

**Collective Bargaining Supplemental
Agreement**

Between

**Drivers
Teamsters Local Union 177**

and

**United Parcel Service, Inc.
(New Jersey)**



**Affiliated with the International Brotherhood
of Teamsters Local 177**

August 1, 2018 to July 31, 2023

Local 177 Executive Board

Chris Eltzholtz
Secretary-Treasurer

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Business Agent

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President

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Paul Saliani, Jr.
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Business Agent

Douglas Connon
Trustee

Harry Tansley
Business Agent

Pablo Cunha
Trustee

Teamster Local 177 Representational Rights Statement

(If you are called to a meeting with management, read the following to management before the meeting begins.)

“If this discussion could in any way lead to my being disciplined or terminated, or affect my personal working conditions, I respectfully request that my Union representative, Officer or Shop Steward be present at this meeting. Without representation present, I choose not to participate in this discussion.”

Advisory On Withdrawal Cards

Members not working at the craft for a complete calendar month for reasons other than sickness or injury may request, and be issued, an Honorable Withdrawal Card in accordance with Article XVIII of the International Constitution.

Members off work for a complete calendar month because of sickness or injury should contact the Union office regarding the issuance of a withdrawal card.

Please note that any member who is not required to request a withdrawal card in accordance with the International Constitution but who requests and is issued a withdrawal card must be advised that the issuance of that withdrawal card may result in a break in their twenty-four month continuous good standing requirement for eligibility to:

- Hold local union office.
- Be a Delegate/Alternate Delegate to the next International Convention.
- Be a candidate to run for International Office; and
- Nominate/vote in the election of Union officers; the election of Delegates/Alternates; or, in the election of International Union officers.
- Any other continuous good standing requirements of Local Union No. 177 as stated in the Local Union By-Laws.

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This supplement to the National Master United Parcel Service Agreement shall apply to all United Parcel employees working in the classifications set forth in the wage schedule within the jurisdiction of Local 177. Except as provided here, the provisions of the National Master United Parcel Service Agreement shall prevail.

ARTICLE 38 UNION SHOP AND DUES

SECTION 1

The Employer shall submit to the Secretary/Treasurer of the Local Union, on or before the 15th of the month, with each dues remittance, a report, by center, listing all seniority employees alphabetically and the amount of dues, if any, deducted for each employee.

SECTION 2

The Agency Clause does not apply in the jurisdiction of Local #177.

SECTION 3

The Company agrees to dismiss promptly from any job covered by this Agreement any worker for failure to tender regular Union initiation fees and dues or for any other reason of bad standing in the Union, which may from time to time be permitted by law as a cause of discharge; provided that the Company is officially notified by the Union by register mail to that effect.

SECTION 4

It is the responsibility of the Company to notify the Steward immediately when a new employee attains seniority. Under no circumstances will this notification go beyond five (5) days after seniority is attained.

SECTION 5

All employees hired to perform collective bargaining unit work shall pay Union dues in the same manner as seniority employees of the collective bargaining unit. Upon attaining seniority, an employee will be required to pay the local union initiation fees.

ARTICLE 39 WAGES AND HOURS

SECTION 1 – WORK IN DIFFERENT CLASSIFICATIONS

When an employee, during a working day, is assigned work of two or more classifications, the applicable wage rate will be applied to the time spent in each classification, except that an employee who works more than one hour in a higher rated classification as part of their daily work shall receive the higher rate for the entire day.

SECTION 2

An employee who becomes sick on the job will be paid for all time worked on that day. An employee who gets hurt on the job will be paid for the entire day. The Union agrees that abuses will be subject to the grievance procedure.

SECTION 3 – NIGHT DIFFERENTIAL

Full time night workers, employed on or before September 15, 1976, shall receive a night differential on the following basis:

- (a.) A regular full time night worker shall be deemed to be one whose regularly scheduled hours begin at or after 1:00 P.M., or begin at or before 5:00 A.M.
- (b.) Each regular full time night worker shall receive a night differential as listed below which shall be in addition to the regular hourly wage rate for that classification:

Package

| | | | |
|---------------------|------|-------------------|------|
| Beltman-Sheetwriter | .660 | Divisional Sorter | .690 |
| Section Sorter | .690 | Return Clerk | .680 |
| Return Clerk | .680 | Sorter | .690 |
| Positioner | .690 | Marker | .720 |
| Driver | .690 | Car Washer | .670 |
| Hub | | Porter | .670 |
| Office Clerk-Sr. | .690 | Driver-Tractor | .720 |
| Beltman | .670 | Cashier | .690 |

STARTING RATES FOR NEW FULL TIME EMPLOYEES HIRED ON OR AFTER 8/1/18

Notwithstanding any provision in this Supplement the progressions set forth in the National Master Agreement, Article 41, Section 2(c) and 3, will be controlling with regard to any employee entering a full-time job after August 1, 2018, covered by those Sections.

The progression for Employees entering a package car driving, feeder, or other full-time job (other than an Article 43 jobs, air driver or a job covered by Article 41, Section 3, 4 or 6 of the National Master UPS Agreement) after August 1, 2018 shall be as follows:

| | |
|-------------------------|----------|
| Start | \$21.00 |
| Twelve (12) months | \$23.00 |
| Twenty-four (24) months | \$24.00 |
| Thirty-six (36) months | \$28.75 |
| Forty-eight (48) months | Top Rate |

The “top rate” is the wage rate in the job classification in the applicable Supplement, Rider or Addendum then being paid, including the general wage increases and cost-of-living increases, if any, paid under the provisions of the 2018 – 2023 Agreement.

Helpers:

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

There will be a 15% cap applied for helpers in each building. This cap will not be applied between November 1 and January 10.

Peak season helpers hired between November 1 and January 10 shall receive the all other rate per hour for all hours worked as outlined in Article 22 Section 5 of the UPS-National Master Agreement.

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

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

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

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

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

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

Full Time Combination Helpers:

The starting rate for new combination full time helpers shall be 50% of the prevailing package driver rate. After attaining Seniority, a 10 % increase will be added one (1) year from their employment date. An additional 5% will be added two (2) years from their employment.

The new full time combination job will consist of any combination of pre-load, hub or local sort work and driver helper.

The inside portion of these jobs will be paid pursuant to Article 22 of the National Master Agreement.

Each center will be allowed a maximum of three (3) combination helpers per center.

The intent of these combination helpers is not to be used as a subterfuge to deny package drivers overtime.

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

Tractor Drivers:

Tractor Drivers pulling any combination of equipment, i.e. double trailers, single trailer with a dolly, or a dolly will be paid ninety cents (.90) per hour over the prevailing tractor driver rate for all hours worked. Tractor Drivers pulling double 40's will be paid seventy-five cents (.75) per hour over the prevailing tractor driver rate for all hours worked. Tractor drivers pulling triples will be paid eighty cents (.80) over the prevailing tractor driver rate for all hours worked.

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

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

WAGE SCHEDULE

| | 8/1/18 | 8/1/19 | 8/1/20 | 8/1/21 | 8/1/22 |
|---|---------------|---------------|---------------|---------------|---------------|
| Classification | | | | | |
| Package Driver | 35.57 | 36.32 | 37.12 | 38.02 | 39.02 |
| Tractor Driver | 35.67 | 36.42 | 37.22 | 38.12 | 39.12 |
| Package | | | | | |
| Beltman-Sheetwriter | 35.07 | 35.82 | 36.62 | 37.52 | 38.52 |
| Return Clerk | 35.25 | 36.00 | 36.80 | 37.70 | 38.70 |
| Section Sorter | 35.35 | 36.10 | 36.90 | 37.80 | 38.80 |
| Positioner | 35.42 | 36.17 | 36.97 | 37.87 | 38.87 |
| Hub | | | | | |
| Office Clerk, Sr. | 35.40 | 36.15 | 36.95 | 37.85 | 38.85 |
| Beltman | 35.22 | 35.97 | 36.77 | 37.67 | 38.67 |
| Divisional Sorter | 35.35 | 36.10 | 36.90 | 37.80 | 38.80 |
| Return Clerk | 36.25 | 37.00 | 37.80 | 38.70 | 39.70 |
| Sorter | 35.42 | 36.17 | 36.97 | 37.87 | 38.87 |
| Marker | 35.67 | 36.42 | 37.22 | 38.12 | 39.12 |
| Car Washer | 35.22 | 35.97 | 36.77 | 37.67 | 38.67 |
| Porter | 35.17 | 35.92 | 36.72 | 37.62 | 38.62 |
| Clerk, Washers Porters Hired after 9/15/76 | 34.10 | 34.85 | 35.65 | 36.55 | 37.55 |
| Part Time Employees Hired before 7/1/79 | 35.60 | 36.35 | 37.15 | 38.05 | 39.05 |
| Part Time Employees Hired after 7/1/79 | 34.60 | 35.35 | 36.15 | 37.05 | 38.05 |
| Part Time Employees hired after 5/1/82 and prior to 9/4/84. Sorters and Preloaders | 34.63 | 35.38 | 36.18 | 37.08 | 38.08 |
| All Others | 33.63 | 34.38 | 35.18 | 36.08 | 37.08 |

(1.) Part time employees hired on or after 9/4/84 and receiving \$19.49 per hour (Preloader-Sorter) and \$18.49 per hour. (All Others) on 7/31/02:

| | Preloader-Sorter | All Others |
|--------|------------------|------------|
| 8/1/18 | 34.33 | 33.33 |
| 8/1/19 | 35.08 | 34.08 |
| 8/1/20 | 35.88 | 34.88 |
| 8/1/21 | 36.78 | 35.78 |
| 8/1/22 | 37.78 | 36.78 |

(2.) Part time employees hired on or after 9/4/84 and receiving \$19.19 per hour (Preloader-Sorter) and \$18.19 per hour (All Others) on 7/31/02:

| | Preloader-Sorter | All Others |
|--------|------------------|------------|
| 8/1/18 | 34.03 | 33.03 |
| 8/1/19 | 34.78 | 33.78 |
| 8/1/20 | 35.58 | 34.58 |
| 8/1/21 | 36.48 | 35.48 |
| 8/1/22 | 37.48 | 36.48 |

(3.) Part time employees hired on or after 9/4/84 and receiving \$18.69 per hour (Preloader-Sorter) and \$17.69 per hour (All Others) on 7/31/02:

| | Preloader-Sorter | All Others |
|--------|------------------|------------|
| 8/1/18 | 33.53 | 32.53 |
| 8/1/19 | 34.28 | 33.28 |
| 8/1/20 | 35.08 | 34.08 |
| 8/1/21 | 35.98 | 34.98 |
| 8/1/22 | 36.98 | 35.98 |

(4.) (a) All part-time employees who have attained seniority as of August 1, 2018 will receive the following general wage increases for each contract year but will in no case receive less than the hourly start rate specified on August 1st 2018-2022 as set forth in (b) below. The total wage increase for each year will be as follows:

| | |
|---------------------------|--------|
| 2018 - seventy cents | (.70) |
| 2019 - seventy five cents | (.75) |
| 2020 - eighty cents | (.80) |
| 2021 - ninety cents | (.90) |
| 2022 - one dollar | (1.00) |

(b) All part-time employees, who are hired or reach seniority after August 1, 2018, will be paid according to the following wage schedules:

| | |
|----------------|---------|
| August 1, 2018 | \$13.00 |
| August 1, 2019 | \$14.00 |
| August 1, 2020 | \$14.50 |
| August 1, 2021 | \$15.00 |
| August 1, 2022 | \$15.50 |

COST OF LIVING ALLOWANCE

See Article 33 of the National Master Teamster – United Parcel Service Agreement.

ARTICLE 40 HOURS OF WORK AND OVERTIME

SECTION 1

The basic work week for all regular full time employees should be forty (40) hours per week consisting of eight (8) hours per day, five (5) days per week, employees may be required by the Company to work overtime and, in such event, shall be entitled to overtime pay at a rate of time and one-half for work performed on any day in excess of eight (8) hours of actual working time. Any employee who is assigned to full time work shall be afforded an opportunity to earn not less than eight (8) hours of pay per day.

SECTION 2

- (a.) The Company will maintain its present practice of a Monday through Friday workweek, except as required by the operating needs of the Company. Any change of the workweek will not be made for a one-week or two-week period only.
- (b.) Day off schedules for all Employees shall be posted by Thursday of the preceding week for all classifications.

SECTION 3

Any full time employee who works on their scheduled day off and is also available for work on each of their regularly scheduled five (5) days (except for absence due to legitimate good cause) shall receive overtime pay at the rate of time and one-half for all work on such scheduled day off, but in the event they are absent on any of the regularly scheduled five (5) days without legitimate good cause, they shall receive no overtime pay for work on their scheduled day off.

Employees who are scheduled to work on Sunday as part of their regular scheduled work week will be paid at double the regular straight time rate of pay for their seventh (7th) work day.

SECTION 4 – OVERTIME

- (a.) It is the policy of the Company to avoid dispatching employees with excessive overtime whenever possible.
- (b.) Where an outside employee feels he or she is being dispatched with excessive overtime on a regular basis, he or she shall file a complaint with the Shop Steward who shall in turn bring the matter to the attention of the Company. The Company agrees to investigate the claim promptly and take such corrective measures as may be indicated.
- (c.) In the event inside employees, in any center or hub, assert that excessive overtime is being required on a regular basis, the matter shall be brought to the attention of the Union who shall raise the question with the Company. The Company will investigate the claim promptly and take such corrective measures as may be indicated.
- (d.) In the event any matter referred to in (b) or (c) above is not resolved as aforesaid, it shall be referred to the Grievance Procedure in accordance with Article 44.
- (e.) It is the policy of the Company to cooperate with an employee who desires to be relieved from overtime for bona fide personal reasons, subject to the understanding that such employee will complete his or her assignment, and subject to the provisions below. Any employee who desires to be relieved from overtime on a particular day or days (but in no event more than one week) shall submit a request in writing at least 24 hours in advance. This request will be processed by both the Center Manager and the Shop Steward, provided that no more than one employee in any Center shall be granted such request at any one time. Such request shall not be submitted during the months of November and December. With Respect to requests for Relief of Overtime on a Daily Basis, past practice shall prevail.

SECTION 5

- (a.) Work performed by employees before their scheduled starting time or after their scheduled finishing time shall be paid for at the rate of one and one-half times their regular straight time rate of pay, it being understood nevertheless, that an employee receiving overtime pay for work prior to their scheduled starting time shall receive only their regular straight time rate of pay for all work performed in the eight (8) hours following their regular scheduled starting time.

- (b.) Package drivers who complete their assigned work and return to the center in less than eight (8) hours and are re-dispatched with extra work shall be paid at the overtime rate from the time they complete their original assignment. This shall not apply to drivers whose planned day includes being available to cover extra work in the afternoon.

SECTION 6

- (a.) In addition to the eight (8) hours pay at regular straight time rate which will be paid to all full time Employees for the holidays specified in Article 57 of this Agreement, those employees who work on such holidays shall, in addition, be paid at double the regular straight time rate except where the regular schedule of work extends into holiday hours.
- (b.) Pay at double the regular straight time rate shall be paid for off schedule Sunday work and for overtime work on Sundays where the regular schedule of work extends into Sunday hours. This will not apply to the overtime rate during the period between Thanksgiving and Christmas when the overtime rate shall be one and one-half times the regular straight time rate. The Company will, in good faith, hold to a minimum the overtime hours of employees whose regular schedule of work extends into Sunday or holiday hours. Any employee except package drivers and helpers who attain seniority after July 31, 1987 may be scheduled to work on Sunday at their regular straight time rate of pay. It is understood employees scheduled to work on Sunday, their workweek will be five (5) consecutive days, Sunday through Thursday.
- (c.) No full time employee who attains seniority prior to August 1, 1987 shall be scheduled to work on a Sunday or on any of the holidays specified in this Agreement, but this provision shall not apply to employees whose regular schedule of work extends into Sunday or Holiday Hours.
- (d.) Pyramiding of overtime. It is mutually understood and agreed that the overtime provisions of this Agreement cover all overtime payments to which an employee is entitled whether by Agreement or statute or both. There shall not be any pyramiding of overtime.

SECTION 7 – SUPERVISORS WORKING

- (a.) The work of Supervisors will not include assignment to work normally performed by employees of the bargaining unit except for training or demonstration. "Training or demonstration" shall not be used as a subterfuge for the performing of any bargaining unit work. Any claimed abuses will be referred to the grievance procedure.

- (b.) Day off people will be called in seniority order in the center where the need occurs. Then, all people living within a reasonable distance (one hour ride) to any center other than their own and interested in working on their day off, will submit their names and telephone numbers to the Shop Steward and the Center Manager. The Manager then will make a list of these people, in seniority order, and exhaust this list before using a Supervisor.
- (c.) In the event of a supervisor working grievance having been paid and in the event of subsequent violations of the same identified supervisor performing bargaining unit work, the following steps will be applied:
- (1.) For the second violation the Division Manager and the District Labor Relations Manager will be notified and the affected employee will be paid two (2) hours or the actual hours worked, whichever is greater at double time the affected employee's rate of pay.
 - (2.) For a third violation the matter will be taken up with the Region Labor Relations Manager and the Local Union. The affected employee will be paid four (4) hours or the actual hours worked, whichever is greater at double time the employee's rate of pay.

ARTICLE 41 STARTING TIMES

SECTION 1

The Company shall fix the starting time for employees, which shall remain constant during any particular week, but which may be changed from week to week. The Company may elect to have Package Drivers start twenty (20) minutes or less prior to the weekly posted start time. This provision will be limited to one day per work week. Drivers shall receive the straight time rate of pay for such time. From the first Monday after Thanksgiving through the Monday before Christmas, package car drivers may be offered on a voluntary basis and in seniority order an early start time opportunity exceeding the twenty (20) minutes listed above. All drivers accepting the opportunity will be paid at the straight time rate of pay for the early start. This shall not apply to drivers who are asked or called in for extra work. It is mutually agreed that this provision will not be used as a subterfuge to deny any driver the opportunity to the above language.

The fixed starting time shall not apply to employees who are scheduled to work on Sunday at their regular straight time rate of pay but will remain constant for the remainder of the regular schedule work week.

SECTION 2

No restriction as to starting time shall be applied to central relief people, but the Company shall identify such relief people to the Union and the Shop Steward.

SECTION 3

The choice of starting times shall be on a seniority basis.

SECTION 4 – PAY FROM STARTING TIME

Seniority employees who are called in on day off or from lay off shall be paid from regular starting time. This shall not apply in cases where abuses have been called to the attention of the Union by the Company.

SECTION 5

Before changing the weekly scheduled starting time of any package driver more than one-half hour beyond 8:30 A.M. or more than one hour regardless of the time, the Company shall notify the Union of said change and, upon the prompt request of the Union, will discuss the matter with the Union prior to said change. In the event the change is made without Agreement from the Union, the Union may grieve the issue of whether the change was arbitrary or unreasonable.

SECTION 6

In the event of a starting time change of more than one (1) hour or a new starting time, full time inside employees may select the new full time starting time within their classification, by building or by center whichever is applicable, in seniority order if qualified to perform the work.

ARTICLE 42 MEAL PERIOD

SECTION 1

- (a.) A driver will be allowed twenty (20) minutes for breakfast and forty (40) minutes for lunch for each day worked. This time will not be counted as time worked by such driver. The time for breakfast must be taken prior to 11:00 a.m. The time for lunch must be taken and completed within the hours of 12:00 and 3:30 P.M. Drivers may on a quarterly basis opt to take a half hour lunch instead of a full hour lunch. If a driver elects the half hour lunch option, they are not entitled to break it up or take breakfast. Drivers may opt on to the half hour lunch option for the first quarter by December 15, the second quarter by March 15, the third quarter by June 15 and the fourth quarter by September 15. A driver may elect to opt off the half hour lunch option by giving two (2) weeks' notice to the Shop Steward and Manager.

