

**Alaska Local No. 959
Full-Time Employees
and
United Parcel Service
Rider
to the
NATIONAL MASTER
UNITED PARCEL SERVICE
AGREEMENT**

**For The Period
August 1, 2018
through July 31, 2023**

A G R E E M E N T
UNITED PARCEL SERVICE, INC.

and

TEAMSTERS LOCAL 959

ALASKA RIDER

to the

NATIONAL MASTER
UNITED PARCEL SERVICE AGREEMENT

and

THE WESTERN CONFERENCE OF TEAMSTERS
SUPPLEMENTAL AGREEMENT

Covering Full-Time Employees

August 1, 2018 – July 31, 2023

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ARTICLE 1 PREAMBLE AND PURPOSES OF THIS AGREEMENT

1.01 The purposes of this agreement are to promote the settlement of labor disagreement by conference, to prevent strikes and lockouts, to stabilize conditions in work in the area affected by this Agreement, to prevent avoidable delays and expense, and generally encourage a spirit of helpful cooperation between the Employer and Employee groups to their mutual advantage.

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

ARTICLE 2 HIRING HALL

2.01 The Union shall maintain a hiring hall to solicit qualified applicants, both Union and non-Union, in order to fill necessary requisitions for employees. The Employer agrees to use the services of such hiring hall and will call upon the Union to furnish qualified employees required in the classifications herein mentioned, subject to the following terms and conditions.

2.02 Selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on or in any way affected by Union membership, bylaws, rules, regulations, constitutional provisions, or any other aspect or obligation of Union membership, policies, or requirements.

a. The Employer and the Union agree not to discriminate against any individual with respect to job referral, compensation, terms, or conditions of his employment because of such individual's race, color, religion, age, sex, national origin, physical handicap, marital status, change in marital status, pregnancy, or parenthood, nor will

they segregate or classify employees in any way to deprive any individual employee of employment opportunities because of race, color, religion, sex, age, or national origin.

2.03 The Employer retains the right to reject any job applicant referred by the Union.

2.04 The Union agrees that it will not discriminate against non-Union personnel in referring personnel to the Employer, and the Employer agrees that it will not discriminate against Union personnel in selecting job applicants referred to it by the Union.

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

In the event the Union is unable to supply the Employer with qualified personnel within two (2) working days, when called upon by the Employer, the Employer may procure personnel from other sources; provided, however, that in such instances the Employer shall furnish the Union with the names of such personnel, their classification, and date of hiring.

2.06 The Union shall refer applicants in accordance with applicable law.

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

ARTICLE 3

NO-STRIKE AND GRIEVANCES PROCEDURE

3.01 The Union and the Employer agree that there shall be no strike, no picketing, no lock-out, no tie-up, or legal proceedings without first using all possible means of a settlement, as provided for in this Agreement or any Supplement or Rider hereto, or 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 Employer from going to a court of proper jurisdiction for an injunction against the other for breach of the no-strike, no-lockout, no tie-up, no picketing promises made herein.

3.02 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 (the Alaska Rider). Any matter arising under the National Master, or Western Conference Supplemental Agreement, shall be governed by the grievance and arbitration procedures of those Agreements.

3.03 Grievance procedures may be invoked only by authorized Union or Employer representatives.

3.04 In the event of any grievance, complaint, or dispute on the part of any employee, it shall be handled in the following manner, and a decision reached at any stage shall be final and binding on both parties.

3.05 The employee has the option of attempting to resolve the issue with their immediate supervisor. A shop steward shall be present for this discussion if requested by the employee. If the issue is not resolved within one (1) workday, or if the employee chooses not to resolve it with their immediate supervisor the grievance, complaint, or dispute will be addressed as follows:

a. The employee shall report it to their shop steward within five (5) working days. The steward shall attempt to adjust the matter with the supervisor within two (2) working days.

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) working days.

c. If the parties fail to reach a decision or agree upon a settlement in the matter, it shall be submitted to the Alaska Area Parcel Grievance Committee. Discharge cases shall be heard by the Committee within thirty (30) days' of a grievance being filed concerning a termination pursuant to this Section. Any case not solved by this Committee may be submitted to arbitration by either party. The Alaska Area Panel Grievance Committee shall meet on a quarterly basis. Either party may cancel one panel during the calendar year if there are no discharges docketed. Additional panels may be cancelled with mutual agreement of the panel chairs.

