notified, in writing, as to the number of cover drivers utilized in each center. Beginning with the effective date of the Southwest Rider, and continuing thereafter, the ratio of utility drivers to regular bid drivers shall be no less than the average ratio that was in effect during the months of March 1, 1997 through May 1, 1997. Seniority shall be observed when loaning out cover drivers to another center.

Cover drivers will be offered the opportunity to work as cover drivers in seniority order. After the process is completed and additional coverage is necessary the work will be assigned in inverse seniority order.

A cover driver that is scheduled to work a week in which a named holiday falls or has jury duty or funeral leave, he/she will receive eight (8) hours pay per day at their cover driver rate. A cover driver that is scheduled to work a week and has monies earned under that classification during the week, shall be paid eight (8) hours pay for eligible sick leave at the cover drivers rate of pay.

Cover drivers who perform planned weekly coverage work shall be guaranteed five (5) consecutive eight (8) hour days, forty (40) hours per week. If a cover driver is covering for a regular driver who is unable to complete his/her scheduled day, the cover driver will receive actual hours worked at their cover rate of pay.

No cover driver shall work less than eight (8) hours within the classification of cover driver. A cover driver shall receive eight (8) hours work as a cover driver or pay in lieu thereof, unless excused at the employee's request.

**Cover drivers working a five (5) day, forty (40) hour week as a package car driver may request to be placed at the bottom of the Saturday Air List.**

The rate of pay for cover drivers shall be as follows:

Start Rate	70% of prevailing package car driver top rate of pay as of August 1 <sup>st</sup> of each succeeding year.
Cover Driver seniority plus six (6) months	75% of prevailing package car driver top rate of pay as of August 1 <sup>st</sup> of each succeeding year.

Cover drivers shall continue to receive all part-time benefits, including any contractual increases in their primary job classification only, as described in the Southwest Sort Rider. Any employee who has performed the cover driver job prior to August 1, 1997, will be red-circled at their appropriate pay rate.

Cover drivers who are subsequently promoted to full-time employment will be paid either their cover driver or their primary job classification wage rate, whichever is greater, until such time as the calculated progression rate exceeds that rate. The transfer date will become his/her full-time start date for the purpose of applying the above progression.

All time as a cover driver shall be applied to his/her full-time package car progression period, for the life of this agreement only. Employees who self disqualify from the cover driver position shall not have their previous cover driver time applied to their full-time package car progression period.

Cover drivers will select vacations with the regular full-time package delivery drivers. Cover drivers will be offered all available weeks by seniority after all of the regular full-time drivers have selected.

Permanent full-time job openings will be filled in accordance with Article 7 of the Western Region of Teamsters United Parcel Service Supplemental Agreement. Full-time benefits shall commence as described in the Southwest Package Rider when employees are promoted to full-time.

Cover drivers shall not be used to circumvent the terms of this Agreement nor to avoid the hiring of full-time package car drivers in a center. Cover drivers may be used as temporary replacements only and not to supplement the work force. If a cover driver continually works less than the cover driver guarantee, or is used for any reason other than as a replacement for full-time package drivers for the reasons listed in paragraph **four one** (excluding October, November and December) and a total of thirty (30) days are worked out of a ninety (90) day period, the Company shall add a permanent regular full-time package car job. Cover drivers working in excess of one (1) year, either singularly or in combination, covering for a specific person out for either compensation or disability, will in itself create another full-time opening in that classification.

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Any alleged violation of this section will be subject to the grievance procedure. Cover drivers will not work if there are any full-time package car drivers on layoff within that Local Union's jurisdiction.

Cover drivers that are used outside the parameters of the above-stated language shall be guaranteed eight (8) hours pay at the package driver's top rate of pay. Cover drivers who work an unscheduled single day(s) shall be considered outside the parameters of this agreement and shall be guaranteed eight (8) hours pay at the package driver's top rate of pay.