- (b.) After the completion of eight and one-half (8 ½) hours of work all drivers shall receive fifteen (15) minutes additional pay. This shall not apply to drivers who attain seniority after July 31, 1987. Those drivers attaining seniority after July 31, 1987 and hired on or before July 31, 2002 shall, after the completion of eight (8) hours of work, receive an additional ten (10) minutes of pay at the straight time rate.
- (c.) Feeder drivers shall be scheduled for one hour eating time to be started not sooner than three (3) and not later than five (5) hours after scheduled starting time.
- (d.) There shall be no work done during any of the above meal periods.
- (e.) The specific time taken for each meal period shall be marked on the time card immediately at the start of such period. The Company agrees that they will not harass employees during the meal period.
- (f.) Mileage drivers may elect to forego their lunch period provided there is no delay at their turn around. Drivers electing not to take their lunch must notify the appropriate management person.

SECTION 2

- (a.) For inside employees, the Company shall allow one (1) hour eating time to be started not sooner than three (3) and not later than five (5) hours of work, except that any employee who requests an eating period either earlier than three (3) hours or later than five (5) hours will be permitted to have their lunch period at such time subject to the consent of the Company. The Company may, with the consent of the Union, schedule inside employees for less than one (1) hour lunch, but in no case less than thirty (30) minutes.
- (b.) All regular full time inside employees will be allowed two (2) fifteen (15) minute coffee periods each work day, the time for which will be set by mutual Agreement of the Company and the Union.

ARTICLE 43 LOSS OR DAMAGE

See Article 10 of National Master Teamster – United Parcel Agreement.

ARTICLE 44
GRIEVANCE AND ARBITRATION

The parties agree that the Local Parcel Grievance Procedure referred to in Article 7, of the National Master United Parcel Service Agreement shall be as follows:

SECTION 1

Employees shall have the Shop Steward present on any grievance.

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 or her 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.
- (b.) Failing to agree, the Shop Steward shall promptly report the matter to the Union which shall submit it in writing and attempt to adjust the same with the Employer within five (5) days.
- (c.) If the parties fail to reach a decision or agree upon a settlement in the matter, it shall be submitted in writing within ten (10) working days, unless otherwise mutually agreed to.
- (d.) The appropriate Local Parcel Grievance Procedure as set forth in this Supplement, if it is a grievance relating to the Supplemental Agreement or a matter not relating to the interpretation of the National Master United Parcel Service Agreement or appeal from discharge or suspension.

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

team of the settlement. The Union will notify the Company of a grievant settlement with an agreed to standardized form. The Employer shall pay a maximum of one penalty payment for a multi-grievant grievance.

SECTION 3

All questions of interpretation arising under the provisions of the National Master United Parcel Service Agreement shall be resolved in the manner described in Article 8 of the National Grievance Procedure in the National Master United Parcel Service Agreement.

SECTION 4

It is agreed that the Company and the Union will abide by the Rules of Procedure adopted by the National Grievance Committee.

SECTION 5

Grievances to be heard under the Local Grievance Procedure will be referred to arbitration.

SECTION 6 – ARBITRATION

If any grievances or disputes cannot be satisfactorily settled by the parties, then the grievance may be submitted to an arbitrator from an agreed-upon list of arbitrators by either or both parties. It is agreed that the arbitrator is empowered to hear and decide a case even if only one of the parties submits to arbitration, or, if one of the parties fails to appear at the hearing or to present evidence. The arbitrator shall have the authority to apply the provisions of this Agreement, and to render a decision on any grievance coming before him, but shall not have the authority to amend or modify this Agreement or establish new terms and conditions under this Agreement. The cost of arbitration shall be shared equally by the parties. The decision of the arbitrator shall be final and binding on the parties and employees involved. In the event that the losing party fails to abide by the arbitrator's decision, or that either party refuses to submit to his jurisdiction, the other party shall have the right to take all legal or economic recourse. All costs in connection with the filing of late postponements and or withdrawals of scheduled Arbitration hearings shall be borne by the party requesting the cancellation or withdrawal. Arbitrator fees shall be paid as per past practice.

SECTION 7 – NO STRIKES – NO LOCKOUTS

The Union and the Employer agree that there shall be no strike, picketing, lockout, tie-up, or legal proceedings without first using all possible means of settlement, as provided for in this Agreement or any Supplement hereto, of any controversy which might arise under this Agreement. The parties further agree that the words "legal proceedings" as used in this paragraph shall not

be construed to prohibit the Union or the Employer from going to court of proper jurisdiction for an injunction against the other for breach of the no-strike, no lock-out, no tie-up, no picketing promises made herein.

SECTION 8 – APPROVAL BY INTERNATIONAL BROTHERHOOD OF TEAMSTERS

Before any strike or stoppage of work takes place over a grievance or interpretation arising out of this Supplement that cannot be settled in accordance with the grievance machinery as set out in this Agreement, there must be approval by the General President of the International Brotherhood of Teamsters or his duly authorized representative, with notice of such approval to be given to the Employer, in writing, prior to such a strike or stoppage of work. The granting of such approval by the International Brotherhood of Teamsters shall not impose any liability on the International Brotherhood of Teamsters.

SECTION 9 – ILLEGAL STRIKE

It is further mutually agreed that the Local Union will, within two (2) weeks of the date of the signing of this Agreement, serve upon the Employer a written notice which notice will list the Union's authorized representatives who will deal with the Employer, make commitments for the Union generally and in particular have the sole authority to act for the Union in calling or instituting strikes or any stoppages of work in a case where a strike or stoppage is authorized under this Agreement, and the Union shall not be liable for any activities unless so authorized.

It is agreed that in all cases of unauthorized strike, slowdown, walkout, or any unauthorized cessation of work in violation of this Agreement, the Union shall not be liable for damages resulting from any unauthorized action of its members. While the Union shall promptly undertake every reasonable means to induce said employees to return to their jobs during such period of unauthorized stoppage or work mentioned above, it is specifically understood and agreed that the Employer shall have the sole and complete right to discharge any employee participating in any unauthorized strike, slowdown, walkout or any other cessation of work and such employee shall not be entitled to have any recourse to any other provision of this Agreement.

SECTION 10 – EXAMINATION OF RECORDS

The Local Union Business Agent shall have the right to examine time sheets and any other records pertaining to the computation of compensation or fringe benefits of any employee whose pay is in dispute or records pertaining to a specific grievance.

SECTION 11 – HEALTH, WELFARE, AND PENSION CONTRIBUTIONS

- (a.) Notwithstanding anything herein contained, it is agreed that in the event the Company is delinquent at the end of a period in the payment of its 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) hours' notice to the Company of such delinquency in Health and Welfare or 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 Company shall be responsible to the employees for losses resulting therefrom.
- (b.) It is mutually agreed that all monies due and owing under the Health and Welfare and Pension provisions of this Agreement shall be considered as wages and collectible as such.

ARTICLE 45 SENIORITY

SECTION 1 – ACQUISITION OF SENIORITY

- (a.) After thirty (30) days of work within a sixty (60) consecutive day period, not to include the orientation period which shall not last more than fifteen (15) working days, a new employee will acquire seniority and his/her seniority date shall be the original date of his/her employment, provided, however, that the time worked in the free period shall not count towards the acquisition of seniority.

Employees seeking to obtain seniority, whether as a new hire or as a part-time transfer, shall be provided with the opportunity to work thirty (30) days within a sixty (60) consecutive day period. In the event the employee has not yet worked thirty (30) days, such employee shall automatically attain seniority upon the sixtieth (60th) day.

Newly hired employees attending orientation shall be paid the daily rate of eighty-eight dollars (\$88.00) for full time employees and thirty-eight dollars and fifty cents (\$38.50) for part time employees. Part time employees transferring to full time positions shall be paid eighty-eight dollars (\$88.00) per day for such orientation periods. Orientation periods shall be used for the expressed purpose of training and demonstration, any violations shall be subject to the Grievance Procedure. 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.

(b) There shall be a free period beginning October 15th and ending January 10th in each year, during which no employee can qualify for seniority.

(c) An employee who has been hired prior to October 15th and retained after January 10th or recalled within sixty (60) days after January 10th will retain credit for the number of days worked prior to October 15th. Those days retained will count towards the thirty (30) days worked in a sixty (60) consecutive day period commencing with the first day worked after January 10th.

(d) Any violation of the January 10th cutoff by assigning free period employees package car or feeder driving work will result in the creation of a permanent full-time position in the package or feeder classification to be filled and awarded per the applicable vacancy provisions of this supplement.

The following subsections shall apply to Package Drivers only.

(e) Non-permanent Drivers

During the period of June 1 to January 10, the Company can hire non-permanent, non-seniority accruing drivers. The number of these drivers will not exceed 10% of the assigned staffing per center during the period between June 1 and September 30.

If a non-permanent driver is offered a permanent driver job, the Company will immediately notify the Shop Steward of such status change, and upon following the transfer language in Section 4 of this Article, the following shall apply:

1. If a non-permanent driver is offered a permanent driving job in the same year as hired, the employee will not be required to complete another thirty (30) working day qualification period. If the employee has not yet completed the thirty (30) days, they will only have to complete the remainder of the thirty (30) days.

2. An employee attaining seniority in the same year that they are initially hired, will have their seniority date moved back to the first date they worked that year. Their attainment date will be their first day worked as a permanent employee.

3. If a Non-permanent driver is hired prior to October 1, and recalled prior to April 1 of the following year as a permanent driver, that employee will immediately attain seniority, and retain their original hire date as their seniority date.

4. If a Non-permanent driver is hired October 1 or later, and recalled prior to April 1 the following year as a permanent driver, that employee will retain credit for all days worked prior to November 15. If the employee has not yet completed their thirty (30) days, they will only have to complete the remainder of the thirty (30) days and retain their original hire date as their seniority date.

5. If a Non-permanent driver is rehired after April 1 the following year, they will be considered a newly hired employee, and have a new seniority date.

6. No driver hired as a permanent can be rehired as a Non-permanent driver in the same year. An employee hired as a non-permanent driver for any two periods and have not been offered a permanent driver position, cannot be rehired as a non-permanent driver in any year.

(f) Days worked from November 15 through January 10 will not count towards the 30 in 60-day seniority accruing period for part time to full time transfers to package driver.

SECTION 2 – PACKAGE SENIORITY

(a.) Center Seniority.

There shall be separate seniority lists for the inside employees of each package center and separate seniority lists for the outside employees of each package center. There shall be a separate seniority list for the package center clerical employees in the Local's jurisdiction; a separate seniority list for package center porters in the Local's jurisdiction and a separate seniority list for car washers in the Local's jurisdiction which separate seniority list shall be used for purposes of layoffs. For purposes of vacation, six (6) day work and job preference, the porters and car washers shall be on separate building seniority lists by classification. Clerks shall be on a center seniority list.

(b.) Job Assignment.

Assignment of work shall be made on the basis of seniority lists described in (a) above. A full time inside employee assigned to eight (8) continuous hours of work shall not be displaced from his assignment by a part time employee.

(c.) 1. Job Preference.

Drivers shall be given preference in their center, based on seniority, to a more desirable delivery area or to a permanent delivery split or to a permanent full time pick up area when a vacancy occurs. A permanent split is defined as a split or splits which has been in effect for three (3) months for at least three (3) days each week. With respect to the number of moves by driver's preference, past practice shall prevail, provided, however, that notwithstanding the past practice, drivers will be permitted the right to make a minimum of three (3) moves. Additional moves, if any, above three (3) shall be in accordance with past practice. In the event said area or split is not requested, the Center Manager will assign the work to the most junior driver in the center. The Company shall promptly and conspicuously post notice of any permanent vacancy. Such notice shall remain posted for a period of two (2) weeks. The Company will post for bid all assignments within two (2) weeks of being vacated. Upon completion of the two (2) week bid process, the senior employee will be assigned to the bid no later than five (5) working days. Failure to complete the above-mentioned procedure the District Labor Manager must fill the vacancy within five (5) working days. The above language shall not apply during the months of November and December. A driver shall have a thirty (30) day trial period before the permanent vacancy is awarded to him or her.

2. Training routes.

There shall be a maximum of three (3) training routes per center. Training routes shall be bid. A driver who bids a training route will become a split driver while a trainee is being trained.

(d.) Change in Starting Time.

Where the starting time of an area is changed, the regular driver, may elect to remain on the area. If the change is from an earlier start time to a later start time and driver elects not to go with the area, he or she may nevertheless claim the area back if it is changed to the original starting time within the thirty (30) working day period. Where a driver's area is changed from a later start time to an earlier start time, a more senior driver may displace the driver being changed. The area that becomes available as a result of this displacement shall be bid. Additional moves, if any, will be assigned by the Employer. There shall be a ten (10) day probationary period of the driver on the new area.

(e.) Sixth day work.

Day off people will be called in seniority order in the center where the need occurs. Then, all people living within a reasonable distance (one hour ride) to any center other than their own and interested in working on their day off,

will submit their names and telephone numbers to the Shop Steward and the Center Manager. The Manager then will make a list of these people in seniority order and exhaust this list before using a Supervisor.

(f.) Night Package Job Preference.

When a permanent vacancy occurs in the night package operations, a senior employee shall be given an opportunity to select such assignment subject to the operating needs of the Company.

SECTION 3 – HUB SENIORITY

(a.) Seniority Lists

(1.) There will be a separate seniority list for each of the following hubs: Meadowlands (Secaucus), Saddle Brook, Edison, Cranbury and Parsippany inside employees.

(2.) In the event a new hub is created within the jurisdiction of the Union, the hub inside employees in said facility shall have the right to transfer by classification to the new hub, on a seniority basis, subject to the operating needs of the Company.

(b.) Hub Inside Job Preference

Employees in each hub inside classification shall be given preference, based on seniority, to transfer to a more desirable starting time when a permanent job vacancy occurs or a new job is created in such classification. The Company will promptly and conspicuously post notice of such new job for a period of two (2) weeks and the applicable starting time. If, through a change of operations, the marker classification is eliminated in the Meadowlands Hub, the existing employees in that classification shall continue to receive the markers' rate of pay unless the employee voluntarily transfers.

In the event of any claimed abuses in the reassignment of hub inside employees within a classification from one work place to another in the course of a work day, the matter shall be referred to the Grievance Procedure in accordance with Article 44.

(c.) Trailer Driver

(1.) (a) There shall be a separate seniority list for each of the following Districts:

- A. Central
- B. Metro
- C. North

(b) There shall be two lists in each District:

- A. Company Seniority List
- B. Classification Seniority List

(c) Seniority. For the purpose of six (6) day work and job preferences, classification seniority shall prevail. For the purpose of layoff, and vacation selection, full time Company seniority shall prevail.

(d) Layoff. After five (5) consecutive days of layoff, the affected employee shall have the right to displace the most junior feeder driver within the jurisdiction of the Local.

(e) Bidding.

(1.) Each year on or about February 1st there shall be bids for all feeder drivers. Bids will be posted for two weeks prior to the start of the bidding process. Feeder bids shall be selected by District and the selection of bids shall be by classification seniority. This bidding will be done off the job during the work week. The bidding process for each district will be completed in 10 business days or less.

Once job selections begin, there will be no changes to the posted yearly/annual bids being offered for thirty (30) calendar days.

Drivers who are scheduled to be on vacation during the bidding process must leave bid picks with the Shop Steward or Management. All other drivers on extended absences will be contacted by telephone for their bid selections. Drivers who refused to pick within twenty-four (24) hours will be bypassed. The bypassing of a driver during the bidding process must be mutually agreed to by the Union and the Company.

If during the annual bidding process the Company abolishes a previously selected bid, after the annual bidding process is complete, using feeder seniority the affected driver(s) may displace any lower seniority driver within their District or elect to become a spare driver. Using the same principle of seniority each displaced driver(s) may utilized these options.

(2.) Vacations picks will be posted November 1st for a two week period. Vacation picks will begin November 15th and must be completed on or before December 25th. The vacation period extends from

December 26th to the Saturday following Thanksgiving of the following year. Vacation selection will be done off the job during the work week.

Drivers who will be unavailable to make their vacation selections due to their driving assignments will be required to leave their vacation picks at the start of their work day. In addition, those drivers finishing work who will be eligible to pick vacation prior to their next scheduled start time will be required to leave their vacation picks with the Shop Steward or Management. All drivers who will be on vacation during the vacation selection process will be required to leave their vacation selections with the Shop Steward or Management prior to the start of their vacation. All other drivers on extended absences will be contacted by telephone for their vacation selections. Drivers who refused to pick in a timely manner or fail to leave picks will be bypassed until such time that they are willing to pick or have submitted their picks to Management or a Shop Steward. These drivers will be awarded their vacation weeks based upon the availability of weeks open at the time of their submission. The bypassing of a driver during the vacation selection process must be mutually agreed to by the Union and the Company.

Each week a percentage of the drivers eligible to pick will be required to do so within the allotted time. No less than 25% of the drivers eligible to pick will do so each week. Notification of what week a driver will be required to pick will be posted along with the vacation picks for the two week period prior to the beginning of the vacation selection process.

Where a new full time trailer driver's assignment is created and is in effect for more than twenty (20) working days or a vacancy occurs in an existing full time feeder assignment, drivers shall be given preference within the District based on classification seniority to said assignment. In the event no driver in the District requests said assignment, the Company will assign the work. The Company shall promptly and conspicuously post notice of any permanent vacancy. Such notice shall remain posted for a period of two (2) weeks.

(f.) Transfer. Transfers within classifications may be requested to any District within the Local's jurisdiction and if approved, shall be granted by classification seniority.

(g.) Miscellaneous Feeders.

- (1.) In the event a new District is created within the jurisdiction of the Union, trailer drivers in the existing Districts shall have the right to transfer to the new District within classification, on a seniority basis, subject to the operating needs of the Company.
- (2.) In the event a new hub is created within the jurisdiction of the Union, the trailer drivers in said hub shall be on the same seniority list as the existing trailer drivers. Trailer drivers in the existing hub shall have the right to transfer to the hub, within classification, on a seniority basis, subject to the operating needs of the Company.
- (3.) If a feeder job is abolished, or changed by fifty (50) percent or if the starting time is changed by more than one (1) hour, the driver may; stay with the job, or elect to become a spare, or exercise his/her feeder seniority to displace a junior driver within their district. This procedure is limited to five (5) displacements. The sixth move is to dovetail onto the spare list. This displacement option will not apply from November 15th through December 25th.

The shop steward will be actively involved in the displacement process as not to disrupt the employers operations. Each week, one (1) day before the weekly schedule is posted the Union will notify, in writing, the appropriate management representative of any bid reassignments.

- (4.) If a trailer driver chooses to bid on a permanent vacant job, his or her job will then go up for bid only if he or she vacates a bid job.
- (5.) If a run's switch point is changed more than twenty-five (25) miles or if the starting time of a run changes from the night differential rate to the day or vice versa, the driver (provided he or she has been on the run for at least thirty (30) working days at the time of the change) may utilize the options in number 3 above. If the driver has been on the run for less than thirty (30) working days, the run shall be rebid at the time of the change.
- (6.) Runs which are put up for bid will be identified by starting time and switch points.
- (7.) Spare drivers will be assigned in accordance with past practice, except assignment will be made by District.

- (8.) The Company, whenever possible, will give one (1) week's notice of change of starting times or switch points on bid runs to the Shop Steward or the Union office.
- (9.) Feeder vacation selection will be made by District.
- (10.) The Company, whenever possible, will adhere to the drivers scheduled bid.
- (11.) Seniority feeder drivers shall not be forced onto any open bid assignment as a permanent assignment. Should no feeder driver elect the posted open bid assignment, such assignment shall be filled from the feeder driver weekly spare list in their district. Open jobs shall be posted for a minimum two (2) weeks per the bidding language. If jobs are not filled within the two (2) week minimum, such jobs shall remain posted until such time the bid is filled.