Any matters involving interpretation of language contained in either the Western Conference Supplement or the National Master Agreement shall be referred to the respective committee for interpretation.

The rules of procedure for the Alaska Area Parcel Grievance Committee shall outline, among other things, the makeup of the Committee, the method of selecting the arbitrator, and the limitations placed upon the arbitrator.

d. Any grievance not satisfactorily disposed of in accordance with the steps of the grievance procedure outlined above may be submitted to arbitration by either party.

3.06 The co-chairs of the Alaska Area Parcel Grievance Committee shall select an arbitrator. If the co-chairs cannot agree on the arbitrator, the matter shall be immediately referred to the co-chairs of the WRT-UPS Labor Management Committee who shall select an arbitrator within seven (7) calendar days. The parties agree that the procedure for selection of an arbitrator shall not affect in any way the other terms and conditions of this Agreement which shall continue in full force and effect for the term herein provided. It is the intent of the parties to have the arbitration hearing as soon as is practicable and no later than forty-five (45) days from the conclusion of the Grievance Committee panel. A decision shall be ren-

dered by the arbitrator within thirty (30) days of the conclusion of the arbitration or within thirty (30) days of post hearing briefs.

3.07 The parties agree that the decision or award of the arbitrator shall be final and binding on each of the parties and that they will abide thereby, subject to such law, rules, and regulations as may be applicable. The authority of the arbitrator shall be limited to determining questions directly involving the interpretation or application of specific provisions of this Agreement, and no other matter shall be subject to arbitration hereunder. The arbitrator shall have no authority to add to, subtract from, or to change any of the terms of this Agreement, to change an existing wage rate, or to establish a new wage rate. In no event shall the same question or issue be the subject of arbitration more than once. Each party shall bear the expense of preparing its own case. The cost of the arbitrator's services and any other expenses incidental to the arbitration, mutually agreed to in advance, shall be borne equally by the parties.

3.08 Time limits set forth herein for the processing of grievance may be extended by mutual agreement.

ARTICLE 4 FULL-TIME WAGES

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

Effective 08/01/2018	
Classification	Top Rate
Package Car/Ground Shuttle Drivers	\$39.50
Tractor Trailer/Feeder Drivers	\$39.75
Clerical	\$31.59
Mechanics - Automotive/G.S.E.	\$39.50
Full-Time Combo Jobs Article 22.3/40	\$31.59
Utility Driver	Starting Package Driver rate in Article 41.2(c) of the NMUPSA

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

a. Package drivers pulling TP-60 trailers will receive a premium of twenty cents (\$0.20) per hour on days when said work is performed.

4.02 The Utility Driver rate of pay will be the start rate of a package driver pursuant to Article 41 Section 2(c) of the NMUPSA or the regular rate of the employee, whichever is greater.

4.03 Orientation Pay. All employees shall be compensated at the applicable hourly rate while attending “new job orientation”. Such time shall count toward seniority. Employees who fail to meet the qualification guidelines for orientation will get their next opportunity according to Article 7 of the Western Regional Supplemental Agreement.

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

5.01 Regular full-time employees are guaranteed a full week’s work when available. The Employer regularly experiences reduced work during holiday weeks. Regular full-time employees who are put to work shall be guaranteed eight (8) hours work or pay. These guarantees shall not apply to the bottom two (2) seniority employees, nor shall they apply when acts of God cause a curtailment of all or part of the Employer’s operation.

a. When a lack of volume or the arrival and/or departure of an aircraft causes a full shift to be impossible, the eight (8) hour daily guarantee, and the forty (40) hour work week, would be waived for the bottom two (2) drivers on the seniority list. When a Center

reaches three (3) drivers, the senior employees will be guaranteed eight (8) hours.

5.02 The Employer may cancel or change the starting times of employees; provided, they are notified at least one (1) hour in advance of their scheduled starting time. An employee must have a telephone or make himself/herself properly available for such notification.