### **SECTION 40 - FULL-TIME COMBINATION JOBS**

#### **SUBSECTION 1 - JOB CONTENT AND JOB CHANGES**

(A) All new full-time combination jobs shall be reviewed with the affected Local Union prior to the implementation of such jobs. Any changes in the original bids shall be reviewed with the affected Local Union prior to any changes being implemented. If a portion of the bid is removed or dissolved the Company shall meet with the affected Local Union to review what may be added to the remaining work to maintain the full-time combination job.

(B) A permanent change in start time of two (2) hours or more for any full-time combination job shall be discussed with the affected Local Union prior to the change being implemented and all efforts shall be made to maintain the time frame of the original bid, if possible.

#### **SUBSECTION 2 - JOB OPENINGS, VACANCIES AND BIDDING PROCEDURES**

(A) All full-time combination jobs which are newly established, or permanently vacated, shall be posted within five (5) days, for five (5) working days, during which time employees shall be afforded the opportunity to bid such newly established, or permanently vacated, jobs, by seniority, in the following order of classifications.

Each newly established, or permanently vacated, job shall first be posted for bid and offered in seniority order to all current, existing full-time combination job classification employees.

If no full-time combination job classification employee successfully bids, and ultimately fills, the newly established, or permanently vacated, opening, the job shall then next be posted for bid and offered in seniority order to those full-time package car drivers with at least **fifteen (15)** ~~twenty (20)~~ years of Company seniority who have placed their name on a list requesting this opportunity. A package car driver accepting a full-time combination job shall be paid at the appropriate top rate of the full-time combination job classification. A package car driver who successfully bids into a full-time combination job shall not have the ability to bid into any other classification other than full-time combination jobs.

If no full-time package car driver referenced in paragraph

2 above successfully bids the newly established, or permanently vacated, opening, the job shall then next be offered to employees on the part-time to full-time list in Company seniority order.

The successful bidder if qualified, shall be awarded the posted vacancy the Monday following the expiration of the five (5) day posting period. Those non-qualified employees shall be awarded the posted vacancy the Monday following the successful completion of their training/orientation, and their classification seniority shall revert back to the Monday which followed the expiration of the five (5) day posting period.

Vacancies created as a result of this bidding procedure shall be posted and bid in accordance with the provisions set forth in this Subsection.

Employees successfully bidding into a full-time combination job shall be subject to a thirty (30) working day trial period. An employee who fails to qualify, or who disqualifies himself/herself for other than good cause, within this thirty (30) day trial period shall return to his/her previous position without loss of seniority.

Once an employee has accepted his/her bid, they must remain in that full-time combination job for six (6) months before bidding on another full-time combination job.

An employee who disqualifies himself/herself other than for good cause shall not be allowed to bid on any other full-time combination jobs for a period of twelve (12) months following the date he/she disqualifies himself/herself. An employee who fails to qualify for a full-time combination job position shall have his/her name replaced on the list in his/her rightful spot and shall be given an additional opportunity to qualify for a full-time combination job position six (6) months after the date he/she was disqualified. This six (6) month waiting period shall not be applicable to the filling of a full-time position in another classification.

Full-time combination jobs permanently vacated during December shall be bid the first full week of January of the following year.

For the purposes of this subsection "permanently vacated" is defined as:

- (a) A full-time combination job which has been vacated by an employee who has moved to a new job and has successfully completed his/her trial period in that new job.
- (b) A full-time combination job which has been vacated by an employee who has left the employment of the Employer.

(B) For the purposes of this Section, each Local Union shall

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decide, and select, which one of the following two procedures for the application of an employee's seniority for the bidding of all newly established, or permanently vacated, full-time combination job openings, shall be utilized throughout the Local's jurisdiction;

- (1) Jurisdiction wide seniority, or;
- (2) Building and/or facility seniority.

(C) Full-time combination job employees shall be allowed to promote to other full-time jobs, excluding feeders, utilizing their Company seniority date. Should a full-time combination job employee desire to be a feeder driver, he/she will need to fulfill the qualifications as outlined in the Southwest Package Rider Section 27 (Feeder Drivers).