(d.) Sixth Day Work

- (1.) Hub employees (inside and outside) who are interested in the sixth (6th) day work, will submit their names and telephone numbers to their Managers. Day off employees will be called in seniority order, by classification, provided there is no more than five (5) hours variance between his or her regular scheduled starting time and the starting time of the job to be filled and provided he or she has submitted their name and telephone number.
- (2.) The sixth day employee will take the scheduled starting time of the job for which he or she is called.

SECTION 4 – GEOGRAPHIC TRANSFER PACKAGE

- (a.) Transfers, within classification, may be requested to any operating center or hub in the Local's jurisdiction and if approved shall be granted in seniority order. A list shall be prepared of employees requesting said transfers. If the job is not filled by transfers within classification, it shall be offered to the overall transfer list. The transfer list shall include the location and classification to which an employee wishes to transfer. Employees will be notified within fifteen (15) working days as to the status of their transfer. No transfers will be honored during the month of December.
- (b.) Except in special hardship cases, candidates for transfer must have at least six (6) months of service.

- (c.) There will be a thirty five (35) calendar day probationary period for such transferred employees.
- (d.) The Company shall have the right to fill one (1) permanent vacancy for every three (3) employees transferred to each such center.
- 1. Permanent package driver vacancies will be filled on a 2-1-2-1 Basis two (2) package to package, one (1) full time transfer, two (2) part time transfers (within District), one (1) new hire. If for any reason two (2) package car drivers do not fill the first two (2) vacancies by transferring the vacancies will be filled by the full time transfer list for a total of three (3) full time employees. If full time employees do not fill those vacancies part time employees (in the District) will fill those positions. If part time employees fill the open position, the next position will be filled by a new hire.
- (e.) If an employee transfers, the transferee shall be placed on the seniority list in the center to which he or she transferred and his or her seniority date shall be the date of the transfer for purposes of bidding, etc. However, he or she shall maintain his or her Company seniority date for number of weeks' vacation, and retirement, etc. Vacation selection shall be based on full time Company seniority date.
- (f.) The Company shall supply necessary material when available to enable an employee to do the necessary studies within any classification in order to qualify for a transfer.
- (g.) If a driver transfers within his or her building the new opening created in the transferee's original center shall be filled by a new hire or a promoted part timer, whichever is applicable. Such transferee shall not be allowed to request another transfer within the building for a period of one (1) year.
- (h.) In the event a new package center is created within the jurisdiction of the Union, all drivers in the new center will be placed on the seniority list using their classification seniority.

SECTION 5 – DAY OFF

Day-off schedules will be established according to seniority, wherever this does not restrict or hamper operations. The Company will not be unreasonable in the application of this provision.

Assignment of Sunday, holiday and day-off work on basis of seniority shall be mutually agreed upon as to each center. Day off schedules in the Package classification will be established by Center.

Day off schedule for all classifications shall be posted by Thursday evening of the preceding week.

Seniority employees who are called in on day off or from layoff shall be paid from regular starting time. This shall not apply in cases where abuses have been called to the attention of the Union by the Company.

SECTION 6 – DAY TO DAY LAY OFF

When it becomes necessary to reduce the work force, full time seniority employees shall be laid off by classification within the center, based on full time Company seniority:

- (1) The employee to be laid off shall be the junior employee within his or her classification within the center, based on full time Company seniority.
- (2) The laid off employee will displace a non-seniority employee in his or her classification within the building.
- (3) If no non-seniority employees are working, the laid off employee may displace a part time employee within the building, if qualified.
- (4) May displace two (2) part time employees within the building, if qualified.
- (5) If two (2) shifts of part time employees are not available within the building, he or she may displace two (2) part time employees within his or her District's hub, if qualified.
- (6) If two (2) shifts of part time employees are not available in his or her District's hub, he or she may displace two (2) part time employees in any other hub within the jurisdiction of Local 177, if qualified.
- (7) The above shall apply only if the affected employee shall have eight (8) hours of off duty time prior to his or her scheduled starting time.
- (8) The affected employee may displace the part timer working the greatest number of hours whose work he or she is qualified to perform at the laid off employee's prevailing rate of pay.
- (9) The two (2) junior employees in each center with two (2) years or less seniority if laid off, shall be entitled to subsections 2 and 3 above.

SECTION 7 – PERMANENT LAYOFF

After five (5) consecutive days of day to day layoff in an employee's classification, the following permanent layoff language shall apply.

When it becomes necessary to reduce the work force, full time seniority employees shall be laid off by classification within the center, based on full time Company seniority:

- (1.) The employee to be laid off shall be the junior employee within his or her classification within the building.
- (2.) The laid off employee may displace a part time employee within the building if qualified or,
- (3.) May displace two (2) part time employees within the building, if qualified.
- (4.) If two (2) shifts of part time employees are not available within the building he or she may displace two (2) part time employees within his or her District's hub, if qualified.
- (5.) If two (2) shifts of part time employees are not available in his or her District's hub, he or she may displace two (2) part time employees in any other hub within the jurisdiction of Local 177, if qualified.
- (6.) The affected employee may displace the part timer working the greatest number of hours whose work he or she is qualified to perform, at the laid off employee's prevailing rate of pay.
- (7.) When work again becomes available in the employee's classification or location, he or she shall return by seniority to their original job.
- (8.) Stewards shall be the last employees to be laid off within the center and first to be recalled.
- (9.) The above permanent layoff language does not apply to the two (2) most junior employees in each center with less than two (2) years seniority during the first three (3) weeks of January.

SECTION 8 – LOSS OF SENIORITY

Any employee shall lose all seniority rights if:

- (a.) He or she quits.
- (b.) He or she is discharged.
- (c.) He or she is absent without good cause and fails to notify the Company within three (3) working days. Good cause will be determined by both the Company and the Union.
- (d.) Layoff in excess of the following allowed period has elapsed since he or she last worked for the Company:

| Seniority | Allowed Period |
|-----------------------------------|----------------|
| Less than 3 Mos. | 4 Mos. |
| 3 Mos. And over, but less than 4 | 6 Mos. |
| 4 Mos. And over, but less than 5 | 8 Mos. |
| 5 Mos. And over, but less than 6 | 10 Mos. |
| 6 Mos. And over, but less than 24 | 12 Mos. |
| 24 Mos. And over | 24 Mos. |

- (e.) He or she is promoted to a supervisory position.

SECTION 9 – SENIORITY CLAIM

When the Union notifies the Company of a claim of violation of the seniority provisions, the employee shall be entitled to actual time lost before the date of such notice, up to a maximum limit of one week's pay, plus all time lost between the date of such notice and the date of correction of the violation by the Company.

ARTICLE 46 REPORT PAY

SECTION 1

Any full time seniority employee who is scheduled to report for work and does report will be afforded an opportunity to earn eight (8) hours pay in their regular classification of work, unless notified not to report by the completion of his current working day or prior thereto, or if not working, then by telegram filed with Western Union not later than 4:30 p.m. of the day before such reporting day or other notice prior thereto. While Sunday will be acceptable for the purposes of notifying employees to report for work on Monday, the Company agrees not to use Sunday for the purpose of advising employees not to report for work on Monday.

SECTION 2

It is understood that employees may be assigned in classification to work in their home center or at places other than their home center, as follows:

- (a.) Employees will be required to accept assignments, within classification, when ordered, anywhere within their area.
- (b.) Any employee who refuses an assignment out of his/her classification under the above conditions will forfeit their rights to report pay.

SECTION 3

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

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

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

SECTION 4

When an act of God (snow, flood, hurricane, etc.) occurs, employees who are not put to work will not be entitled to any daily, weekly, or reporting guarantees. An employee who calls in and is instructed by management to report to work and is not allowed to work will be paid half of his or her daily guarantee.

ARTICLE 47 DISCHARGE

SECTION 1

The following shall be causes for immediate suspension or discharge of an employee: drinking, or proven or admitted dishonesty, situations involving serious physical violence, or serious threats of physical violence, or severe physical sexual harassment, or repeated lewd comments of severe sexual nature directed at an individual.

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

As a matter of interpretation, "serious threats of physical violence" shall be limited to a clear threat of imminent physical harm under circumstances demonstrating a reasonable ability to do so.

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

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

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

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

SECTION 2

In all other cases involving the discharge or suspension of an employee, the Company will give three (3) working days' notice to the employee of their discharge or suspension and the reason therefore. Such notice shall also be given to the Shop Steward and the Local Union office. All warning letters, including those stemming from reductions of notices of suspension or discharge, shall not remain in effect more than twelve (12) months.

An employee subject to immediate suspension or discharge, in violation of this agreement, and, subsequently returned to work, shall receive back pay at the double time rate of pay.

Any dispute arising from interpretation of this language will be referred to the co-chairs of the supplemental negotiating committee, or their designated alternates.

**ARTICLE 48
COMPLETE AGREEMENT**

SECTION 1

The parties hereto expressly agree that during the lifetime of this Agreement there shall be no demands for collective bargaining negotiations as to any matter or issue not covered by the provisions of this Agreement, or for the re-negotiation of any of the provisions of this Agreement, except as elsewhere provided in this Agreement.

SECTION 2

The parties agree that this contract is the sole and complete Agreement between them and that any other previous understandings or Agreements, oral or written, inconsistent with the provisions of this Agreement are superseded and are of not effect during the term of this Agreement.

**ARTICLE 49
COMPENSATION HEARINGS**

The Company shall reimburse employees for time lost attending hearings of the Workmen's Compensation Board, when such hearing results from formal notice of hearing at which the employee is directed to be present. Evidence of such notice must be submitted by the employee to the Company in advance of request for time off. The Company will not reimburse employee for attendance at hearings which result from employee's application for consideration of appeal.

**ARTICLE 50
COURT HEARINGS**

In the event an employee is required to appear in night court in the Company's interest, the employee shall be paid straight time for the hours spent in court and for time spent in travel.

**ARTICLE 51
MILITARY CLAUSE**

SECTION 1

Upon confirmation of entrance into the Armed Service, a seniority employee will be granted the next annual vacation pay to which the employee would have been entitled had he or she not entered the service, together with any earned vacation not yet taken.

SECTION 2

Employees ordered to spend time with the Reserves or National Guard units cannot be forced to take vacations for this period.

ARTICLE 52 MEDICAL ARRANGEMENTS

SECTION 1

In accordance with Workers' Compensation Laws of the State of New Jersey, the following shall be the Company policy with respect to physical examinations:

- (A.) At the discretion of the Medical Director, employees out on compensation injuries may be requested to visit the Medical Department for examination. If unable to travel, arrangements will be made for visits to his home by a staff doctor.
- (B.) Arrangements for examination of injured employees who have since returned to work will be made at the discretion of the Medical Director where deemed necessary as follows:
 - (1.) Employee will be asked voluntarily to visit the Medical Department at a convenient time for proper examination, or
 - (2.) If unable to visit the Medical Department, arrangements will be made for examination locally by a staff doctor of the Company's choosing, either at the employee's home, place of business, the Company doctor's office, or in his own doctor's office.
 - (3.) Appointments to visit specialists or other doctors will be made by the Medical Department or insurance carrier at the convenience of the employee and doctor concerned without regard to day off schedule.

SECTION 2

When a medical leave of absence is requested, the Company may request appropriate medical evidence. This will usually be satisfied by the submission by an employee of his personal doctor's report. The Company may, however, have the employee examined by the Company doctor. If the Company doctor does not agree with the report rendered by the employee's personal doctor, the two doctors involved will select an impartial third doctor to render a report. If the two doctors cannot agree upon the selection of a third doctor, the Union and the Company shall select the third doctor either through the grievance procedure or by request to the New Jersey State Medical Society.

SECTION 3

An employee who seeks to return to work after a medical leave of absence (including a leave of absence covered by Workers Compensation) or after an absence caused by a chronic or recurrent condition may be required by the Company to submit a doctor's report. The Company may also require the employee to submit to an examination by the Company doctor. If the Company doctor and the employee's personal doctor do not agree, the procedure set forth in the preceding paragraph regarding the utilization of an impartial third doctor shall be followed.

SECTION 4

The Company will designate local doctors within a reasonable distance for employees working in the following buildings:

| | | |
|--------------|---------------|---------------|
| Chester | Meadowlands | Gould Ave. |
| Edison | Spring Valley | Saddle Brook |
| Trenton | Parsippany | Staten Island |
| Bound Brook | Mt. Olive | Lakewood |
| Tinton Falls | New Windsor | Cranbury |
| Lyndhurst | | |

In the event the Company, pursuant to this Article, requires employees working in these buildings to submit to an examination by a Company doctor (except in compensation cases) the employee will be sent to such local doctors.

ARTICLE 53 INSPECTION OF RECORDS

Union officials and Shop Stewards shall be allowed to examine such portion of the Company's operating reports and other payroll records as well as employee's center personnel file, as are pertinent to any grievance arising under the contract. Such examination can be made only after request to the Center Manager and in his presence.

ARTICLE 54 TRAILER DRIVER TO WORK AS DIRECTED

Trailer drivers will load, unload and sort as indicated by his or her normal schedule in the various locations of the Company, without any interruption or interference of any kind with the Company's operations. However, in the event of unexpected volume or breakdown of equipment, a trailer driver's schedule may be changed.

ARTICLE 55 WELFARE PLAN

Section 1

The Company will make contributions for Health & Welfare, in accordance with Article 34 of the National Master Agreement, as applicable to the Teamsters Western Region and Local 177 Health Care Plan.

Section 2

Beginning January 1, 2014 health and welfare benefits will be provided by Teamsters Western Region and Local 177 Health Care Plan.

Section 3

Current retirees who are receiving benefits through a UPS sponsored plan shall receive coverage beginning January 1, 2014 under the terms of the Memorandum Concerning UPS Sponsored Plans, attached to the National Master Agreement.

Any eligible employee who retires effective January 1, 2014 or thereafter shall be provided retiree medical benefits through the Teamsters Western Region and Local 177 Health Care Plan.

Section 4

The employer shall make health and welfare contributions for employees who have been injured on the job for a period of one (1) year, and for employees who are ill or who have been injured off the job for a period of four (4) weeks.

ARTICLE 56 RETIREMENT PLAN

Pension contribution increases to the UPS – Local 177 Retirement Plan will be made in accordance with Article 34 of the National Master Agreement and the Letter of Agreement between IBT Local 177 and UPS.

ARTICLE 57 HOLIDAYS

SECTION 1

A full time seniority employee shall be paid for the following holidays, provided the employee is on the active payroll and in a working status (this excludes employees on permanent lay-off, on strike, cleared and on leave of absence, other than medical leave of absence): New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, New Year's Eve Day. Seniority employees who are absent

the full week of the holiday week due to illness or Workers Compensation disability need not work during the holiday week in order to receive holiday pay. The amount of holiday pay shall be equivalent of eight (8) hours straight time pay. Part-time seniority employees shall receive holiday pay at the rate of four (4) hours straight time pay per day. Existing full time employees with less than two (2) years seniority must work the day prior or the day after said holiday. All part time employees must work the day prior or the day after said holiday.

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

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

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

Full time employees will be entitled to a Double Time Holiday upon attaining seniority.

Part-time employees who are seniority employees on January 1st of each year will be entitled to a Double Time Holiday in that calendar year.

If the employees elect to work the Double Time Holiday they will receive Holiday pay plus double time for all hours worked, this request will be at start work of previous day. If the employee elects to take this Double Time Holiday as a day off, he/she will be paid (eight (8) hours for full-time and four (4) hours for part-time) and he/she must notify the Company prior to the Thursday before the week their Double Time Holiday will fall.

Employees will be afforded the time off in seniority order with a minimum of one (1) per day, and a maximum will be determined by the needs of the business.

Neither of these options may be exercised from December 1 to December 25 of each year.

SECTION 2

If any of the specified holidays fall during an employee's vacation period, the employee shall receive an additional day's pay (8 hours) in lieu of an additional holiday. The additional day's pay for part timers will be four (4) hours.

ARTICLE 58 SICK LEAVE

SECTION 1

Effective May 1, 1980, and each May 1st thereafter, all regular full time employees with one (1) year seniority shall have earned six (6) days paid sick leave per year ending April 30.

SECTION 2

Regular full time employees with less than one (1) year's seniority prior to May 1st of each year shall have earned one (1) day paid sick leave after the first six months and one (1) day for every four (4) months of service thereafter.

SECTION 3

A cash payment will be made on April 30th of each year for each day of unused sick leave. The amount of unused sick leave pay shall be the equivalent of nine (9) hours straight time pay per day.

SECTION 4

In no event will an employee be entitled to more than six (6) days sick leave per year.

SECTION 5

The employee may request payment for any earned, unused sick days at the rate of nine (9) hours straight time pay per day after the effective day in lieu of time off.

SECTION 6

Employees may request to use two (2) of the above sick days as optional holidays provided they are mutually agreed upon.

SECTION 7

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

ARTICLE 59 VACATIONS

SECTION 1

Vacation schedule for regular full time employees:

| | |
|-----------------------------|-------------------------|
| One year seniority | - One week vacation |
| Two years seniority | - Two weeks' vacation |
| Five years seniority | - Three weeks' vacation |
| Fifteen years seniority | - Four weeks' vacation |
| Twenty years seniority | - Five weeks' vacation |
| Twenty-five years seniority | - Six weeks' vacation |

SECTION 2

The vacation period extends from December 26th to the Saturday after Thanksgiving of the following year. The time allotted for summer vacations is from May 1st to September 30th. The time allotted for winter vacation is from October 1st to April 30th of the following year.

SECTION 3

An employee having full seniority credit of 1, 2, 5, 15, 20 or 25 years shall be entitled to the corresponding credit of 1, 2, 3, 4, 5 or 6 weeks of vacation during the first available vacation period after having obtained their full seniority credit.

Available vacation weeks shall be allotted as follows:

Employees entitled to three (3) or four (4) weeks of vacation must select at least one (1) week during the period from October 1st to April 30th of the following year. Employees entitled to five (5) or six (6) weeks of vacation must select at least two (2) weeks during the period from October 1st to April 30th of the following year.

SECTION 4

Vacation schedules shall be posted sixty (60) days prior to the vacation period. Vacation picks will begin November 15th and be completed by December 24th. A minimum of twenty five percent (25%) of eligible employees per week shall select vacation. Any delays in the selection of vacation weeks during the process will be promptly addressed by the Union Business Agent and the Company.

SECTION 5

The Company agrees to post a tentative list of available vacation weeks prior to the posting of the actual vacation schedule. In case more employees shall apply for vacation than the number allotted by the Company to be off during such period, the choice for vacation during such period shall be based on full time company seniority, provided such assignment does not interfere with or hamper operations. However, the Company agrees to cooperate with the Union to make available prime weeks, where possible.

SECTION 6

No work shall be performed by the employee for the Company during their scheduled vacation.

SECTION 7

- (a.) If an employee retires, resigns or is discharged after they become entitled to the vacation provided in paragraph 1, then he or she shall receive pay for the vacation due.
- (b.) When an employee retires he or she shall receive pro rata vacation due.

SECTION 8

- (a.) The Company shall pay the appropriate vacation pay in advance to any employee immediately prior to such Employee's taking their vacation. Employees may select a maximum of (2) two weeks vacation pay in lieu of time off. Notification for paid vacation weeks will be done prior to posting vacations. Employees selecting two (2) weeks vacation pay in lieu of time off must select one (1) week from his/her winter picks and one (1) week from his/her summer picks. Employees who utilize this option may elect to have these weeks of vacation pay deposited directly into their 401K accounts should the plan allow for such transfers.

The Company agrees not to reduce the available weeks of weekly vacation from their present levels as a result of employees opting to exercise their right to the above referenced option.