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

5.04 No employee shall be required or permitted to take less than one-half (1/2) hour nor more than one (1) hour for meal periods. It is agreed there is no specific restrictions to the number of one-half (1/2) hour lunches allowed.

a. A driver may request to work through their lunch period and not be required to take lunch at the end of the day, upon approval of the Employer. Drivers requesting this option shall notify their supervisor at the start of the workday.

5.05 Starting times for Package Drivers shall not be before 6:00 a.m. Workdays shall be eight and one-half (8-1/2) or nine (9) consecutive hours, including a one-half (1/2) hour or a one (1) hour unpaid lunch period. All work before regular starting and after regular quitting times shall be time-and-a-half (1-1/2). Drivers shall not deliver beyond 9:30 p.m., except by mutual agreement.

5.06 Employees reporting for work pursuant to instructions, but not worked, are guaranteed eight (8), or ten (10) see Section 5.15 below, hours at the appropriate rate. Employees who do not complete the workday at their own request, other than on-the-job injury, will be paid for hours worked only.

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

Employees working a 4 X 10 schedule shall be paid time-and-a-half on any fifth (5th) and sixth (6th) day worked in a work week, and double time for any seventh (7th) day worked in a work week.

There will be a minimum of eight (8), or ten (10) see Section 5.15 below, hours pay for full-time employees on days worked outside of their scheduled workweek, and holidays worked.

5.07 Overtime. Overtime shall be computed and paid for actual time worked. No pyramiding.

5.08 A full-time employee, required to spend more than one (1) hour in a job classification providing a higher rate of pay, shall receive the higher rate of pay for all hours worked.

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

a. Only back-up Feeder Drivers may bid off the Feeder back-up list after four (4) years. Back-up Feeder Drivers who choose to bid off the Feeder list must give the Company reasonable notice to train a replacement, of not less than eight (8) months prior to the bid date.

b. The Company shall maintain a back-up Feeder Driver list consisting of two (2) employees in Anchorage and one (1) employee in Fairbanks.

c. Triple trailer units will not be operated in Alaska.

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

this Agreement as a feeder route within sixty (60) calendar days of the end of the four (4) week period.

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

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

5.10 Full-time employees hold separate classification seniority. Feeder Drivers enjoy separate seniority for operational purposes. Center seniority prevails. Drivers laid off from Feeder work for more than two (2) consecutive days, have the right to return to Package Car work according to order of layoff. Separate seniority lists shall be maintained for full-time and inside employees by Center.

5.11 Automotive and G.S.E. Mechanics shall have separate seniority lists and shall not be allowed to bid Driver openings.

5.12 All special and heavy duty tools required by the Employer for automotive maintenance shall be furnished by the Employer.

5.13 The Employer will reimburse Mechanics for loss of required tools due to fire and/or theft. Claims will be honored only for tools which have been listed on an appropriate current inventory form and filed with the Company. Mechanics shall notify Management whenever they remove these tools from the Employer's premises.

a. **Mechanics' Annual Tool Allowance.** After having been employed by the Company for a period of one (1) year, Mechanics shall receive a net annual tool allowance of five hundred dollars (\$500.00). Such tool allowance shall be paid by separate check each August 1 through the term of the Collective Bargaining Agreement.

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

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

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

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

- a. Job shifts may be established that consist of four (4) ten (10) hour days. Bid workweeks will consist of consecutive workdays, and all scheduled days off will be consecutive.
- b. Hours worked in addition to the ten (10) hour scheduled workday will be paid at the applicable overtime rate of pay.
- c. Sick leave/vacation days will be paid in ten (10) hour increments to provide for the employee's daily guarantee.
- d. Contractual holidays, as listed in Article 7.01 of the Alaska Rider, will be paid at the employee's daily guarantee.

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

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

5.18 Package Car Routes, Bidding, and Daily Elimination.

- a. When a route is created, in accordance with Article 6.2 of The Western Region Supplemental Agreement, drivers who have at

least twenty percent (20%) of their delivery stops taken from their route to create the new route, shall be allowed to bid the new route prior to offering the route to all other drivers.