(D) The language contained in Article 12 - Combination Jobs (Full-Time Regular Employees) of the Western Region of Teamsters/United Parcel Service Supplemental Agreement is not applicable to the jobs created under Article 22, Section 3, of the National Master United Parcel Service Agreement after August 1, 1997. However there are situations in which an employee working in a job created after August 1, 1997 under Article 22, Section 3, of the National Master United Parcel Agreement performs work whereby Article 12 - Combination Jobs (Full-Time Regular Employees) of the Western Region of Teamsters/United Parcel Service Supplemental Agreement is applicable.

(E) The language contained in Article 12 - Combination Jobs (Full-Time Regular Employees) of the Western Region of Teamsters/United Parcel Service Supplemental Agreement is applicable to all full-time combination jobs created prior to August 1, 1997.

**SECTION 42 - WAGES****Section 1 - Full-Time Wage Increases**

All full-time employees who have attained seniority as of August 1, ~~2008, 2002~~ will receive the following general wage increases for each contract year. In the first year, 2008, twenty cents (\$0.20) has been re-allocated from the August 1, 2008 hourly pension contribution increase and has been added to the August 1, 2008 general wage increase. Therefore, the 2008 increase shall be a total of ninety cents (\$0.90) per hour, with an August 1, 2008 general wage increase of fifty-five cents (\$0.55) per hour and a February 1, 2009 general wage increase of thirty-five cents (\$0.35) per hour. In each of the remaining years, 2009, 2010, 2011 and 2012, 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:

<b>2008</b>	<b><u>Ninety cents (\$0.90) per hour</u></b>
<b>2009</b>	<b><u>Seventy-five cents (\$0.75) per hour</u></b>
<b>2010</b>	<b><u>Seventy-five cents (\$0.75) per hour</u></b>
<b>2011</b>	<b><u>Eighty-five cents (\$0.85) per hour</u></b>
<b>2012</b>	<b><u>Ninety-five cents (\$0.95) per hour</u></b>

~~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)~~

**ADDENDUM NO. 1  
 TO THE TEAMSTERS/UNITED  
 PARCEL SERVICE  
 SOUTHWEST PACKAGE RIDER/APPLICABLE TO  
 TEAMSTER LOCAL UNION NO. 104**

**Memorandums of Agreement between Teamster Local  
 Union No. 104 and United Parcel Service**

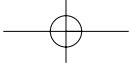
**Incapacitated Employee Placement (Section 20 - Disability  
 and Sick Leave):**

**A seniority full-time employee who meets the qualifications set forth in the incapacitated employee language contained in the last two paragraphs of Article 20 - Disability and Sick Leave shall be afforded the first opportunity to fill any newly established, or permanently vacated, full-time combination jobs prior to such newly established, or permanently vacated, full-time combination jobs being bid, by seniority, in the order of classifications as set forth in Article 40, Subsection 2(A).**

**ADDENDUM NO. 4  
 TO THE TEAMSTERS/UNITED PARCEL SERVICE  
 SOUTHWEST PACKAGE RIDER  
 APPLICABLE TO TEAMSTER LOCAL UNION NO. 631  
Memorandums of Agreement Between Teamster Local  
 Union No. 631 and United Parcel Service**

**Full-time Package Car Drivers and Feeder Drivers with at least fifteen (15) years of Company seniority within the jurisdiction of Local 631 will have the right to bid on any vacated or newly established Porter Position. A Package Car Driver or Feeder Driver accepting one of these jobs shall be paid at the appropriate top rate of pay for the position that they received.**

**Full-time Air Drivers can put their name on the Feeder request list to go Feeder driving. A good driving record is a prerequisite to such training, including one-year of safe driving immediately prior to such training. In cases where one of the employees has had a minor accident within the**



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**past year, he/she may not be automatically disqualified from attending Feeder School upon review by the Company and the Union.**