- (b.) Vacation pay shall be based on the employee's regular (not temporary work assignment and shall consist of forty-five (45) hours pay at the regular straight time rate for each week of vacation entitlement.
- (c.) Any seniority employee who is reinstated during a vacation period shall receive the vacation benefits she or he would have been entitled to had they been on the payroll on their qualifying date.
- (d.) Full time employees with two (2) years seniority or less, and all part time employees who work more than 40 work days and less than 200 work days in their anniversary year will earn their vacation on a pro-rata basis. These employees who work only 40 work days or less during their anniversary year will receive no earned vacation that year. Employees working more than 200 work days in their anniversary year will receive full credit.

Only one year on either worker's compensation or disability leave can be used to accrue vacation providing the full time employee has at least two years of seniority.

The amount of money to be paid is governed by the progression step the Employee is in at the time they actually take their vacation.

SECTION 9

Employees who work on higher rated jobs a minimum of one hundred (100) days during the twelve (12) months immediately preceding their scheduled vacation, shall receive vacation pay based upon the higher rated jobs.

SECTION 10

Part time seniority employees shall receive vacation pay at the rate of four and one half (4 ½) hours straight time pay per day.

SECTION 11

- (a.) All full time employees who have one (1) year seniority or more on May 1, 1980 and each May 1st thereafter, shall have earned five (5) consecutive days off, Monday through Friday with forty-five hours pay, which must be taken between December 26th and the Sunday after Thanksgiving. This selection will be made in seniority order immediately following the regular vacation pick. In addition, employees with two (2) or more years of seniority may elect to use these days individually with nine (9) hours straight time pay per day. During the selection period the employee will notify the Employer of his/her intention to select the one week option, individual days or to receive pay in lieu of time off.
- (b.) All full time inside employees and package drivers who so request shall be allowed to select a week during the period of May 1st through September 30th.
- (c.) The employee may request payment for these five (5) additional days at forty-five (45) hours pay at any time after the effective date in lieu of time off. If days are taken individually the employee may request payment for any earned, unused days at the rate of nine (9) hours straight time pay per day after May 1 of each year in lieu of time off. Any unused days will be paid off on April 30th of each year at the rate of nine (9) hours straight time pay per day.
- (d.) The number of employees allowed off on vacation each week during the summer months shall not be reduced.
- (e.) Full time employees and part time employees who are absent due to worker's compensation or disability more than 120 days of the calendar year on May 1st of each year will not be entitled to these additional days.

(f.) Individual days shall be awarded by seniority and the following procedure shall apply: any employee who notifies the employer prior to two (2) weeks before the requested day off will be placed on a list of employees that request said day off. Employees will be notified two (2) weeks before the requested day off whether the request will be granted or denied. Employees will be afforded the time off in seniority order with a minimum of one (1) per day and a maximum will be determined by the needs of the business. These individual days may be restricted from the Sunday after Thanksgiving to December 25, January 1st through January 10th, Valentine's Day and the day prior, and two (2) work days following any contractual holiday, except Christmas. The restrictions noted do not preclude the days from being granted.

ARTICLE 60 LEAVE OF ABSENCE

SECTION 1

The Company agrees that all seniority rights shall continue in full force and effective with respect to not more than thirty (30) employees who presently are or may, during the term of this Agreement, serve the Union as full time officers or representatives or who serve the New Jersey Teamsters Joint Council or the International Union as full time officers or representatives. Such seniority shall continue in like manner as if such employees were employed continuously as regular full time employees.

SECTION 2 - TIME OFF FOR UNION ACTIVITIES

The Employer agrees to grant the necessary time off, without discrimination or the loss of seniority rights and without pay, to any employee designated by the Union to attend a labor convention or serve in any capacity on other official business provided forty-eight (48) hours written notice is given to the Employer by the Union, specifying length of time off. The Union agrees that, in making its request for time off for Union activities, due consideration shall be given to the number of employees affected in order that there shall be no disruption of the Employer's operation due to lack of available employees.

SECTION 3

Any employee desiring leave of absence from his employment shall secure written permission from both the Union and Employer. The Maximum leave of absence shall be for ninety (90) days and may be extended for like periods. Permission for same must be secured from both the Union and Employer. During the period of absence, the employee shall not engage in gainful employment, except as provided in Section 4 below. Failure to comply with this provision shall result in the complete loss of seniority rights for the employees involved. Inability to work because of proven sickness or injury shall not result in the loss seniority rights.

It is understood that maternity leave for female employees shall be granted with no loss of seniority for such period of time as her doctor shall determine that she is physically unable to return to her normal duties.

The employee must make suitable arrangements, in writing, for continuation of health and welfare and pension payments before the leave may be approved by either the Local Union or the Employer.

SECTION 4

A driver whose driving permit has been revoked is obligated to notify the Company within two (2) working days of revocation.

When a driver's permit has been revoked for twelve (12) months or less for reasons other than those for which he can be discharged by the Employer, he or she shall be placed in full time jobs in their buildings which are available after all eligible disabled drivers have been accommodated. Such employees must be capable of performing the available work.

If no full time jobs are available, such employee may displace the most junior part time employees in the building, provided they are capable of performing the work. Such employees shall be paid for hours worked only, at the rate of fifty percent (50%) of the employee's prevailing rate of pay or their current rate of pay if their hourly rate is less than \$15.00 per hour for any work performed.

The right to work at full time jobs or displace part time employees shall be limited to twelve (12) months during any driver's lifetime. Any single loss of license in excess of twelve (12) months, or a series of losses that result in an accumulated total of more than twelve (12) months, shall result in the discharge of the employee.

However, if the first loss of license is for D.W.I. and the revocation is between twelve (12) months and fifteen (15) months, the employee will be entitled to twelve (12) months' work as provided above. Any additional time off between twelve (12) months and fifteen (15) months, the employee will be granted a leave of absence.

ARTICLE 61
GENERAL MANAGEMENT PROVISION

SECTION 1

The management of the Company and the direction of the work force, including the right to plan, direct and control Company operations and to maintain and establish reasonable rules of the operation and reasonable working practices, not inconsistent with the provision of this Agreement shall be vested exclusively in the Company. It is agreed that the Company will give the Union thirty (30) days' notice of any anticipated major change in the Company's method of operation.

SECTION 2

If any major change by the Company in methods of operation results in a substantial change in job content of any job classification provided in this Agreement or in the creation of a new classification or in substantial hardship to employees, the parties shall attempt to agree on a new wage rate for such job or jobs, or hardship corrections, and failure to agree, an applicable wage rate or hardship correction shall be determined by the grievance procedure in accordance with the provisions of Article 49 herein.

ARTICLE 62
JURY DUTY

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

ARTICLE 63
PORTER-CAR WASHER JOBS TO BE RESERVED

SECTION 1

The Company and the Union agree to reserve porter and car washer jobs for long service employees engaged in more strenuous work. The Union and Company mutually agree that these jobs will be assigned to worthy cases on the basis of seniority.

The Company shall have the right to subcontract porters and car washer work as per past practice, provided, however, such subcontracting work does not result in the layoff of any porter or car washer.

SECTION 2

Disabled drivers will be placed in available full time jobs if they are physically capable of performing the work. Such employees shall be paid the rate of the job performed.

If no full time work is available, such employees will be allowed to displace the most junior part time employees in their building providing they are judged physically capable of performing the work. Such employees shall be paid for hours worked only at the part time rate of pay applicable to a part time employee hired on the same day as the disabled driver.

If the Company's doctor and the employee's doctor cannot agree on a hardship, a third doctor or institution will be used and that decision will be final and binding upon the Company, the Union and the employee.

ARTICLE 64 PAY FOR DEATH IN FAMILY

SECTION 1

In the event of a death of a member of the employee's family, a seniority employee shall be allowed a reasonable time off to attend the funeral, not to exceed four (4) scheduled work days. These days shall not extend beyond the day of the funeral unless an additional day is required for travel, except as noted below. The employee will be reimbursed at eight (8) times the employee's straight-time hourly rate for each day lost from work for those employees whose regular scheduled workweek is five (5) days, and ten (10) times the straight-time hourly rate for those employees whose regular scheduled workweek is four (4) days.

A regular full-time employee shall be guaranteed two (2) days off to be taken between the day of death and two (2) working days following the funeral.

SECTION 2

Members of the employee's family mean spouse, child, father, mother, brother, sister, grandparents, mother-in-law and father-in-law.

Part time employees will enjoy the same benefits as above, paid at four (4) times the employee's hourly rate.

ARTICLE 65 STEWARDS

It is the policy of the Company and the Union that grievances be handled with the participation of the regular Steward. The Company agrees to cooperate with the Union in establishing procedures to assure that the regular Steward

is available for the processing of grievances. The Union agrees that such procedures shall not hamper the Company's operation. The Company shall, in the absence of the regular Steward, recognize an alternate Steward designated by the Union.

Shop Stewards and Union Officials shall be afforded super seniority with respect to terms and conditions of employment for layoff and recall purposes, and in other situations that assure the Union Officials and Stewards greater accessibility to co-workers to genuinely assist them to perform their functions as a Steward or Union Official which will be to the benefit of co-workers.

ARTICLE 66 OPERATING CENTERS

Employees who are employed in operating centers where they are required to sort, sheet, load and deliver common carrier and retail merchandise shall be assigned on a delivery dispatch that will include allowance for sorting, sheeting and loading.

ARTICLE 67 SUMMER REPLACEMENTS

This article does not apply to Package Drivers, Feeder Drivers and 22.4's

SECTION 1

Summer vacation replacement employees may be hired to work from May 10th to September 30th each year.

Time worked by such employees shall not accrue towards seniority. The Company will notify the Union prior to hiring such employees.

SECTION 2

When the Company needs additional summer replacement employees, it shall not be compelled to hire those referred by the Local Union, but shall give the Local Union equal opportunity with all other sources to provide suitable applicants.

ARTICLE 68 UNION COOPERATION

The Union agrees that it recognizes it is in the best interests of both parties for it to encourage its members, individual and collectively, to perform loyal and efficient work and will use all reasonable efforts to that end. The Company will not request or require from any employees any more than a reasonable performance.

ARTICLE 69 VACANCIES

SECTION 1

The Company will offer tractor driver vacancies to full time employees who are covered by this Supplemental Agreement, and who, in the judgment of the Company, are qualified. The vacancies shall be filled in the following manner.

- (a.) Two (2) from the District Feeder Transfer List (Metro, Central and North)
- (b.) Two (2) from the Qualified List
- (c.) One (1) new hire

SECTION 2 – FEEDER QUALIFICATION SCHOOL

Full time employees, who are interested in qualifying as tractor-trailer drivers, shall so notify the Company and specify which District they choose to work in. Such employees, in seniority order, within their chosen District will be permitted to attend, on their own time, the Company training program which will be established periodically when the Company determines there is a need to qualify additional tractor trailer drivers. A good driving record is a prerequisite to such training. The Company agrees to furnish the instructors and necessary equipment. Employees who successfully complete this program will be placed on a Qualified List within their District.

Employees who will fill new feeder openings must remain in the feeder classification for a one (1) year period. In order to return to his or her previous classification after one (1) year, an Employee must so notify the Company during his or her first thirty (30) days in the feeder classification. Such employees shall be allowed after one (1) year in the feeder classification to return to their previous classification without loss of seniority.

Employees, both qualified and non-qualified, shall have no more than nine (9) months to report to the Feeder classification from date of notification by the Company of entering into Feeder training class. Any such employee will be required to resubmit a transfer request to the appropriate overall feeder transfer list.

SECTION 3

Employees who do not complete Feeder Schools sponsored by the Company and conducted by outside vendors or fail to pass the state road test licensing requirement after a maximum of three (3) attempts per Feeder School attended will be responsible to reimburse the Company for the full amount paid to the vendor that provided the training. The employee will have

the option to make full reimbursement within one week of his disqualification or pay one hundred dollars (\$100.00) per week until reimbursement is completed. In addition those employees who choose not to become Feeder Drivers or who choose to return to their original classification within one (1) year of entering the feeder classification will be required to reimburse the Company for the full amount paid to the vendor that provided the training. Employees who choose to return to their previous classification under the provisions set forth in Section (2) two of this Article will not be responsible for any form of reimbursement.

It is understood that hardships may exist, and in such cases will be reviewed by both the Company and the Union. If it is agreed to return an employee under the provisions of hardship, no reimbursement will be required. Any decision pertaining to hardships must be mutually agreed to by the Company and the Union.

The employees' responsibility for reimbursement will be limited to training provided by outside vendors hired by the Company to provide training.

SECTION 4

Any dispute involving the application of this provision shall be submitted to a representative of the Union and the Company for mutual Agreement.

ARTICLE 70 MISCELLANEOUS

SECTION 1 – TACHOGRAPHS

Tachographs will not be used for the purpose of checking drivers' time schedules.

SECTION 2 – PIGGYBACKING

No first day deliveries will be piggybacked. Except in case of imbalance, no present feeder run will be piggybacked unless a comparable feeder run has been added by the Company. When new feeder runs are established, the Company will designate such runs as replacements for runs which are to be piggybacked. Such runs shall be put up for a bid pursuant to the seniority provisions of the Contract. No present feeder driver will lose feeder driver's work due to piggybacking. "Present", as used in this Section, shall refer to feeder runs in effect as of September 1, 1976.

SECTION 3 - ON JOB SUPERVISION

On job supervision of employees shall not be used for the purpose of harassing employees.

SECTION 4 - UNIFORMS AND PERSONAL APPEARANCE

The employees shall comply with the current standards of personal appearance regulations posted by the Company and with such reasonable amendments as shall be adopted by the Company. A Joint Committee, consisting of two (2) representatives of the Company and two (2) representatives of the Union, shall be convened periodically for the purpose of reviewing and, where indicated, recommending changes in rules or policies relating to standards of appearance.

In the event of a bona fide doubt as to whether an employee has complied with the Company's standards on personal appearance, the matter shall be referred to the Committee for a recommendation before action is taken, provided the Committee can be convened and can make a joint recommendation within thirty-six (36) hours.

The Employer agrees that if any employee is required to wear any kind of uniform as a condition of his continued employment, such uniform shall be furnished and maintained by the Employer, free of charge, at the standard required by the Employer.

The Employer will provide shirts with a maximum of ten (10) shirts allowable each year (5 winter, 5 summer) on the basis of one (1) new shirt for each worn shirt turned in. These shirts will be maintained by the employee.

The uniform and UPS shirts will be worn at all times while on duty while off the Company's property and at the standard determined by the Employer. Employees shall not wear any article of clothing determined to be incompatible with the uniform standards established by the Employer.

Feeder drivers will not be required to wear a collared shirt while performing shifting duties on the Company's property.

It is agreed that employees must strictly comply with the Employer's regulations concerning personal grooming and appearance and the wearing of uniforms and accessories.

The Employer shall provide lockers and the basic uniform shall be kept in the locker. Employees shall change into uniforms on the Company premises before reporting for duty and change out of uniforms after being relieved from duty each day.

SECTION 5

A Labor Management Committee, consisting of two (2) representatives of the Union and two (2) representatives of the Company, shall be created to consider all matters which may be referred to it for decision.

SECTION 6

In any instance of breakdown or impassable highway which prevents an employee from proceeding to his destination (or, if instructed, from returning to his or her center), the employee shall be paid for all time up to the time at which he or she arrives at a place of lodging, or place of suitable shelter, with overtime payments, if appropriate. Once he or she has arrived at a place of lodging, or place of suitable shelter, the employee shall be considered relieved from duty and he or she shall remain off duty until his or her regular starting time the next day or until called to duty, whichever occurs sooner. If more than one (1) day elapses before the employee is called to duty, he or she shall be paid not less than his or her daily minimum guarantee each twenty-four (24) hour period, such period to be measured from the employee's regular starting time each day until he or she returns to his or her center or home. The meal expense reimbursement shall be ten dollars (\$10.00) for breakfast, fifteen dollars (\$15.00) for lunch and twenty dollars (\$20.00) for supper. In addition, the Company will reimburse the employee for reasonable expenses incurred during the layover.

SECTION 7

All regular employees covered by this Agreement shall be paid in full each week. Not more than one (1) week's pay shall be held on an employee. Each employee shall be provided with a statement of total hours and gross earnings and an itemized statement of all deductions made for any purpose. Payroll checks shall be in sealed envelopes.

SECTION 8

A daily time record shall be maintained by the Employer for all of his/her employees. Each employee shall "punch-in" his own time card or badge at the start of the day and "punch-out" his own time card or badge at the completion of the day's work at the Employer's place of business.

SECTION 9

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

ARTICLE 71 AIR CONDITIONING

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

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

ARTICLE 72 PART TIME EMPLOYEES

SECTION 1

Part time employees are defined as employees not otherwise gainfully employed who, when reporting to work as scheduled, shall be guaranteed a minimum of three and one half (3 ½) hours. Should any part time employee work beyond the fifth (5) hour, he or she shall be compensated at one and one half (1 ½) times their hourly rate on their regular shift. Part time employees who work on Sunday when Sunday is not a scheduled work day shall receive time and one half (1 ½) for all hours worked on that day.

SECTION 2

Any part time employee who wishes to become a full-time package driver, 22.3, 22.4 combination driver or helper within their building will submit a transfer to his or her Manager. If it is approved he or she will be put on the Part Time Transfer List according to his or her seniority in his or her building. The employee will be notified within fifteen (15) working days as to the status of their transfer. A list of the approved transfers will be posted within the building and updated monthly.

A part time employee must have at least six (6) months or more of seniority to apply. No transfers will be accepted during the free period. There will be a thirty (30) working day probationary period. A part time employee who fails to qualify shall not be allowed to put another transfer in for six (6) months. A part time employee who fails to qualify on more than one occasion shall not be allowed to put another transfer in for nine (9) months. Part time employees will transfer to full time jobs, within their building, after the full time transfer procedure is completed. There shall be a three for one ratio on part time employees to new hires.

SECTION 3

Part time employees successfully transferring to full time jobs will be considered as newly hired full time employees and will be added to the appropriate seniority list. Their seniority date will be the day of the transfer. If a holiday falls during their probationary period they shall be paid four (4) hours pay at the part time rate of pay they were receiving at the time of transfer, in addition to all regular earnings for time worked.

SECTION 4

For vacation and retirement purposes, the employee shall receive additional seniority credit equal to all time worked as a part time employee.

SECTION 5

Part time employees will work off the part time employee seniority list on each shift.

SECTION 6

No full time inside employee within the jurisdiction of Local 177 will be required to transfer to another classification or to another location as a result of the use of part time employees. All full time (inside and outside) employees will be afforded the opportunity to displace part timers who are working within the jurisdiction of the Local. The procedures will be outlined in the Reduction in Force Article.

SECTION 7

When it is agreed that a hardship exists, and no porter or clerk jobs are available, such hardship cases will be allowed to displace part timers in the car wash classification where eight (8) consecutive hours of car washing exists.

SECTION 8

Full time car washers will have a preference of new start times within their building where eight (8) consecutive hours of car washing work is available.

SECTION 9

Part time employees will not be permitted to do porter, clerk, delivery driving, feeder driving, or tractor-trailer driving work.

SECTION 10 - PART TIME HOLIDAYS

Part time employees who work on a holiday, as an extension of the regular schedule of the previous night's work, shall be paid at the straight time hourly rate.

Whenever possible, a part time employee who works on a holiday at the regular straight time rate will be given another day off for which he or she will receive four (4) hours holiday pay or shall receive four (4) hours holiday pay in addition to regular earnings for time worked.

SECTION 11 - VACATIONS

(a.) All part- time employees who have one (1) year seniority or more on May 1, 1980 and each May 1st thereafter, shall have earned five (5) consecutive days off, Monday through Friday with twenty-two and

a half (22 ½) hours pay, which must be taken between December 26th and the Sunday after Thanksgiving. This selection will be made in seniority order immediately following the regular vacation pick. All part-time employees hired on or after August 1, 1997 will become eligible for the above benefit upon completion of two (2) years seniority on the next May 1st and each May 1st thereafter.