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

c. The Union may request the rebid of a loop if it is determined that the volume growth has exceeded twenty percent (20%) during the life of this Agreement, thereby causing significant change to the original bid routes within the loop. No more than one rebid per loop will be allowed during the term of this Agreement.

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

ARTICLE 6

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

6.01 Regular full-time employees are guaranteed a full week's work when available. The Employer regularly experiences reduced work during holiday weeks. Regular full-time employees who are put to work shall be guaranteed eight (8), or ten (10) see Section 6.11 below, hours work or pay. These guarantees shall not apply to the bottom two

(2) seniority employees on each shift, nor shall they apply when acts of God cause a curtailment of all or part of the Employer's operation. Full-time employee reduction of guaranteed hours, during domestic and international holidays that affect the jet schedule, will be as work load dictates. However, no employee put to work during these times shall receive less than one half (1/2) of their daily guarantee.

6.02 The Employer may cancel or change the starting times of employees; provided, they are notified at least one (1) hour in advance of their scheduled starting time. An employee must have a telephone or make himself/herself properly available for such notification.

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

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

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

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

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

Employees working a 4 X 10 schedule shall be paid time and a half on any fifth (5th) and sixth (6th) day worked in a work week, and double time for any seventh (7th) day worked in a work week.

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

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

6.05 Daily Layoff, Holidays, Cancellations, and Reschedules.

a. Shift seniority shall prevail for work opportunities or the passing of such work as it applies to work loads, holidays, cancellations, and reschedules.

b. Employees may be laid off due to a lack of work. When the Company finds it necessary to lay off an employee, it shall be the least senior employee(s) on the shift. If there are more senior employees who volunteer to take a less senior employee's daily layoff, the Company will give the request full consideration taking into account operational needs, and seniority, if there are multiple volunteers.

6.06 Double Shift - Overtime. Double shifting will be offered to part-time employees, then offered to full-time employees as overtime after non-availability of part-time employees, and is for time worked.

6.07 Overtime. Overtime shall be computed and paid for actual time worked. No pyramiding.

6.08 Training and Disqualification.

a. Full-time Training Qualifications.

1. Must pass written skills at ninety-five percent (95%).
2. Must pass proficiency skills at ninety-five percent (95%).
3. Candidates will have one retake opportunity for each skill or proficiency less than ninety-five percent (95%).

4. Must have overall skills and proficiency rating of at least ninety-five percent (95%).
5. Will have evaluations at seven (7), fourteen (14), twenty-one (21), twenty-five (25), and twenty-nine (29) working days.
6. Training criteria may be adjusted as training areas evolve; however, the Union and Company must mutually agree to any changes.
7. The Company will hold one full-time class each year of this Agreement. The Company will admit six (6) additional employees, above and beyond, the employees needed to fill current full-time openings into the class. The Company may hold additional classes as necessary to fill full-time openings.
8. The Company will bid future additional positions for Hazmat/1st Responder. No employee that is a Hazmat/1st Responder shall be removed, unless it is for good cause.
9. Employees, upon request, will have the opportunity to be trained on equipment. Training will be done at times convenient for the Company. The Company may reject requests for training for good cause. Such good cause will be discussed with the Union.

b. Full-time Training Disqualifications.

1. First disqualification - six (6) month wait before re-eligibility.
2. Second disqualification and each disqualification thereafter - one (1) year wait before re-eligibility.
3. An employee, who disqualifies him/herself other than for good cause shown, shall not be allowed to place his/her name back on the same full-time list sooner than twenty-four (24) months following the date he/she last disqualified him/herself.

6.09 Job Openings and Preload.

a. Job Openings.

1. The Company will post shift vacancies, including new jobs, for bidders for five (5) working days. The Company may elect not

to refill a vacated shift. Bid sheets shall be posted in proximity to time clocks.

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

A. A complete rebid will occur between the second and third year of this Agreement.

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

3. Shift vacancies, may be filled by part-time employee until bid sequence is finished or, in the event of no bidders, until next full-time class is completed.

6.10 Full-time to Driver. A full-time (air department, pre-loader, etc.), who bids a driving position and subsequently self-disqualifies or is disqualified by the Company, will return to the prior full-time position with no loss of seniority.

6.11 Alternate Work Schedule. Bid jobs may be established that consist of four (4), ten (10) hour days. At least Fifty percent (50%) of bid workweeks will consist of consecutive workdays.

a. Hours worked in addition to the ten (10) hour scheduled work-day will be paid at the applicable overtime rate of pay.

b. Sick leave/vacation days shall be paid in ten (10) hour increments to provide for the employee's daily guarantee.

c. Contractual holidays, as listed in Article 7.01, will be paid at the employee's daily guarantee, unless the holiday falls outside the employee's scheduled work; in which case, the employee will be compensated for eight (8) hours.

6.12 Flex Shift. Six (6) positions may have a varied work schedule from week to week based on operational needs.

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

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

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

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

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

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

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

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

3. Employees involved in the Air Hub and Gateway Operation shall be paid time and one-half (1-1/2 times) for all hours worked in excess of eight (8) or ten (10) hours respective to a five (5), eight

(8) hour or four (4), ten hour day. Calculation of hours worked for the purpose of overtime shall commence from the start of an employee's scheduled shift, up to the commencement of the next scheduled shift. Each shift will have a minimum of eleven (11) hours off between shifts, except employees who double shift.

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

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

b. NIOSH-approved gloves for fueling equipment.

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

ARTICLE 7 HOLIDAYS

7.01 The following are paid holidays each year:

January 1st	Day after Thanksgiving
Memorial Day	Christmas Day
July 4th	December 31st
Labor Day	Employee's Anniversary Date of Employment
Thanksgiving Day	3 Floating Holidays

7.02 All seniority employees shall be paid for all holidays regardless of when they occur, except holidays falling after sixty (60) continuous calendar days off for sickness or accident. To be eligible for holiday pay, the employee shall be required to work their scheduled work day preceding the holiday and their scheduled work day following the holiday. However, if work is not available or the employee is excused from work by the Employer on the day preceding or following the holiday, the employee shall receive the holiday pay. Excused shall mean work not available, approved time off, paid sick leave (verifiable by a health care provider), vacation, or funeral leave. Newly hired employees are not eligible for holiday pay for holidays not worked during their first six (6) months' of employment.

7.03

a. When a holiday falls on Sunday, the next following normal day of work shall be the holiday.

b. Work performed on holidays shall be compensated at time-and-one-half (1-1/2), plus holiday pay. Employees with regular shifts overlapping a holiday shall have holidays advanced or delayed and, in either case, same shall be celebrated and paid as a holiday. No employee shall be called to work on a holiday for less than a full day's work, unless mutually agreed to.

c. If a holiday occurs during an employee's vacation the employee shall receive holiday pay in addition to vacation pay. If a holiday occurs during an employee's sick leave, the employee shall receive holiday pay in lieu of sick leave pay.

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

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

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

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

ARTICLE 8 VACATIONS

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

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

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

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

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

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

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

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

The following chart is for illustrative purposes:

Accruals

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

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

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

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

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

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

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

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

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

8.03 Vacation Eligibility and Black-Out Dates.

a. The Company will allow thirteen percent (13%) of the employees in each classification to take vacation in accordance with the sentence below. Vacations shall be granted between the third full week in January and the week of Thanksgiving.

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

8.04 Seniority Date Used For Vacation Selection. Vacations shall be taken according to seniority and the seniority list shall be posted. Outside the Anchorage area, Feeder and back-up Feeder Drivers shall bid and take their vacations by Center seniority. There shall be no more than one (1) Feeder or back-up Feeder Driver off at any one time.

8.05 Vacation Selection.

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

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

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

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

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

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

**ARTICLE 9
PROTECTION OF RIGHTS**

9.01 It shall not be a violation of the Agreement, nor shall it be cause for discharge or permanent replacement as an employee or disciplinary action of any kind, if employee refuses to breach a primary picket line or to cross or work behind a legal primary picket line, approved by the Union party to this Agreement, including picket lines at the Employer's place of business.