In addition, employees with three (3) or more years of seniority may elect to use these days individually with four and one half (4 ½) hours straight time pay per day. During the selection period the employee will notify the Employer of his/her intention to select the one week option, individual days or to receive pay in lieu of time off.

- (b.) The employee may request payment for these five (5) additional days at twenty-two and a half (22 ½) hours pay at any time after the effective date in lieu of time off.

If days are taken individually the employee may request payment for any earned, unused days at the rate of four and half (4 ½) hours straight time pay per day after May 1 of each year in lieu of time off. Any unused days will be paid off on April 30th of each year at the rate of four and a half (4 ½) hours straight time pay per day.

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

- (c.) Individual days shall be awarded by seniority and the following procedure shall apply: any employee who notifies the employer prior to one (1) week before the requested day off will be placed on a list of employees that request said day off. Employees will be notified one (1) week before the requested day off whether the request will be granted or denied. Employees will be afforded the time off in seniority order with a minimum of three (3) per week and a maximum will be determined by business needs. These individual days may be restricted from the Sunday after Thanksgiving to December 25, January 1st through January 10th, Valentine's Day and the day prior, two (2) work days following any contractual holiday, except Christmas. The restrictions noted do not preclude the days from being granted.

SECTION 12 - SICK LEAVE

- (a.) Effective May 1, 1980, and each May 1st thereafter, all regular part time employees with one (1) year seniority shall have earned three (3) days paid sick leave per year ending April 30th.

- (b.) A cash payment will be made on April 30th of each year for each day of unused sick leave. The amount of unused sick leave pay shall be the equivalent of four (4) hours straight time pay per day.
- (c.) In no event will an employee be entitled to more than three (3) days sick leave per year.
- (d.) The employee may request payment for any earned, unused sick days at the rate of four (4) hours per day after the effective date in lieu of time off.
- (e.) Regular part time employees with less than one (1) year seniority prior to May 1st of each year, shall have earned one (1) day paid sick leave after the first twelve (12) months and one (1) day for every four (4) months of service thereafter up to a maximum of three (3) per year thereafter.

SECTION 13 - PART TIME START TIMES

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

After posting, the start times shall not be changed unless necessitated by the needs of the business. Any changes to the start time will be posted and communicated prior to the end of the previous day's sort.

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

SECTION 14 - PART TIME JOB SELECTION

All eligible qualified part time employees shall be afforded the opportunity to put their name on the list of qualified employees waiting to be moved to a different shift or classification within their building. The classifications shall be: sorter, preloader and all other. Each shift shall have a separate list by classification.

Qualified part time employees with one (1) year or more seniority may select permanent vacancies and permanent new jobs as provided for in this Article, in all months except November and December. A permanent new job for the purpose of this Article, shall be one that has been in existence for a period of thirty (30) days.

Employees shall not be allowed to select a specific unit or work station.

Pending the job becoming permanent and the operation of the job selection procedure, management shall have the right to assign any employee to perform the work on a temporary basis. This job selection procedure shall be limited to two (2) moves, the original opening and one (1) other. The Company will fill the third (3rd) opening.

All eligible qualified part time employees may sign his or her name and seniority date to any and all lists. The jobs will be awarded in seniority order, on the Monday following the permanent vacancy or the job being declared permanent in accordance with the limitation described in the preceding paragraph. Employees who are awarded shift or classification changes shall not be allowed to place their name on another list for a period of six (6) months.

Employees desiring to move to sorter and preloader jobs must be pre-qualified for that job.

When the job selection procedure is applied and the result of this procedure is causing a disruption of the operation, the Local Union and the District Manager will immediately work out a proper method to resolve the problem.

SECTION 15

All part time employees shall be given a paid relief period not to exceed ten (10) minutes per day. This paid relief period should be taken no sooner than the first hour of work. If a part time employee works seven hours (7.00) or more on their assigned shift, they will receive an additional ten (10) minute paid relief period.

SECTION 16 - PART TIME REDUCTION IN WORK FORCE

When a reduction in work force is necessary the least senior employee on his or her shift shall be laid off first.

After a one (1) week layoff, the laid off employee shall be allowed to displace the least senior employee in his or her building, provided he or she is qualified to perform the work.

SECTION 17

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

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

- (a.) Maximum of three (3) transfers will be allowed from any building in the same calendar year.
- (b.) Maximum of three (3) transfers will be allowed into any building in the same calendar year.
- (c.) If an employee transfers, the transferee shall be placed on the seniority list in the operation to which he or she transferred and his or her seniority date shall be the date of the transfer for the purposes of bidding, etc. However, he or she shall maintain his or her Company seniority date for the purpose of vacation selection and layoffs.
- (d.) Part time employees will not be allowed to transfer during the months of November and December.

SECTION 18 - UPS PENSION PLAN COVERING PART TIME EMPLOYEES

See Plan Booklet

ARTICLE 73 MAINTENANCE OF STANDARDS

SECTION 1

The Employer agrees that all conditions of employment relating to wages, hours of work, overtime differential, and general working conditions, as negotiated or agreed upon, shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement and the conditions of employment shall be improved wherever specific provisions for improvements are made elsewhere in this Agreement.

It is agreed that the provisions of this Section shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying the terms and conditions of this Agreement.

SECTION 2

The Employer agrees not to enter into any Agreement or contract with his/her employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such Agreement shall be null and void.

SECTION 3

It is understood and agreed that should it subsequently be determined that employees of the Employer come under the provisions of the Fair Labor Standards act or any similar legislation enacted in the state, then as to such employees any provisions of this Agreement which do not comply with the

requirements of said Act are to be changed so that there is no violation of the statutes, provided, however, that such changes shall not result in any substantial penalties to the employees or the Employer.

In the event the parties cannot agree on a solution to any problem arising from this Section, either party shall be allowed lawful economic recourse.

SECTION 4

Where new types of equipment and/or operations for which rates of pay are not established by this Agreement are put into use after the date of execution of this Agreement, rates governing such operations shall be subject to negotiations between the parties. Rate agreed upon or awarded shall be effective as of the date equipment is put into use.

ARTICLE 74 DURATION OF AGREEMENT

This Agreement shall remain in full force and effect until July 31, 2023 and shall automatically renew itself from year to year thereafter unless either party notifies the other in writing within sixty (60) days prior to the expiration of a desire to amend or terminate the same.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS LOCAL 177

Chris Eltzholtz, Secretary Treasurer
Robert Cherney, President
Paul Saliani, Jr., Vice President
Joe McKenna, Jr., Recording Secretary

UNITED PARCEL SERVICE

Steve Radigan, North Atlantic District Labor Manager
Matt Loughlin, East Region Labor Manager
Dave Bogaert, North Atlantic Labor Manager
Kathy Deady, North Atlantic Labor Manager
Chris McMiller, North Atlantic Labor Manager
Mike Sherry, North Atlantic Labor Manager
Kevin Torrey, Feeder Operations Manager

**MEMORANDUM AGREEMENT
UNITED PARCEL SERVICE AND IBT LOCAL 177**

Unassigned package drivers may request temporary vacancies of one (1) week or more duration.

If more than one (1) request is received for the same vacancy, it shall be given to the most senior employee providing he or she has sufficient knowledge of the area and such assignment does not adversely effect the operating needs of the Company. The Company will not be unreasonable in the application of the above language.

JACK DEMPSEY
East Region Labor Relations
United Parcel Service

MICHAEL PURDUE
President
IBT Local 177

MICHAEL ROSENTRATER
North Jersey District
United Parcel Service

VICTOR PALUMBO
Recording Secretary
IBT Local 177

**MEMORANDUM OF AGREEMENT
UNITED PARCEL SERVICE AND IBT LOCAL 177**

The parties agree that the extension of peak season to January 10th will not change the way the New Year's Eve and New Year's Day holidays are assigned. These holidays will be offered to seniority employees prior to being offered to peak season employees.

Al Betts
Vice President
IBT Local 177

Eric Bringe
North Atlantic District Labor Manager
United Parcel Service

**MEMORANDUM OF AGREEMENT
IBT LOCAL 177 AND UNITED PARCEL SERVICE**

Full time combination drivers will be governed by Article 22 Section 4 of the UPS National Master Agreement and the Teamster Local 177 Supplemental Agreement. Any items not specifically covered by the above will be addressed by the Teamster Local 177 full time 22.4 combination driver memorandum of understanding. ("Work Rules")

Chris Eltzholtz
Secretary-Treasurer
IBT Local 177

Steve Radigan
North Atlantic District Labor Manager
United Parcel Service

MECHANICS CONTRACT

Collective Bargaining Supplemental Agreement

Between

**Mechanics and Maintenance Employees
United Parcel Service, Inc.
(New Jersey)**

and

Teamsters Local Union 177



**Affiliated with the International Brotherhood
of Teamsters Local 177**

August 1, 2018 to July 31, 2023

Local 177 Executive Board

Chris Eltzholtz
Secretary-Treasurer

Al Ambrogio
Business Agent

Robert Cherney
President

Bill Gibbs
Business Agent

Paul Saliani, Jr.
Vice-President

William Heady
Business Agent

Joe McKenna, Jr.
Recording-Secretary

Michael Irving
Business Agent

Anthony Alers
Trustee

Harold B. Johnson
Business Agent

Douglas Connon
Trustee

Harry Tansley
Business Agent

Pablo Cunha
Trustee

Teamster Local 177 Representational Rights Statement

(If you are called to a meeting with management, read the following to management.)

“If this discussion could in any way lead to my being disciplined or terminated, or affect my personal working conditions, I respectfully request that my Union Representative, Office or Shop Steward be present at this meeting. Without representation present, I choose not to participate in this discussion.”

Advisory On Withdrawal Cards

Members not working at the craft for a complete calendar month for reasons other than sickness or injury may request, and be issued, an Honorable Withdrawal Card in accordance with Article XVIII of the International Constitution.

Members off work for a complete calendar month because of sickness or injury should contact the Union office regarding the issuance of a withdrawal card.

Please note that any member who is not required to request a withdrawal card in accordance with the International Constitution but who requests and is issued a withdrawal card must be advised that the issuance of that withdrawal card may result in a break in their twenty-four month continuous good standing requirement for eligibility to:

- Hold Local Union Office.
- Be a Delegate/Alternate Delegate to the next International Convention.
- Be a candidate to run for International Office; and
- Nominate/vote in the election of Union officers; the election of Delegates/ Alternates; or, in the election of International Union officers.
- Any other continuous good standing requirements of Local Union No. 177 as stated in the Local Union By-Laws.

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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 Local 177. Except as provided herein, the provisions of the National Master United Parcel Service Agreement shall prevail.

ARTICLE 1.
RECOGNITION OF UNION AS BARGAINING AGENT

1.1 Employees covered by this Agreement shall include employees doing all those classifications of work set forth in the Wage Schedule of this Agreement, or any supplement hereto.

1.2 The Company recognizes the Union as the exclusive collective bargaining agency for employees of the Company covered by the jurisdiction of the Union as determined, or as may be determined, by the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, with regard to wages, hours and other conditions of employment except such employees as are excluded by the following paragraph.

1.3 This Agreement shall apply to all Employees of the Company within the jurisdiction of Teamsters Local 177 who are engaged in the repair of motor vehicles owned by the Company, and in the maintenance of plants and mechanical equipment, installed on premises of the Company. Non-working supervisors and office clerks shall be excluded from the contract.

1.4 All reference to employees in this Agreement shall be understood to designate both sexes. Wherever the male gender is used it is understood to include both male and female employees.

ARTICLE 2.
UNION SHOP AND DUES

2.1 All new employees shall be probationary or temporary employees until they have acquired seniority status prior to which time they may be summarily dismissed by the Company without challenge, but the Union may represent such temporary or probationary employees in the handling of grievances other than those relating to dismissal. All employees hired to perform Collective Bargaining Unit work shall pay Union dues in the same manner as seniority employees of the Collective Bargaining Unit. Upon attaining seniority, employees shall be required to pay local Union initiation fee.

2.2 Employees who are not now members of the Union and, in addition all persons who shall become employees covered by this Agreement subsequent to the effective date of this Agreement, when admitted to

membership in the Union, shall be admitted without discrimination and to fair and reasonable terms and conditions, in accordance with the provision of the Constitution and By-Laws of the Union.

2.3 All present employees who are members of the Union shall, as a condition of continued employment, maintain their membership in the Union during the life of the agreement and all new employees shall, as a condition of continued employment, join the Union upon acquiring seniority status as provided in Article 11 of this agreement (but in no event earlier than thirty (30) days from the date of this agreement, or thirty (30) days from the effective date of this agreement, or the date this agreement is executed, whichever is the later), and shall maintain their membership in the Union during the life of the agreement. The Company agrees to dismiss promptly from any job covered by this agreement any worker for failure to tender regular Union initiation fees and dues or for any other reason of bad standing in the Union, which may, from time to time, be permitted by law as a cause of discharge, provided that the Company is officially notified by registered mail to that effect.

2.4 The Company agrees to deduct the regular Union dues, initiation fees and/or uniform assessment from the pay of all employees covered by the Agreement who, in writing, voluntarily authorize the Company to do so in accordance with the law. The Company agrees to remit to said Union all such deductions on or before the fifteenth (15th) of the month for which such deductions are made. The Company shall deduct dues from the employees' vacation payments for employees who are on vacation during the week in which the Union dues deduction would otherwise be made.

Where an employee is not on the payroll during the week in which the deduction is to be made, or has no earnings, or insufficient earnings during the week, or is on a leave of absence, such employees must make arrangements with the Union to pay his dues in advance. The Employer shall submit, with each dues remittance, a report by center, listing all seniority employees alphabetically and the amount of dues, if any, deducted for each employee. The Secretary-Treasurer of the Union shall be notified monthly when an employee acquires seniority.

2.5 The Employer agrees to deduct specific amounts each week from the wages of those employees who shall have given the Employer written authorization to make such deductions. The amount so deducted shall be remitted to the Teamsters Credit Union once each month. The Employer shall not make deductions and shall not be responsible for remittance to the Credit Union for any deductions for those weeks during which the employee has no earnings or in those weeks in which the employees' earnings shall be

less than the amount authorized for deductions. However, the Company will make deductions for Credit Union from the employees vacation pay.

**ARTICLE 3.
Wage Schedule**

Upon ratification of the 8/1/18-7/31/23 UPSNMA and Local 177 Mechanics Supplemental Agreement seniority employees shall receive a one-time tool allowance for the following amounts after taxes; Automotive Mechanics will receive five hundred fifty dollars (\$550.00), Maintenance Mechanics will receive two hundred seventy-five dollars (\$275.00), Helpers and Handymen will receive one hundred twenty-five dollars (\$125.00).

3.1 Effective August 1, 2018 and for the period to and including August 1, 2023:

Helper rate shall be 70% of the prevailing Journeymen Mechanics' rate.

Helpers will receive all future National Master Agreement wage increases.

Handymen rate shall be 50% of the prevailing Journeymen rate.

Wage Rates

Classification

| | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| Journeymen Mechanic (All Trades) | <u>8/1/18</u> | <u>8/1/19</u> | <u>8/1/20</u> | <u>8/1/21</u> | <u>8/1/22</u> |
| | \$36.33 | \$37.08 | \$37.88 | \$38.78 | \$39.78 |
| Helpers (Automotive) | <u>8/1/18</u> | <u>8/1/19</u> | <u>8/1/20</u> | <u>8/1/21</u> | <u>8/1/22</u> |
| | \$27.51 | \$28.26 | \$29.06 | \$29.96 | \$30.96 |
| Handymen (Maintenance) | <u>8/1/18</u> | <u>8/1/19</u> | <u>8/1/20</u> | <u>8/1/21</u> | <u>8/1/22</u> |
| | \$18.17 | \$18.54 | \$18.94 | \$19.39 | \$19.89 |

Full Time New Hire Wage Progression

All Supplements, Riders or Addendum will contain the following wage progression schedule to cover all full-time employees, except Apprentices, Helpers and Handymen who have not yet attained seniority as of August 1, 2018.

**Percentage of Wage
Rate in Effect
On August 1, 2018**

| | |
|-----------------------|-----------------|
| Start | 85% |
| plus 18 months | 90% |
| plus 24 months | Top Rate |

Mechanics in progression on 8/1/18 shall be slotted into the above progression

The "top rate" is the wage rate in the job classification in the applicable Supplement, Rider or Addendum then being paid, including the general wage increases and cost-of-living increase, if any, paid under the provisions of the 2018-2023 Agreement. See Article 34 for Cost of Living Increases.

3.2 Working Foreman

Working Foreman shall receive twenty-five cents (.25) per hour above the rate in the classification in which they work.

3.3 Night Differential

Full time night workers, employed on or before July 1, 1977, shall receive, night differential of seventy-nine cents (.79) per hour. A regular full time night worker shall be deemed to be one whose regularly scheduled hours begin at or after 1:00 p.m. or begin at or before 5:00 a.m.

3.4 Travel Time

(a) Payment of travel time will be in accordance with present practice. Travel allowance is mileage from home to temporary assignment less mileage from home to permanent assignment. Travel allowance will be maintained at the same level as the IRS limit per mile for all miles driven during the lifetime of this Agreement. In those cases where temporary work may become available in outlying areas, the senior man living in the area will be given consideration if qualified. This applies only to employees in the Main Shop pool. The Automotive Pool Man will be supplied with a list of tools required to perform job requirements. When required to report to temporary work location (scheduled work week), the Pool Man will be required to carry the designated tools in his/her personal vehicle provided tools can be properly accommodated.

(b) Tolls cash expenditures and travel allowance will be paid monthly by separate check within two weeks from the time these expenses are submitted. Any shortages will be addressed immediately. Whenever possible the Mechanic will be provided with E-Z Pass for use while operating UPS vehicles.

(c) Vehicle breakdown while mechanic is working under travel time pay and mileage allowance shall be as follows: The Company will pay no less than eight (8) hour guarantee: in case of an accident, the Company will provide transportation for the employee to his home on the day of the accident only.

When a Mechanic uses their personal vehicle in the service of the Employer and is involved in an accident disabling the vehicle, the Employer shall reimburse the employee up to 500.00 to cover the employee expenses related to the accident, including towing, rental car reimbursement or deductible. The Company will cover liability where the employee's coverage ends.

3.5 Employees receiving more than the rate of pay in their respective classifications will not suffer any reduction in the rate as a result of this Agreement.

3.6 Injury-On-Job Pay

An employee who becomes sick on the job will be paid for all time worked on that day. An employee who gets hurt on the job will be paid for the entire day.

3.7 Handymen

a) Handymen will have their own jurisdiction wide seniority list.

b) Handymen shall be used to perform non-skilled, non technical work.

c) The starting rate shall be \$15.00 per hour and after (6) six months will receive the prevailing hourly pay rate (50% of the Journeymen).

d) The Handymen classification will not exceed 20% of the Bargaining Unit.

e) The scheduled work week for Handymen will be five consecutive days Sunday-Thursday, Monday-Friday or Tuesday-Saturday. The day off schedule will be posted by Thursday the preceding week.

f) Handymen may be assigned to report for and finish work at a facility other than their primary work location. Handymen may be scheduled to work in more than one (1) location during their scheduled work day/week. Handymen will receive the appropriate travel allowance. Travel allowance is miles and tolls to and from all work locations minus miles and tolls to and from employee's home and permanent work location.

g) Handymen will have a separate vacation schedule.

h) A Journeymen Mechanic (during progression) will not earn less per Hour than prevailing Handyman rate.

i) It is specifically understood and agreed by both parties that giving the Handymen their own seniority list, is not in any way to violate or interfere with the Journeymen Mechanics seniority which at all times and circumstances prevails.

j) All Handymen interested in becoming a Journeymen Mechanic will be required to complete a pre-qualification test. Time spent taking this pre-qualification test will not be paid time. Those Handymen who successfully complete the pre-qualification test will then be permitted to place their names on job bids posted in accordance with Article 11.6. Upon entering the Journeymen classification, the Handyman will be required to successfully complete a thirty (30) day training program. The Company, the employee and the Union Shop Steward will meet no less than five (5) times during this training period to discuss the employee's progress and/or any areas of deficiency.