**ARTICLE 10
ALASKA TEAMSTER-EMPLOYER
WELFARE PLAN**

10.01 Maintenance of benefits of health and welfare plans shall continue for the life of this Agreement for Package Car Drivers, Feeder Drivers, Tractor Trailer Drivers, and Automotive Mechan-

ics, covered by the Alaska Teamster-Employer Welfare Trust Fund for the purpose of providing a welfare plan for the employees.

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

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

10.04 If an employee is absent due to disability or an on the job injury, the Employer shall continue to make contributions for three (3) consecutive months following the month the absence began.

10.05 Further, if the Employer's delinquency results in an employee being unable to receive the benefits of the Welfare plan, the Employer shall be liable to the employee for all the benefits which were lost, including the payment of any medical and hospital bills which the employee may have incurred.

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

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

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

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

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

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

e. The November 22 through July 2023 Monthly Contribution Amount is \$____.____.

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

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

ARTICLE 11

ALASKA TEAMSTER-EMPLOYER PENSION TRUST

11.01 Effective each August 1 of this Agreement, the Employer shall contribute in accordance with Article 30 of the Western Region of Teamsters United Parcel Service Agreement for each hour of compensation earned by each full-time employee (up to a maximum of two thousand eighty [2080] hours per calendar year), during a given month, to the Alaska Teamster-Employer Pension Trust Fund for the purpose of providing a pension plan for the employees classified as Feeder Drivers, Tractor Trailer Drivers, Package Car Drivers, and Automotive and G.S.E. Mechanics, in accordance with LOU # 4, Pension Rehabilitation Supplemental For Full-Time Employees.

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

11.02 Break-in Pension Rate for Full-time Probationary Employees. For Package Car Drivers, Feeder Drivers, and Tractor Trailer Drivers only, seventeen cents (\$0.17) of the one dollar (\$1.00) break-in contribution rate, shall be designated to cover the twenty percent (20%) surcharge for the Rule of 85 Program, pursuant to Section 11.05 below.

All probationary employees hired as full-time employees shall, for the first thirty (30) calendar days of employment, receive a one dollar (\$1.00) per compensable hour contribution rate into the Alaska Teamster-Employer Pension Trust.

11.03 The contributions shall be paid to the Trust Fund for all compensable hours by the tenth (10th) day of the month following

the month in which the employee(s) worked. The Trust Fund will furnish the transmittal forms.

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

11.05 Rule of 85 Program. The Employer shall contribute on behalf of the Package Car Drivers, Feeder Drivers, and Tractor Trailer Drivers only, a surcharge of twenty percent (20%) of the contribution rate otherwise owed in accordance with Section 11.01 per compensable hour into the Alaska Teamster-Employer Pension Trust for the purpose of providing and funding the adoption of the Rule of 85 Program. Under the terms of the Rule of 85 Program, the Employer is required to pay this additional surcharge into the Alaska Teamster-Employer Pension Trust, and once enacted, it may not be reduced nor eliminated.

11.06 The contributions owing to the Alaska Teamster-Employer Pension Trust Fund are in addition to the contributions owing to the Western Conference of Teamsters Pension Trust Fund. It is the intention of the parties that the employees be covered by both pension plans.

ARTICLE 12

WESTERN CONFERENCE OF TEAMSTERS PENSION TRUST

12.01

a. For those employees covered by Article 10.01 of the Alaska Rider (Package Car Drivers, Feeder Drivers, Tractor Trailer Drivers, and Automotive Mechanics), the Employer shall contribute five dollars ninety cents (\$5.90) plus the increases outlined in Article 34 of the NMUPSA, and Article 30 of the Western Region of Teamsters United Parcel Service Supplemental Agreement for each hour of compensation earned by each employee during a given month (up to a maximum of two thousand eighty [2080]

hours per calendar year), to the Western Conference of Teamsters Pension Trust Fund, for the purpose of providing a pension plan for the employees. The details of the plan will be determined by the Board of Trustees of the Western Conference of Teamsters Pension Trust Fund in accordance with the Trust Agreement of April 26, 1955, which created the Trust Fund. The Employer and the Union agree to be bound by said Trust Agreement and all lawful amendments thereto, and do further agree to accept as their representatives the employer-trustees and the union-trustees who constitute the Board of Trustees of said Trust Fund and their lawful successors.

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

c. For probationary employees hired on or after August 1, 2002, the Employer shall pay an hourly contribution rate of ten cents (\$0.10) (including \$0.01 for PEER 80 for full-time employees), during the probationary period as defined in Article 4, Section 1, of the WRT/UPS Agreement, but in no case for a period longer than the first ninety (90) calendar days from an employee's first date of hire. If and when this period is completed, the full standard contribution rate shall apply.

12.02 The contributions shall be paid to the Trust Fund by the tenth (10th) day of the month following the month in which the contributions were earned. The Trust Fund will furnish the transmittal forms.

12.03 The failure of an Employer to make the contributions required by this Section may result in a collection action by the Board of Trustees; and, in such action, the Employer shall be obligated to pay liquidated damages, costs, and attorney's fees, as provided in the Trust Agreement.

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

ARTICLE 13 SICK LEAVE

13.01 Employees with seniority shall accumulate sixty-four (64) hours of sick leave benefits a year, five and one-third (5-1/3) hours per month. Benefits shall be payable for absences caused by illness or accident commencing on the first (1st) day of the illness or accident. Employees off sick must report such absence at least one (1) hour prior to start time daily. Satellite drivers must report such absence one (1) hour prior to the earliest start time of the home center.

13.02 Unused sick leave shall accumulate up to four hundred twenty (420) hours in a sick leave bank. The sick leave bank shall be available for future use as prescribed in this Article. Sick leave shall be deducted from the bank on an hourly basis. Benefits for full days off must be for eight (8) hours and must be scheduled workdays.

13.03 Those employees that would have accrued additional days of sick leave, except for the four hundred twenty (420) hour maximum provided in Section 13.02, shall be entitled to compensation for one-half (1/2) of such over maximum accrual payable to such employees with the first (1st) pay period check for December each year.

13.04 Employees shall be entitled to sixteen (16) hours pay for personal leave each year. Personal leave must be requested five (5) workdays in advance. Scheduling of time off for personal leave shall be by mutual agreement. Personal leave must be taken in eight (8) hour increments and shall be deducted from sick leave.

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

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

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

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

13.06 Employees separated from employment shall receive half their bank hours as pay; if deceased, full value shall go to estate.

13.07 The Employer will advise employees the number of sick leave hours in his/her bank, upon request.

13.08 Sick Leave Assistance. Employees who have a minimum of forty (40) hours in their sick leave bank may, upon written re-

quest, have a determined amount of hours cashed out to assist an employee with a serious health condition.

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

ARTICLE 14 MISCELLANEOUS

14.01 Records.

- a. The Union has a right to inspect and copy payroll records pertaining to employees performing bargained for unit work in relation to wages, overtime, holidays, vacations and all other fringe items.
- b. the Union has a right to inspect and to receive copies of documents regarding hours of work (such as W.O.R.'s) that relate to plan days and total hours paid, stop counts, pick-ups, etc.
- c. Employees shall have access to their personnel files and evaluation forms before or after working hours. Exception would be when a Business Representative is involved in adjusting a grievance.
- d. Seniority Lists.
 - 1. Seniority Lists will be provided pursuant to Article 4, Section 2 of the WRSA.
 - 2. The Company will provide notification to the Union of newly hired employees pursuant to Article 3, Section 2 of the NMUPSA.
 - 3. Employees who share a seniority date will have such applicable seniority date decided by the employee who has the lower Union ledger number.

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

a. Accordingly, the parties agree that supervisors will not perform the work of the employees they supervise except during training, demonstration, and safety education; and supervisors will not perform Union member's work until all reasonable efforts have been exhausted to have the work covered by Union employees of United Parcel Service.

b. Reasonable effort shall be construed to mean that the Employer will:

1. Use all means possible to contact a bargaining unit employee to perform work due to sick leave utilization, vacations, personal leave, funeral or family leave, holidays, and overflow.

2. The Company will establish, maintain, and post, at all times, a double shift list (part-time employees) and extra overtime list (full-time employees).