If the Handyman cannot meet the requirements to become a Journeymen, the Company may offer the Handyman the opportunity to enter the Apprentice program in accordance with Article 30.

After the bidding procedure has been followed, and no seniority employee within the classification accepts the bid, the open bid for a Journeymen's position will be offered in seniority order to those employees who have successfully completed the pre-qualification test and whose names appear on the transfer list.

Upon entering the Journeymen classification, the transferring employee will be required to successfully complete the thirty (30) day training program. The Company, the employee and the Union Shop Steward will meet no less than five (5) times during this training period to discuss the employee's progress and/or any areas of deficiency.

If the transferring employee cannot successfully meet the requirements to become a Journeymen, the Company may offer the transferring employee the opportunity to enter the Apprentice program in accordance with Article 30. In the event the employee does not agree to enter the Apprentice program, the transferring employee will return to his/her classification and original job with no loss of seniority. Employees who fail to qualify will be advised of the areas in which they are deficient and upon successfully completing training in these areas, may place their names back on the pre-qualified transfer list.

3.8 Helpers

a) Helper will have their own seniority list.

b) Employees classified as Helpers may perform repairs on trailers. If the Company's needs require Helpers to work on power equipment, the Helper may do so only if there is no Journeymen Mechanic available and may do so only under the guidance of a Journeyman.

c) The starting rate for Helper will be (\$1.00) one dollar per hour less than the seniority rate. Upon attaining seniority the Helper will receive the prevailing hourly pay rate (70% of the Journeymen).

d) The Helper with the most seniority will be one day behind the Journeymen Mechanic with the least seniority for all working purposes.

e) The Helper classification will not exceed 20% of the Bargaining Unit.

f) Helpers will have a separate vacation schedule.

g) Helpers may be used for vacation coverage for Journeymen Mechanics in the trailer shop only.

h) A Journeymen Mechanic (during progression) will not earn less per hour than prevailing Helper rate.

i) It is specifically understood and agreed by both parties that giving the Helpers their own seniority list, is not in any way to violate or interfere with the Journeymen Mechanics seniority which at all times and circumstances prevails.

j) All Helpers interested in becoming Journeymen will be required to complete a pre-qualification test. Time spent taking this prequalification test will not be paid time. Those Helpers who successfully complete the pre-qualification test will then be permitted to place their names on job bids posted in accordance with Article 11.6. Upon entering the Journeymen classification, the Helper will be required to successfully complete a thirty (30) day training program. The Company, the employee and the Union Shop Steward will meet no less than five (5) times during this training period to discuss the employee's progress and/or any areas of deficiency.

If the Helper cannot meet the requirements to become a Journeymen, the Company may offer the Helper the opportunity to enter the Apprentice program in accordance with Article 30.

After the bidding procedure has been followed, and no seniority employee within the classification accepts the bid, the open bid for a Journeymen's position will be offered in seniority order to those employees who have successfully completed the pre-qualification test and whose names appear on the transfer list.

Upon entering the Journeymen classification, the transferring employee will be required to successfully complete a thirty (30) day training program. The Company, the employee and the Union Shop Steward will meet no less than five (5) times during this training period to discuss the employee's progress and/or any areas of deficiency.

If the transferring employee cannot successfully meet the requirements to become a Journeymen, the Company may offer the transferring employee the opportunity to enter the Apprentice program in accordance with Article 30. In the event the employee does not agree to enter the Apprentice program, the transferring employee will return to his/her classification and original job with no loss of seniority. Employees who fail to qualify will be advised of the areas in which they are deficient and upon successfully completing training in these areas, may place their names back on the district pre-qualified transfer list.

3.9 When an employee informs the Employer of an unsafe condition and receives no consideration from the Employer, he/she shall take the matter up with the Officers of the Union who will take the matter up with the Employer.

3.10 Utility Journeymen

(a) Utility Journeymen may be scheduled to work in more than one (1) location during their scheduled workweek within their District. Their start time may not vary more than two (2) hours from their original posted time for that week.

(b) The number of these jobs bid shall not exceed two (2) Automotive and three (3) Maintenance Journeymen per District provided that the third Utility Maintenance Journeyman does not exceed twenty-five percent (25%) of the total number of Maintenance Journeymen in that District. If the need arises, these employees may be assigned to work in another District and will receive the appropriate travel allowance. The Company will review with the Local Union prior to assigning Utility Journeymen to work out of district.

(c) Each District will be permitted no more than two (2) Utility persons for the automotive classification and three (3) Utility persons for the maintenance classification.

(d) Under no circumstances will the Company ever be required to have less than two (2) Utility Persons per district for the maintenance classification.

- (e) Utility Journeymen shall work in their own classification.
- (f) The Company will provide a secured area in the buildings for the Utility Mechanics' tools.
- (g) No utility bid shall be scheduled to work on Sundays.
- (h) Travel time pay and mileage allowance to and from all buildings, scheduled or unscheduled. Travel allowance is miles and tolls to and from all work locations minus miles and tolls to and from employee's home and permanent work location.
- (i) Interdistrict work assignment will be in seniority order and the appropriate travel time pay and mileage allowance shall be paid for by the Company.
- (j) All utility bids are first bid Monday through Friday. If no senior person takes the bid (seniority prior to August 1, 1987) the bid can be changed to Tuesday through Saturday.
- (k) No person with a seniority date prior to August 1, 1987 can be forced to take the utility bid.
- (l) Utility Mechanics' work schedule will be posted on each Thursday in the same manner as all Mechanics' work schedules.
- (m) Utility Mechanics' starting times may be changed on a daily basis, but not more than two (2) hours prior or after the original bid time.
- (n) Utility Mechanics' may be used to cover scheduled vacations, Workmen's Compensation, Disability, and other extended absences. The offering of work of this nature will be done only after all open jobs are offered to all the Pool Mechanics within the district. When used to cover as set forth above Utility Mechanics start times will not vary by more than two (2) hours prior or after their original bid time.
- (o) When Utility Mechanics' are used to cover vacations, the Company will not be required to use the Utility Men to cover the entire week.

3.11 Pool Journeymen – Automotive

(a) In those cases where temporary work may become available in outlying areas, the senior man living in the area will be given consideration if qualified. This applies only to employees in the Main Shop Pool. The Automotive Pool Man will be supplied with a list of tools required to perform job requirements. When required to report to temporary work location (scheduled work week),

the Pool Man will be required to carry the designated tools in his/her personal vehicle provided tools can be properly accommodated.

(b) Scheduled vacations, Workmen's Compensation, Disability and other extended absences will be covered by the Pool Man in the automotive department. The Pool Man will work the hours of the person he/she is covering at the straight rate of pay until normal overtime provisions apply.

(c) Pool Men will not be assigned fleets so as to be available to properly facilitate the coverage needed.

(d) The Pool Man will stay on their bid hours when not covering.

(e) Automotive Pool Men will select their vacations as per past practice.

(f) Pool Men not covering vacations, Workmen's Compensation, Disability and other extended absences will be assigned to the Main Shop Pool. The main shops presently are Meadowlands, Parsippany and Edison.

3.12 Pool Journeymen – Maintenance

(a) Scheduled vacations, Workmen's Compensation, Disability and other extended absences will be covered by the Maintenance Pool Journeymen. Maintenance Journeymen Pool Jobs must be bid after 12 noon and before 5:00 am.

(b) Maintenance Pool Men not covering scheduled vacations, Workmen's Compensation, Disability or other extended absences will be assigned to the Main Shop Pool. The Main shops presently are Meadowlands, Parsippany and Edison.

(c) The number of Maintenance Pool Jobs per district will be as follows:

Metro Jersey (Meadowlands): one (1) job.

North Jersey (Parsippany): one (1) job.

Central Jersey (Edison): one (1) job.

(d) Should additional Pool Men be needed this work will be covered by the least senior men in the effected District.

(e) Pool Men will work the hours of the person he or she is covering at the straight time rate of pay until normal overtime provisions apply.

3.13 It is mutually understood and agreed upon by both the Company and the Union that all other working conditions for Utility Journeymen and Pool Men shall be discussed and agreed upon as problems arise.

ARTICLE 4. HOURS OF WORK AND OVERTIME

4.1 Five (5) days of eight (8) hours each shall constitute a weeks work.

4.2 Overtime, at the rate of time and one-half shall be paid to all hourly employees for all hours worked in excess of eight (8) hours in any one day, or for hours worked outside of the regularly scheduled bulletin hours. Employees who come in late or leave early for personal reasons will be exempt from the above.

The fixed starting times shall not apply to employees who are scheduled to work on Sunday at the regular straight time rate of pay, but will remain constant for the remainder of the regular scheduled work week.

4.3 Pay at double the regular straight time rate, shall be paid for work on Sundays when such work is extra work and does not constitute part of the scheduled workweek of the employee. However, any employee who attains seniority after July 31, 1987 may be scheduled to work on Sunday at their regular straight time rate of pay. Those employees who are scheduled to work on Sunday as part of their regular scheduled work week will be paid at double the regular straight time rate for their seventh (7th) work day. Any Sunday schedule work pursuant to Article 4 is covered by the above language.

4.4 In addition to the eight (8) hours of pay at the regular straight time rate which will be paid to all employees for the holidays specified in Article 7 of the Agreement, those employees who work on such holidays when such work is extra work and does not constitute part of the scheduled work week of the employee, shall be paid at double the regular straight time rate.

4.5 Any extra work performed pursuant to 3 or 4 above, which continues into Monday or a day following the holiday, as the case may be, shall be paid at double the regular straight time rate, but such rate shall not continue into a regularly scheduled shift, except for employees who are scheduled to work on Sunday as part of their regular scheduled work week.

4.6 It is mutually understood and agreed that time not worked, even though paid for, shall not be included as time worked for the purpose of

computing overtime; that the overtime provisions of this Agreement cover all overtime payments to which an employee is entitled, whether by agreement or statute or both, that any such overtime or premium payments for time not worked shall not be included for the purpose of computing an employee's regular rate of pay and that there shall not be any pyramiding of statutory overtime on contractual overtime.

4.7 Employees shall be allowed two (2) fifteen (15) minute coffee periods, the time for which shall be set by mutual agreement between the Company and the Union.

4.8 Scheduled Work Week

The scheduled work week for all covered employees will be Monday through Saturday. The Company agrees to keep to a minimum the numbers of employees scheduled to work on Saturday, pursuant to the operating needs of the business. The day off schedule will be posted by Thursday the preceding week.

4.9 Lunch Period

The lunch period must be started not sooner than three (3) hours and no later than five (5) hours after scheduled starting time. If an emergency occurs and employee works through the lunch period, such employee will receive one-half (1/2) hour at the overtime rate, plus an opportunity to eat after the emergency, but within his regular scheduled shift. Such time shall not be counted as the regular breaks provided for in Article 4.7.

4.10 Call In On Day Off

Any full-time employee who worked on his scheduled day off and is also available for work on each of his regularly scheduled five (5) days (except for absence due to legitimate good cause) shall receive overtime pay at the rate of time and one-half for all work on such scheduled days off, but in the event he is absent on any of his regularly scheduled five (5) days without legitimate good cause, he shall receive no overtime pay for work on his scheduled day off.

4.11 Early Call In

An employee called in to work before his scheduled starting time or after the termination of his regular shift shall receive overtime pay for such hours actually worked, but no less than three and one half (3 1/2) hours work or pay at time and one half (1 1/2) the straight time hourly rate of pay. This shall not apply to employees who continue on overtime work after the completion of their regular shift. Employees notified before the end of their regular shift to report for work prior to the regular starting time on the following day, shall, likewise, be exempt from the guarantee and shall be paid only for hours

actually worked at time and a half. Employees called in and assigned to work in buildings other than their domiciled building may elect to report to and finish work at their domiciled building. The option of where to report and finish is solely the choice of the affected employee.

ARTICLE 5. WELFARE PLAN

5.1 The Company will make contributions for the Health & Welfare In accordance with Article 34 of the National Master Agreement as applicable to the Teamsters Western Region and Local 177 Health Care Plan.

5.2 Beginning January 1, 2014 eligibility for health and welfare benefits, for both active and retired employees, will be in accordance with Article 34 of the National Master Agreement and the Teamsters Western Region and Local 177 Health Care Plan's Summary Plan Description.

5.3 Current retirees who are receiving benefits through a UPS sponsored plan shall receive coverage beginning January 1, 2014 under the terms of the Memorandum Concerning UPS Sponsored Plans, attached to the National Master Agreement.

Any eligible employee who retires effective January 1, 2014 or thereafter shall be provided retiree medical benefits through the Teamsters Western Region and Local 177 Health Care Plan.

5.4 The employer shall make health and welfare contributions for employees who have been injured on the job for a period of one (1) year, and for employees who are ill or who have been injured off the job for a period of four (4) weeks.

ARTICLE 6 RETIREMENT PLAN

Pension contribution increases to the UPS-Local 177 Retirement Plan will be made in accordance with Article 34 of the National Master Agreement and the Letter of Agreement between IBT Local 177 and UPS.

ARTICLE 7 HOLIDAYS

7.1 A full-time seniority employee shall be paid for the following holidays provided he works a minimum of two (2) days during the holiday week, one of these days must be the day before or the day after the holiday: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving

Day, Christmas Day, New Year's Eve Day and the day after Thanksgiving. Seniority employees who are absent the full week of the holiday week due to illness or Workers Compensation or Disability need not work during the holiday week in order to receive holiday pay. The amount of holiday pay shall be the equivalent of eight (8) hours straight-time pay.

Employees who have attained seniority shall be entitled to one (1) Option Holiday. The Employee may request payment for this additional holiday at any time after the effective date in lieu of time off.

Employees will be entitled to a Personal Holiday upon attaining seniority. If the employee elects to work the Personal Holiday they will receive Holiday pay plus double time for all hours worked. If the employee elects to take this Personal Holiday as a day off, he/she will be paid eight (8) hours and he/she must notify the Company prior to the Thursday before the week their Personal Holiday will fall.

Employees will be afforded the time off in seniority order with a minimum of one (1) per day, and a maximum will be determined by the needs of the business.

Neither of these options may be exercised from December 1 to December 25 of each year.

7.2 Effective May 1, 1980 and each year thereafter, all seniority employees with one (1) year or more of seniority shall have earned five (5) consecutive days off, Monday through Friday, with forty-five (45) hours pay for full-time employees, which must be taken between December 26 and the Sunday after Thanksgiving. In addition, employees may elect to use these days individually with nine (9) hours pay per day. The employee may request payment for these five (5) additional days at forty-five (45) hours pay or nine (9) hours straight time pay per day, at any time after the effective date, in lieu of time off. The selection of the one (1) week option, individual days, or to receive pay in lieu of time off must be made in seniority order during the employee's regular vacation pick.

Individual days shall be awarded by seniority and the following procedure shall apply: any employee who notifies the employer prior to two (2) weeks before the requested day off will be placed on a list of employees that requested said day off. Employees will be notified two (2) weeks before the requested day off whether the request will be granted or denied. Employees will be afforded the time off in seniority order. The Employer will not unreasonably deny these individual days.

Utility Mechanics may be used to cover these approved individual days.

7.3 If any of the specified holidays fall during an employee's vacation period, the employee shall have an option to receive an additional day off when mutually convenient or to receive an additional day's pay (8 hours) in lieu of an additional day off.

7.4 In any week in which a holiday falls on the weekend, the employee may elect to receive an additional (8 hours) pay (holiday) or elect to mutually agree upon another scheduled day off and receive the holiday pay.

ARTICLE 8. SICK LEAVE

8.1 Effective May 1, 1980, and each May 1st thereafter, all regular full-time employees with one (1) year seniority shall have earned six (6) days paid sick leave per year ending April 30th.

8.2 Regular full time employees with less than one (1) year seniority prior to May 1st of each year, shall have earned one (1) day paid sick leave after the first six (6) months, and one (1) day for every six (6) months of service thereafter.

8.3 A cash payment will be made at the end of each year for each day of unused sick leave. The amount of unused sick leave pay shall be equivalent to nine (9) hours straight time pay per day.

8.4 In no event will an employee be entitled to more than six (6) days sick leave per year.

8.5 An employee who calls in sick and has earned sick days available will be paid his/her remaining sick leave for the day or days he/she is out unless the employee notifies his/her immediate Supervisor in advance.

8.6 The employees may request payment for any earned unused sick days at the rate of nine (9) hours per day after the effective date in lieu of time off.

ARTICLE 9 VACATIONS

9.1 Vacation schedule for regular full-time employees:

One Year Seniority
Two Years Seniority
Five Years Seniority
Fifteen Years Seniority
Twenty Years Seniority

One week Vacation
Two weeks Vacation
Three weeks Vacation
Four weeks Vacation
Five weeks Vacation

Effective August 1, 1990, all employees with twenty-five (25) or more years of seniority shall be entitled to a sixth (6th) week of vacation providing they are otherwise eligible. This additional week of vacation will be provided in the next vacation period following ratification of this Agreement.

9.2 The vacation period starts on December 26th and ends on the Sunday after Thanksgiving of the following year.

9.3 An employee having full seniority credit of 1, 2, 5, 15, 20 or 25 years shall be entitled to the corresponding credit of 1, 2, 3, 4, 5 or 6 weeks of vacation during the first available vacation period after having obtained his/her full seniority credit.

9.4 Vacation schedules shall be posted on November 1st. Vacation picks will begin November 15th and be completed by December 31st. Any delays in the selection of vacation weeks during the process will be promptly addressed by the Union and the Company.

9.5 The Company agrees to post a tentative list of available vacation weeks prior to the posting of the actual vacation schedules. In case more employees shall apply for a vacation than the number allotted by the Company to be off during such period, the choice for vacation shall be based on seniority provided such assignment does not interfere with or hamper operations.

9.6 No work shall be performed by the employee for the Company during his/her scheduled vacation.

9.7 If an employee resigns or retires after attaining one (1) year seniority, he/she shall receive pro rata vacation due.

9.8 (a) The Company shall pay the appropriate vacation pay in advance to any employee immediately prior to such employee taking his vacation.

(b) Vacation pay shall be based on the employee's regular (not temporary) work assignment.

(c) Any seniority employee who is reinstated during a vacation period shall receive the vacation benefits he would have been entitled to had he been on the payroll on his/her qualifying date.

The amount of money to be paid is governed by the progression step the employee is in at the time he/she actually takes his/her vacation.

9.9 Employees who work on higher rated jobs a minimum one hundred (100) days during the twelve (12) months immediately preceding his scheduled vacation shall receive vacation pay based upon the higher rated jobs.

9.10 Vacation pay shall be based upon a forty-five (45) hour straight time week.

9.11 Employees may select a maximum of (2) two weeks vacation pay in lieu of time off per year. Employees who utilize this option may elect to have these weeks of vacation pay deposited directly into their 401K accounts should the plan allow for such transfers. Notification for paid vacation weeks will be done prior to posting vacations.

The Company agrees not to reduce the available weeks of weekly vacation from their present levels as a result of Journeymen opting to exercise their right to the above referenced option.

ARTICLE 10. DISCHARGE

10.1 The following shall be causes of immediate suspension or discharge of an employee: drinking or proven or admitted dishonesty, situations involving serious physical violence, or serious threats of physical violence, or severe physical sexual harassment, or repeated lewd comments of severe sexual nature directed at an individual.

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

As a matter of interpretation, "serious threats of physical violence" shall be limited to a clear threat of imminent harm under circumstances demonstrating a reasonable ability to do so.

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

10.2 In those cases involving disciplinary action where suspension or discharge without pay is not authorized pursuant to the above; but where the Company feels the need to put the employee off property, the parties agree to submit the issues on priority basis to the expedited discharge arbitration procedure, and the Company agrees to pay that employee all wages and

benefits until the completion of the expedited arbitration process. Cases in which the employee is immediately discharged without pay for the grounds set forth above shall have precedence over discharge cases in which the employee remains on the job in the expedited arbitration process.

10.3 In all other cases involving the discharge or suspension of an employee, the Company will give three (3) working days notice to the employee of this discharge or suspension and the reason therefore. Such notice shall be given to the Shop Steward and the Local Union office. All warning letters including those stemming from reductions of notices of suspension and discharge, shall not remain in effect more than twelve (12) months.

10.4 An employee subject to immediate suspension or discharge, in violation of this agreement, and subsequently returned to work, shall receive back pay at the double time rate of pay.

Any claimed violation of this agreement shall be heard simultaneously by the Discharge Arbitrator.

Any dispute arising from the interpretation of this language will be referred to the co-chairs of the supplemental negotiating committee, or their designated alternates.

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

ARTICLE 11. SENIORITY

11.1 Acquisition of Seniority

All new employees shall receive up to a thirty (30) working day trial period, during which time they shall be probationary or temporary employees.

11.2 Layoff

In case of layoff or reduction of staff of five (5) consecutive days or more, the principle of seniority shall be applied by classification based on full time company seniority. If any dispute arises out of such application of seniority, the matter will be processed under the Grievance Procedure as referred to in Article 14 of this Contract. It is furthered agreed that the Shop Steward shall be the last man laid off when a reduction in staff becomes necessary.

All Journeymen, Helpers, Handymen and Apprentices who are laid off from their classifications will be permitted to work as set forth below:

1. Laid off employees may displace the most junior employee working in the classification within the Local Unions jurisdiction.

2. The laid off employee may displace two (2) part time employees within the building they were laid off in, if qualified.

3. If two (2) shifts of part time employees are not available within the building he or she may displace two (2) part time employees within his or her District's hub, if qualified.

4. If two (2) shifts of part time employees are not available in his or her District's hub, he or she may displace two (2) part time employees in any other hub within the jurisdiction of Local 177, if qualified.

5. The laid off employee may displace the part timer working the greatest number of hours whose work he/she is qualified to perform, at the laid off employees prevailing rate of pay.

6. When work again becomes available in the employees classification he/she shall return by seniority to their classification.

11.3 Recall from Layoff

When, after layoff or reduction of staff, the working force is increased in the substantially identical tasks referred to above, those seniority employees who have been laid off in such tasks shall be re-employed in the reverse order in which they were laid off. In unusual or emergency situations, the order of re-employment may be waived by mutual consent of the Union and the Company.

11.4 Seniority List

There shall be six (6) seniority lists:

- A. Journeymen Mechanics
- B. Maintenance Journeymen
- C. Ground Support Equipment Journeymen
- D. Helper (Automotive)
- E. Handyman (Maintenance)
- F. Apprentice

Except in emergencies the assignment of work between the automotive and maintenance classifications will be assigned according to past practice.

11.5 Loss of Seniority

Any employee shall lose all seniority rights if:

(a) Employee quits.

(b) Employee is discharged.

(c) Is absent without good cause and fails to notify the Company, provided, however, that before employment is terminated, the Company will send a written certified letter giving the employee five (5) days in which to report. The Union shall be notified at the same time.

(d) Employee is offered a job and does not report within five (5) days. In such cases, the Union will then be notified and, if the employee does not report within three (3) additional days, his or her name will be removed from the seniority list.

(e) An employee shall lose all seniority rights if, after being laid off, he/she is not re-employed within the following allowed period:

Seniority at Time of Layoff

Allowed Period

| | |
|-------------------------------------|-----------|
| Less than 3 months | 4 months |
| 3 months and over, but less than 4 | 6 months |
| 4 months and over, but less than 5 | 8 months |
| 5 months and over, but less than 6 | 10 months |
| 6 months and over, but less than 24 | 12 months |
| 24 months and over | 24 months |

(f) Employee is promoted to a supervisory position.

11.6 Bidding

(a) When a permanent vacancy or additional jobs are created in automotive as covered in the contract classification of jobs, or when there is a change in starting times of more than one (1) hour, any seniority automotive person within the district may apply for such vacancy, new job or new starting time provided he/she qualifies. The Company and the Union shall agree on such changes.

Each bid shall be posted simultaneously throughout the Locals jurisdiction. If no seniority automotive person within the district applies, then the Company shall offer the bid to any seniority automotive person within the Local's jurisdiction provided the person is qualified.

Districts shall be defined as:

| <u>Metro</u> | <u>Metro Edison</u> | <u>North</u> |
|---------------------|----------------------------|---------------------|
| Meadowlands | Edison | Parsippany |
| Gould Avenue | Tinton Falls | Spring Valley |
| Lyndhurst | Staten Island | Chester |
| | Trenton | New Windsor |
| | Lakewood | Mount Olive |
| | Cranbury | Bound Brook |
| | | Saddle Brook |

When a permanent vacancy or additional jobs are created in maintenance as covered in the contract classification of jobs, or when there is a change in starting times of more than one hour, any seniority maintenance person within the jurisdiction may apply for such vacancy, new job or new starting time provided he/she qualifies. The Company and the Union shall agree on such changes. If the vacancy is awarded to a seniority Maintenance Mechanic from outside the district in which the job is bid the Company may utilize the Pool Mechanic from the transferees district to cover his previously selected vacation.

(b) Bids shall be posted for a period of five (5) working days. All jobs posted will show starting times and days off schedules. Copies of awarded bids will be maintained in each facility. Once a bid has been awarded, the Company will provide the Union Official or Shop Steward with a copy of the bid.

(c) All bids shall be filled within ten (10) working days of said bid being awarded. There shall be no bidding of jobs during the vacation selection period. The last vacancy shall be filled on a continual rotating basis of one (1) full time qualified transfer, one (1) part time transfer and one (1) off the street new hire.

(d) The number of bids will be according to past practice.

(e) There shall be no bids on starting time changes of one (1) hour or less. In the event the time is changed beyond one (1) hour and a bid is accepted and the starting time reverts back to the original starting time within thirty (30) working days, then the original man in that job goes back.

(f) The above shall not apply in a situation in which there is a large change of personnel from one location to another.

(g) In the case of job abolishment or discontinuance of a bid, the principle of seniority shall apply as follows: the employee affected shall be the least senior employee on the start time. Using his/her seniority the employee has the choice to displace the lowest senior employee on any start time in any building, in the Local Union's jurisdiction. Each affected employee shall exercise his/her seniority within his/her classification, provided he/she is qualified to perform the work.

(h) In the event automotive equipment needs repair at Newark Gateway, Ground Support Mechanic will perform necessary repairs during this emergency situation.

(i) The Company shall have the right during the period between Thanksgiving and Christmas of each year to move Journeymen's start times two (2) hours in addition to the provisions provided for in Article 11.6 Subsection (e) as required by the operating needs of the Company. These moves will not be subject to the bidding process as outlined in Article 11.6 above. Any affected Journeymen will not suffer the loss of the night differential due to this provision. Only one (1) move per man will be permitted during this period unless the move is closer to the employees original start time. At the conclusion of this period the affected employees will be returned to his/her start time.

Utility Journeyman in both classifications will only be permitted to move one (1) hour under this provision. This one hour move will be in addition to the two (2) hour movement set forth provided for in Article 3.9.

It is understood by both parties that if the company chooses to implement this language the change in start time will remain the same for the entire week and will be posted on a weekly schedule.

(j) When a Sunday Hub sort is cancelled or changed from a Sunday through Thursday to a Monday through Friday the affected bids may be changed with the following restrictions:

A) The change may be from a Sunday through Thursday workweek to a Monday through Friday workweek only for those effected Mechanics.

B) When the Hub goes from Sunday through Thursday to Monday through Friday it will be the affected Journeymen's option to work Monday through Friday instead of Sunday through Thursday. If he/she chooses not to work Monday through Friday he/she will only be paid the days that he/she works that week.

C) The affected employee will be notified no later than the Monday prior to week the change will occur.

D) The Company may make the change up to a maximum of five (5) times per calendar year.

E) If the change occurs on three (3) consecutive weeks or the maximum (5) five times per year is exceeded, the Company will meet with the Union to discuss the cause and all known future cancellations and the potential need to re-bid the effected Mechanics job.

This language will apply to Mechanics who are on bids that are scheduled Sunday through Thursday only.

11.7 Transfers

Transfers from any classification covered by this agreement may be requested to any other full time classification in the Collective Bargaining Supplemental Agreement between United Parcel Service (New Jersey) and Teamsters Local 177 (known as the package agreement). In addition, transfers will be permitted within the UPS (New Jersey) and Teamsters Local 177 Mechanics and Maintenance Supplemental Agreement. A list shall be prepared of employees requesting said transfers. If a job is not filled through the bidding procedure as outlined in this agreement, it shall be offered to the overall transfer list. Employees will be notified within fifteen (15) working days as to the status of their transfer. The transfer list shall include the location and classification to which an employee wishes to transfer.

The following provisions shall apply to all Automotive and Maintenance Employees:

a. There will be a thirty (30) working day probationary period for Automotive and Maintenance employees who transfer to all classifications.

b. Automotive and Maintenance Employees will be placed on the transfer list using their full time company seniority. Transfers will be limited to three (3) per district per year.

c. If an Automotive or Maintenance Employee transfers, the transferee shall be placed on the seniority list in the classification to which he/she transferred and his/her seniority date shall be the date of the transfer for the purposes of bidding etc. However, he/she shall maintain his/her company seniority date for the number of weeks vacation, retirement etc. Vacation shall be based on full time company seniority.

- d. Candidates for transfer must have at least one (1) year of service.
- e. When an opening becomes available, the transferring employee may be held in his/her Automotive or Maintenance position for a maximum of thirty (30) days before being released to his/her new position.
- f. Candidates who desire to put their name on the transfer list to enter the Automotive or Maintenance classifications will be required to satisfactorily complete a pre-qualification process. This pre-qualification process will be the same as the pre-qualification process that new hires off the street will be required to complete. Qualified Transfer candidates will be selected from the transfer list in seniority order.
- g. The Company shall fill permanent vacancies on a continual rotating basis; One (1) Full timer off of the qualified transfer list, One (1) Part timer off of the qualified transfer list, One (1) new hire.
- h. Part time employees successfully transferring to full time jobs will be considered as newly hired full time employees and will be added to the appropriate seniority list. Their seniority date will be the day of the transfer. If a holiday falls during their probationary period they shall be paid four (4) hours pay at the part time rate of pay they were receiving at the time of transfer, in addition to all regular earnings for time worked.
- i. This language shall not apply to Ground Support Equipment Journeymen. In addition, it will not apply to Apprentices until they have achieved the status of Journeymen and have one (1) year seniority as a Journeyman.

ARTICLE 12. LEAVE OF ABSENCE

12.1 The Company agrees that all seniority rights shall continue in full force and effect with respect to not more than thirty (30) employees who presently are, or may, during the term of this Agreement, serve the Union as full-time Officers or representatives, or who serve the New Jersey Teamsters Joint Council or the International Union as full time Officers or representatives. Such seniority shall continue in the like manner as if such employees were employed continuously as regular full time employees.

12.2 The Company will consider written requests for leave of absence from seniority employees for periods beyond two (2) weeks need not be requested in writing, but are subject to the control of the local Supervisor. Requests for leave shall not be unreasonably withheld.

(a) Applications made out in triplicate must be signed by the employee and his Center Manager and forwarded to the Personnel Department for consideration. No leave will become official until approved by the Personnel Department in writing. Copies of the application will be sent to the employee and to the Union.

(b) Leaves, where granted, shall be for maximum periods up to three (3) months, but may be subject to renewal for additional three (3) month periods upon presentation of satisfactory need for continuance. Employees may return to available work prior to the expiration of leave upon notification to the Company at least one (1) day in advance or return.

(c) Leave will be granted for personal illness or injury based on proper medical evidence. Requests for leave for other purposes such as extended vacations, family reasons (not involving employment) or emergency circumstances, will be considered on their merits, subject to the needs of the business. Leave shall not be granted to permit an employee to work elsewhere.

(d) Credit toward progression shall not accumulate during leave.

(e) Any employee who is receiving compensation benefits, or benefits under the Health and Welfare Fund for sickness shall not be required by the Company to sign any Leave of Absence forms. The Company shall obtain pertinent information with respect to the employee's illness directly from the Fund office.

(f) It is understood that maternity leave for female employees shall be granted with no loss of seniority for such period of time as her doctor shall determine that she is physically unable to return to her normal duties.

ARTICLE 13.
GENERAL MANAGEMENT PROVISION

13.1 The management of the Company and the direction of the working forces, including the right to plan, direct and control Company operations and to maintain and establish rules of operation and working practices, not inconsistent with the provisions of the Agreement shall be vested exclusively in the Company. It is agreed that the Company will give the Union thirty (30) days notice of any anticipated major change in the Company's method of operation.

13.2 If any major change by the Company in methods of operation results in substantial change in job content of any job classification provided in this Agreement or in the creation of a new classification or in substantial hardships

to employees, the parties shall attempt to agree on a new wage rate for such job or jobs or hardship corrections, and failure to agree, an applicable wage rate or hardship correction shall be determined by arbitration in accordance with the provisions of Article 14 herein.

ARTICLE 14. GRIEVANCE AND ARBITRATION

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

14.2 It is mutually agreed that any difference arising between the Company and the Union or an employee of the Company as to the meaning, application, or observance of the provisions of the Agreement (except claims of excessive overtime which shall be processed in accordance with the provisions of Article 4), such difference shall be settled in the following manner:

(a) The aggrieved employee or employees shall first take the matter up with the Shop Steward who, in turn, will take the grievance up with the Supervisor in charge. Employees shall have the Shop Steward present on any grievance. Grievances must be submitted to the Supervisor within ten (10) days after the occurrence of such grievance. If a satisfactory settlement is not affected with the Supervisor within one (1) working day, the employee shall submit such grievance to the Union's representative in writing.

(b) If no satisfactory adjustment is agreed upon, the matter shall, within ten (10) days after Step 1 be referred by an officer of the Union to the Division Manager of the Company or some other officer of the Company with authority to act, who shall receive the alleged grievance and offer a decision within five (5) working days after receipt of same.

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

14.3 Arbitration

(a) Any grievance or difference which cannot be adjusted between the parties may be submitted to arbitration upon written notice of either party to

the other within ten (10) days of failure to agree under Section 2 above as follows:

(1) The matter or matters in dispute shall be submitted to an Arbitrator, who shall be selected in each case from a permanent panel of five (5) Arbitrators approved in advance, by the Union and the Company. Designation from this panel shall be handled by the American Arbitration Association. If the parties are unable to agree upon the selection of such Arbitrator or their successors, any opening or openings on said panel shall be filled by designation of the American Arbitration Association. Moreover, if none of the Arbitrators on the panel are available on a timely basis in a particular case, an Arbitrator in such case shall also be designated by the American Arbitration Association.

Discharge grievances will be heard through an expedited arbitration procedure. In the event an expedited procedure is not available, the grievance will be heard through the regular procedure as outlined on the previous page.

(2) Costs, in connection with any arbitration, shall be paid half by the Company and half by the Union.

The decision by the Arbitrator shall be final and binding upon the parties and shall be rendered within thirty (30) days after the close of the hearing.

(3) The parties agree that all time limits set forth in Sections 2 and 3 hereto shall be strictly adhered to.

(b)(1) In the event either the Union or the Company are of the opinion that a particular dispute or grievance is of such a nature as to require an immediate determination, either party may petition the Arbitrator to order a waiver of the adjustment and arbitration provisions referred to above and institute an immediate arbitration of dispute. Such requests shall be asserted by notice, in writing, given to the other party with a copy to be sent simultaneously to the American Arbitration Association.

(2) The American Arbitration Association shall designate an Arbitrator who shall be immediately available to determine whether the dispute necessitates an immediate decision. In the event the Arbitrator decides the dispute does not require immediate disposition, the matter shall be set down for hearing in the ordinary course on a timely basis.

(3) If the Arbitrator determines that the dispute requires immediate disposition, the matter shall be submitted to arbitration within the appropriate time limits set forth by the Arbitrator, and an award shall be issued on an expedited basis.

(4) The award of the Arbitrator shall be in writing and may be issued with or without opinion. If any party desires an opinion, one shall be issued, but its issuance shall not delay compliance with enforcement of the award.

(5) The failure of any party to attend the arbitration hearing as scheduled and noticed by the American Arbitration Association, shall not delay said arbitration and the Arbitrator is authorized to proceed to take evidence and issue an award as though such party were present.

14.4 No Strike or Lock Out

(a) The Union agrees that it will not cause or permit its members to cause strikes of any kind, stoppages, or any other interference with any of the operations of the Company during the term of this Agreement, as long as the Company abides by the procedure prescribed for the settlement of disputes and differences and the decisions of the Arbitrator as provided in this Agreement. The Company agrees that there shall be no lockout during the term of this Agreement, so long as the Union abides by the procedure prescribed for the settlement of disputes and differences and the decisions of the Arbitrator as provided in this Agreement.

(b) In the event of an alleged violation of this Section 4, either the Company or the Union shall have the right to waive the normal adjustment and arbitration provisions referred to in Article 14 and submit, for immediate arbitration, the alleged violation of this Section pursuant to Section 3(b). Such dispute shall be submitted to arbitration within twenty-four (24) hours after receipt of notice by the American Arbitration Association and an award issued not later than twelve (12) hours after the conclusion of the hearing.

ARTICLE 15. COMPLETE AGREEMENT

15.1 The parties hereto expressly agree that during the lifetime of this Agreement there shall be no demands for collective bargaining negotiations as to any matter or issue not covered by the provisions of this Agreement, or for the renegotiation of any of the provisions of this Agreement, except as elsewhere provided in this Agreement.

15.2 The parties agree that this Contract is the sole and complete Agreement between them and that any other previous understanding or Agreements, oral or written, inconsistent with the provisions of this Agreement are superseded and are of no effect during the term of this Agreement.

**ARTICLE 16.
COURT APPEARANCES AND
COMPENSATION HEARING**

16.1 The Company shall reimburse employees for time lost due to court appearances or other appearances, in the Company's interest, in accordance with past practice. The Company shall reimburse employees for time lost attending hearings of the Worker Compensation Board, when such hearing results from formal notice of hearing at which the employee is directed to be present. Evidence of such notice must be submitted by the employee to the Company in advance of request for time off. The Company will not reimburse employee for attendance at hearings which result from employee's application for consideration of appeal.

16.2 In the event an employee is involved in a vehicular accident during Working hours, the Company shall maintain its present practice with regard to providing legal counsel and/or bond in appropriate cases.

16.3 In the event an employee is required to appear in night court in the Company's interest, he shall be paid straight time for the hours spent in court and for time spent in travel.

16.4 The Employer agrees to cooperate towards the prompt settlement of employee on-the-job injury claims when claims are due and owing as required by law.

**ARTICLE 17.
JURY DUTY**

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

**ARTICLE 18.
INSPECTION OF RECORDS**

Union officials and Shop Stewards shall be allowed to examine such portion of the Company's operating reports and other payroll records, as well as employee's center personnel file, as are pertinent to any grievance arising under the Contract. Such examination can be made only after request to the Center Manager and in his presence.

**ARTICLE 19.
MILITARY CLAUSE**

19.1 The Company agrees to grant military leave of absence to seniority employees who leave its employ to enter the Armed Services in accordance with the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA) and any amendments thereto.

19.2 Upon confirmation of entrance into the Armed Services, a seniority employee will be granted the next annual vacation pay to which he would have been entitled had he/she not entered the service, together with any earned vacation not yet taken.

19.3 Employees ordered to spend time with the Reserves or National Guard units cannot be forced to take vacations for this period.

**ARTICLE 20.
HARDSHIPS**

It is agreed and understood that all Automotive Mechanics are required to have a periodic D.O.T. physical. It is also understood that Maintenance Mechanics who are required to cross a state line with a UPS vehicle are required to take a D.O.T. physical.

The Company agrees to make reasonable accommodations by placing Bargaining Unit employees in those cases that are considered hardships in other jobs, which the employee is qualified to perform. The Union and the Company mutually agree that these jobs will be assigned to worthy cases on the basis of seniority, provided the person is physically capable of performing such work.

**ARTICLE 21
PAY FOR DEATH IN FAMILY**

21.1 In the event of a death of a member of the employee's family, a seniority employee shall be allowed a reasonable time off to attend the funeral, not to exceed four (4) scheduled workdays. These days shall not extend beyond the day of the funeral unless an additional day is required for travel, except as noted below. The employee will be reimbursed at eight (8) times the employee's straight time hourly rate for each day lost from work for those employees whose regular scheduled work week is five (5) days, and ten (10) times the straight time hourly rate for those employees whose regular scheduled work week is four (4) days.

21.2 A regular full-time employee shall be guaranteed two (2) days off to be taken between the day of death and two (2) working days following the funeral.

21.3 Members of the employee's family means spouse, child, father, mother, brother, sister, grandparents, mother-in-law and father-in-law. Part time employees will enjoy the same.

**ARTICLE 22.
MEDICAL ARRANGEMENTS**

22.1 In accordance with Workers Compensation Laws of the State of New Jersey, the following shall be the Company policy with respect to physical examinations:

(a) At the discretion of the Medical Director, employees out on compensation injuries may be requested to visit the Medical Department for examination. If unable to travel, arrangements will be made for visits to his home by a staff doctor.

(b) Arrangements for examination of injured employees who have since returned to work will be made at the discretion of the Medical Director where deemed necessary, as follows:

(1) Employees will be asked voluntarily to visit the Medical Department at a convenient time for proper examinations or,

(2) If unable or unwilling to visit the Medical Department, arrangements will be made for examination locally by a staff doctor of the Company's choosing, either at the employee's home, place of business, the Company doctor's office, or in his own doctor's office.

(3) Appointments to visit specialists or other doctors will be made by the Medical Department or insurance carrier at the convenience of the employee and doctor concerned without regard to day off schedule.

22.2 When a medical leave of absence is requested, the Company may request appropriate medical evidence. This will usually be satisfied by the submission by an employee of his personal doctor's report. The Company may, however, have the employee examined by the Company doctor. If the Company doctor does not agree with the report rendered by the employee's personal doctor, the two doctors involved will select an impartial third doctor to render a report. If the two doctors cannot agree upon the selection of a third doctor, the Union and the Company shall select the third doctor either through the Arbitrator or by request to the New Jersey State Medical Society.

22.3 An employee who seeks to return to work after a medical leave of absence (including a leave of absence covered by a chronic or recurrent condition) may be required by the Company to submit a doctor's report. The Company may also require the employee to submit to an examination by the Company doctor. If the Company doctor and the employee's doctor do not agree, the procedure set forth in the preceding paragraph regarding the utilization of an impartial third doctor shall be followed.

22.4 The Company will designate local doctors for employees working in the following centers:

| | | |
|-------------|-------------|---------------|
| Bound Brook | Lakewood | Parsippany |
| Chester | Lyndhurst | Saddle Brook |
| Cranbury | Meadowlands | Spring Valley |
| Edison | Mount Olive | Staten Island |
| Gould Ave | New Windsor | Tinton Falls |
| | | Trenton |

In the event the Company, pursuant to this Article, required employees working in these centers to submit to an examination by a Company doctor (except in compensation cases) the employee will be sent to such local doctors.

ARTICLE 23. POSTING OF NOTICES

The Company agrees to the posting within its business premises of notices of Union meetings, etc., by an elected or appointed Official of the Local Union and on official Union letterhead.

ARTICLE 24. STEWARDS

24.1 The Company recognizes the right of the Union to designate the necessary number of Shop Stewards needed to handle such Union affairs as may from time to time be delegated to him/her by the Union.

24.2 No Steward shall have the authority to call a strike, cause a slowdown or take any other action which would interrupt the Company's business, except as such action may be authorized by the Union. The Company recognizes this limitation upon the authority of the Steward.

24.3 Shop Stewards shall be paid by the Company for reasonable time spent in the processing of grievances.

24.4 It is the policy of the Company and the Union that grievances be handled with the participation of the regular Steward. The Company agrees to cooperate with the Union in establishing procedures to assure that the regular Steward is available for the processing of grievances. The Union agrees that such procedures shall not hamper the Company's operation. The Company shall, in the absence of the regular Steward, recognize an Alternate Steward designated by the Union.

24.5 Shop Stewards and Union Officials shall be afforded super seniority with respect to terms and conditions of employment for layoff and recall purposes, and in other situations that assure the Union Officials and Stewards greater accessibility to co-workers to genuinely assist them to perform their functions as a Steward or Union Official which will be to the benefit of co-workers.

**ARTICLE 25.
MAINTENANCE OF STANDARDS**

25.1 The Company agrees not to enter into any agreement or contract with his employees, individually or collectively, which conflicts with the terms and provisions of this Agreement. Any such agreement will be null and void.

25.2 Where new types of equipment for which rates of pay are not established by this Agreement are put into use, rates governing such operations shall be subject to negotiations between parties and, upon the failure to agree, to arbitration under the provisions of the Agreement.

25.3 The employer agrees that all conditions of employment relating to wages, hours of work, overtime differential, and general working conditions, as negotiated or agreed upon, shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement and the conditions of employment shall be improved wherever specific provisions for improvements are made elsewhere in this Agreement.

It is agreed that the provisions of this Section shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying the terms and conditions of this Agreement.

**ARTICLE 26.
PROTECTION OF RIGHTS**

It is agreed that under the specific circumstances set forth herein, the following conduct shall not be considered a violation of Article 14 of this Agreement:

26.1 The Union will not set up an organized picket line at the place of business of any store which the Company serves. It will, however, not be required to pass any picket line set up by it at the place of business of any of the stores which the Company serves if such picket lines are: (1) set up either after the Union has been duly certified by the appropriate Labor Relations Board as the exclusive bargaining representative of employees of such stores, or (2) if the Union has called and is engaged in an actual bona fide strike against such store and such strike has been approved by the Teamsters Joint Council in that area.

26.2 The Union will not recognize, and will direct its members to pass, any organizational picket line established at the place of business of any store which the Company serves established by another Union. This provision shall not apply in cases where the Teamsters Joint Council in the appropriate area has determined that the matter is a proper one for support and other Teamster Unions regularly delivering to the department stores are taking similar action.

26.3 The Union may honor or observe a picket line established at the place of business of any store which the Company serves: (1) where such picket line is established by a Union which has been duly certified as collective bargaining representative of the employees of such store by the appropriate Labor Relations Board, or (2) in the absence of such certification, a Union is engaged in an actual bona fide strike, provided that the Teamsters Joint Council in the appropriate area has determined that the matter is a proper one for support and other Teamster Unions regularly delivering to such store are recognizing the picket line.

26.4 The Union will not recognize a picket line established at any of the Company's facilities except where: (1) such picket line is established by a Union which has been duly certified as collective bargaining representative of the employees involved, or (2) in the absence of certification a Union is engaged in an actual bona fide strike provided that the Teamsters Joint Council in the appropriate area has determined that the matter is a proper one for support.

ARTICLE 27. SEPARABILITY AND SAVINGS

27.1 If any Article or Section of this Agreement should be held invalid by operation of law or by an tribunal of competent jurisdiction, or if compliance with, or enforcement of, any Articles or Sections should be restrained by such tribunal, pending a final determination as to its validity, the remainder of this Agreement and of any Rider thereto, or the application of such Articles or Sections to persons or circumstances other than those which it has been

held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

27.2 In the event that any Articles or Sections held invalid, or enforcement thereof or compliance therewith has been restrained, as set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations upon the request of either party, for the purpose of arriving at a mutually satisfactory replacement for such Articles or Sections during the period of invalidity or restraint. In the event the parties are unable to agree on a replacement clause, such dispute shall be subject to the arbitration provisions of this Agreement. It is agreed, however, that the dispute shall not be considered by either party as a waiver of Article 14, Section 4 (a) of this Agreement.

ARTICLE 28. TRANSFER OF COMPANY TITLE OR INTEREST

This Agreement shall be binding upon the parties hereto and any assign or successor of the Company.

ARTICLE 29. UNIFORMS

29.1 The Company agrees that if any covered employee is required to wear any kind of uniform as a condition of his continued employment, such uniform shall be furnished and maintained by the Company, free of charge.

29.2 Rain gear shall be available to all covered employees performing outside duties.

29.3 The Company will supply work gloves to all Mechanics.

ARTICLE 30. APPRENTICES

30.1 The Company shall have the right to employ one (1) Apprentice for each five (5) Journeymen Mechanics employed by the Company. Apprentices may be employed at any point other than the Main Shop where two (2) or more Journeymen Mechanics are employed. The Apprentice program shall not last longer than twenty-four (24) months.

30.2 An Apprentice shall start at sixty per cent (60%) of the Journeymen's rate per hour and shall be increased ten per cent (10%) per hour at the end of each 1,000 hours worked.

30.3 The Company shall offer the Apprentice all necessary training in accordance with Article 35.

30.4 Within the 24-month apprentice program the Apprentice will be required to pass the Journeymen's written test. Upon passing the Journeymen's written test the Apprentice will receive the rate established for Journeymen Mechanics.

30.5 Apprentices who are promoted to Journeymen Mechanics shall be dovetailed on the appropriate seniority list.

ARTICLE 31. LIE DETECTOR TEST

The Company shall not require an employee to take a polygraph or other form of lie detector test.

ARTICLE 32. SUBCONTRACTING

The Employer may not subcontract work in any classification for the purpose of avoiding overtime. Where it is possible, the bargaining unit employees will do the work rather than subcontract, as provided below:

1. Where trained personnel are available.
2. Where the Company has the necessary equipment.
3. The Company shall maintain the right to subcontract, according to past practice.
4. The Company will meet with the Local Union Officials no less than two weeks in advance of scheduling subcontracting.
5. There shall be no layoff of any bargaining unit employee as a result of subcontracting.
6. In the event the Union challenges any subcontracting of work covered by the Agreement, the burden will be on the Company to show that the decision to subcontract that work was a reasonable exercise of its discretion based on the criteria of expedition or economy (economy is not restricted to direct labor costs) in that order.
7. The Employer agrees to exercise good business judgment prior to the decision to subcontract.

8. Preventative maintenance inspection of conveyor equipment, to include oil, lube and electrical inspection, will not be subcontracted unless mutually agreed upon. The electrical inspection is that portion from conveyor to panel box provided the employee is qualified to perform the inspection. The electrical inspection does not include inspection mandated by law to be performed by Licensed Electrician.
9. The repair of rented or leased automotive equipment will not be performed on UPS property by subcontractor except during the period from Thanksgiving Day through Christmas Day, provided this equipment would interfere with or cause the Company to fail in its service commitments.
10. The Company will not cover Maintenance Journeymen vacations with subcontractors unless mutually agreed upon.

**ARTICLE 33.
SUPERVISORS WORKING**

The work of supervisors will not include assignments to work normally performed by Union members, except for the purpose of training.

**ARTICLE 34.
COST-OF-LIVING**

The cost-of-living allowance shall be paid per Article 33 of the National Master United Parcel Service Agreement.

**ARTICLE 35.
TRAINING PROGRAM**

35.1 The Company shall maintain a Training Program to assure its employees are knowledgeable in and properly equipped for the maintenance and repair of new and unfamiliar equipment and retraining on our present equipment.

(a) The Company Training Program will be established, from time to time, as the need occurs. Time spent in Company authorized Training Program will be paid time, unless otherwise mutually agreed by Employer and Union.

(b) Employees who attend company authorized classroom training programs outside of their bid hours will be paid at their straight time rate of pay up to eight (8) hours after which normal overtime provisions will apply.

(c) Special tools needed to work on new equipment will be supplied by the Company.

35.2 All training or certifications will be given in seniority order, taking into consideration the shift each employee is assigned to. This will be accomplished in the following manner:

(a) Employees may sign an intent list for training that the Company is offering specific to their job assignments.

(b) Employees who attend outside training classes may on a voluntary basis agree to assist in the training of other employees on their shift. It is understood that if an employee volunteers to come off his/her bid hours to provide training to other employees, or if the trainee is taken off his/her hours to be trained, the employee who is working off his/her scheduled bid hours will be paid in accordance with Article 4 of this agreement. In addition, Employees who provide training or assist in the training of other employees will be paid one dollar (\$1.00) per hour for the entire day above the rate in the classification in which they work.

(c) Training specific to any type of equipment will be given to all remaining employees who normally work on that specific type of equipment that did not have the opportunity to attend the training sessions at the completion of that program. The training of these remaining employees will be provided within six (6) months of the completion of each particular training program.

(d) The Company and the Union will meet on a quarterly basis. The purpose of these meetings will be to discuss the implementation of any and all training that the Company is planning for the next quarter.

ARTICLE 36. TOOL INSURANCE

36.1 In the event an employee's tools are stolen from his/her locked tool box at the Company's place of business, or from his/her lockable locked vehicle when he/she is out on the road on the Company's business, and forcible entry is in evidence, and a police report is filed, the Company will replace the tools with tools of equal quality for the employee, provided, however, that the employee, to qualify for the above must have furnished the Company with an itemized tool list. However, if the reported theft should occur while the employee has stopped to transact personal business, the Company shall have no obligation.

36.2 Employees who cooperate with periodic updates of tool lists, conducted in their presence, in order to keep the list of registered tools current, not to exceed one update per year, shall qualify for the above.

**ARTICLE 37.
DURATION OF AGREEMENT**

This Agreement shall remain in full force and effect until July 31, 2023, and shall automatically renew itself from year to year thereafter unless either party notifies the other, in writing, within sixty (60) days prior to the expiration, of a desire to amend or terminate the same.

Robert Cherney
President, IBT Local 177

Steve Radigan
UPS – North Atlantic District

Bill Heady
Business Agent, IBT Local 177

Matt Loughlin
UPS –East Region Labor

Tony Alers
Trustee, IBT Local 177

Dave Bogaert
UPS – North Atlantic District

Doug Connon
Trustee, IBT Local 177

Mike Sherry
UPS – North Atlantic District

Kathy Deady
UPS – North Atlantic District

Chris McMiller
UPS – North Atlantic District

Angelo Angieri
UPS – North Atlantic District

Dave Van Hook
UPS – North Atlantic District

Memorandum of Agreement

It has been agreed between the parties that in Articles of this collective bargaining agreement where the words Edison or Central or Central Jersey are used to define a District the parties agree to substitute "Metro Edison" as an identifier of that unit or district. Substitution of the words "Metro Edison" for the words Central or Edison or Central Jersey is not intended to alter the meaning of this Agreement.

Description of the Central or Edison or Central Jersey District as the "Metro Edison" district does not alter any contractual language or established practice with respect to the grouping of Company facilities into three separate units or Districts.

The former Edison or Central or Central Jersey District will continue to be recognized as an independent unit or District for the purposes of this Agreement.

The words Meadowlands, Parsippany and Edison can continue to be used as a means to identify the main shops and buildings.

Robert Cherney
Recording Secretary, IBT Local 177

Salvatore Messina
UPS – Metro Jersey District

Al Betts
Business Agent, IBT Local 177

Michael Farrand
UPS – North Jersey District

Matthew Loughlin
UPS – Metro Jersey District

Memorandum of Agreement

As we've previously discussed, we have no plans to operate a "UPS Truck Leasing" in New Jersey during the life of the new agreement.

However, in the unlikely event that we do, please rest assured that no mechanic covered by the New Jersey Maintenance and Mechanics Agreement will be laid off as a direct result of this move.

Bob Jackson
United Parcel Service
Metro Jersey District

Howard Kahn
Local 177
Recording Secretary

Jim Kilkenny
United Parcel Service
Central Jersey District

Theodore Hermans
Local 177
President

Memorandum of Agreement

This memorandum will serve to clarify the intent of the parties with respect to the newly negotiated Handyman classification in the Mechanics Contract between UPS and IBT Local 177.

The creation of the Handyman classification is not intended to be used to replace the Journeymen classification on any shift but rather to perform non-skilled, non-technical work. Handyman shall not be assigned to work alongside a Journeymen on a repair that in the past (prior to Handyman classification) required two (2) or more Journeymen.

Furthermore, a Handyman will not be used in any repair that involves a Journeyman, including but not limited to set-up and clean-up of said repair.

The Company and the Union will meet on a Quarterly basis or as needed. The purpose of these meetings will be to discuss the implementation of the Handyman, to review the planned Handyman staffing and to resolve any open issues in a timely manner

Robert Cherney
Recording Secretary, IBT Local 177

Eric Bringe
UPS North Atlantic District

Memorandum of Agreement

For the life of the 2018-2023 Mechanics and Maintenance Collective Bargaining Agreement, United Parcel Service has agreed to offer the Automotive Mechanics covered under the Local 177 supplemental agreement the opportunity to enter into a Company sponsored training program to obtain a CDL license.

Automotive Journeymen, Apprentice and Helper Mechanics who are interested in obtaining a CDL shall notify the Company. Such employees, in seniority order, will be permitted to attend on their own time, the Company sponsored training program to obtain a CDL. The Company will provide all necessary instructors, training and equipment to qualify for the CDL license.

Employees who do not complete the driving school sponsored by the Company and conducted by outside vendors or fail to pass the state road test licensing requirement after a maximum of three (3) attempts per driving school attended will be responsible to reimburse the Company for the full amount paid to the vendor that provided the training. The employee will have the option to make full reimbursement within one week of their disqualification or pay one hundred dollars (\$100.00) per week until the reimbursement is complete.

It is understood that hardships may exist, and in such cases will be reviewed by both the Company and the Union. If it is agreed a hardship exists, no reimbursement will be required. Any decision pertaining to hardships must be mutually agreed to by the Company and the Union.

The employees' responsibility for reimbursement will be limited to training provided by outside vendors hired by the Company to provide training.

Any dispute involving the application of this Agreement shall be submitted to the representatives of the Union and the Company for mutual agreement.

Robert Cherney
President, IBT Local 177

Steve Radigan
UPS –North Atlantic District

**United Parcel Service
493 County Avenue, Secaucus, NJ 07094
(201) 864-1200**

November 19, 1993

**Mr. Howie Kahn
IBT Local 177
282 Hillside Avenue
Hillside, NJ 07205**

Dear Howie:

This letter will serve to clarify our intent with respect to several provisions of the newly negotiated Mechanics Contract between UPS and IBT Local 177.

It is not the intent of United Parcel Service in negotiating the helper classification to replace the journeyman classification on the first shift with the helper classification. Nor is it the intent of UPS to assign to helpers their own assigned fleet or vehicles to exclusively perform all work necessary on those fleets or vehicles.

The journeyman mechanics and the helpers working in the Meadowlands facility shall pick their vacation as per past practice. In all other buildings a helper shall pick their vacation on the same vacation list as the journeyman mechanics (see article 3.7j).

In reference to Article 11.6H, the gateway is considered to be Newark Airport.

Sincerely,

**Tony Moschella
UNITED PARCEL SERVICE
Metro Jersey District
Labor Relations Manager**

TM:mm