14.03 Funeral Leave. Should travel be required as defined in Article 29 of the National Master United Parcel Service Agreement, the employee may supplement a fifth (5th) day from their personal leave or Option Holiday Bank.

14.05 Change of Operations.

a. All issues arising from employees directed to work out of any location other than their original domicile will be referred to Article 38 of the National Master United Parcel Service Agreement.

b. In the interim period, the affected employee shall be paid travel time to and from their original domicile at the appropriate rate.

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

- a. Upon resignation or retirement, or
- b. Upon termination, subject to being upheld in the grievance process, or
- c. After layoff in excess of 36 consecutive months, or
- d. When absent from work 36 consecutive months while on disability, or
- e. Upon working in a non-bargaining unit position, or
- f. Employees receiving workers' compensation benefits as a result of an on-the-job injury will retain their employment status for a maximum period of 36 months. Employees unable to return to work after 36 months are considered to have voluntarily terminated their employment, or retired with disability, whichever is applicable. Prior to invoking this action it is subject to review by the Company's Labor Relations Representative, and the Union's Business Representative, who upon mutual agreement may grant an extension of time for the employee to return to work. The basis for the review for an extension of time shall be if an employee has provided, or their health care provider has provided, information that an employee is progressing in their treatment, and it is probable that the employee will return to work. Additionally, an employee that accepts a statutory settlement in accordance with the Alaska Workers' Compensation Act, for a Permanent Total Disability, will be considered to have terminated his employment.

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

ARTICLE 15

UTILITY DRIVERS

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

a. When a Utility Driver is scheduled in advance to deliver, they will not work their scheduled part-time shift, or full-time shift, on each of those days unless mutually agreed.

b. See Article 6, Section 6 of the Part-Time Rider for instructions on how to be placed on the Utility Driver Seniority List.

c. In the event there is a shortage of employees seeking utility work, the Company and Union will meet to discuss a higher rate of pay.

15.02 At remote centers, the Company may hire and pay employees at the Utility Driver rate of pay to perform clerk work, and utility drive, as needed in accordance with this Agreement.

**Alaska Local No. 959
Part-Time Employees
and
United Parcel Service
Rider
to the
NATIONAL MASTER
UNITED PARCEL SERVICE
AGREEMENT**

**For The Period
August 1, 2018
through July 31, 2023**

A G R E E M E N T

UNITED PARCEL SERVICE, INC.

and

TEAMSTERS LOCAL 959

ALASKA RIDER

to the

NATIONAL MASTER
UNITED PARCEL SERVICE AGREEMENT

and

THE WESTERN CONFERENCE OF TEAMSTERS
SUPPLEMENTAL AGREEMENT

Covering Part-Time Employees

August 1, 2018 – July 31, 2023

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ARTICLE 1 PREAMBLE AND PURPOSES OF THIS AGREEMENT

1.01 The purposes of this agreement are to promote the settlement of labor disagreement by conference, to prevent strikes and lockouts, to stabilize conditions in work in the area affected by this Agreement, to prevent avoidable delays and expense, and generally encourage a spirit of helpful cooperation between the Employer and Employee groups to their mutual advantage.

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

ARTICLE 2 HIRING HALL

2.01 The Union shall maintain a hiring hall to solicit qualified applicants, both Union and non-Union, in order to fill necessary requisitions for employees. The Employer agrees to use the services of such hiring hall and will call upon the Union to furnish qualified employees required in the classifications herein mentioned, subject to the following terms and conditions.

2.02 Selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on or in any way affected by Union membership, bylaws, rules, regulations, constitutional provisions, or any other aspect or obligation of Union membership, policies, or requirements.

a. The Employer and the Union agree not to discriminate against any individual with respect to job referral, compensation, terms, or conditions of his employment because of such individual's race, color, religion, age, sex, national origin, physical handicap, marital status, change in marital status, pregnancy, or parenthood, nor will

they segregate or classify employees in any way to deprive any individual employee of employment opportunities because of race, color, religion, sex, age, or national origin.

2.03 The Employer retains the right to reject any job applicant referred by the Union.

2.04 The Union agrees that it will not discriminate against non-Union personnel in referring personnel to the Employer, and the Employer agrees that it will not discriminate against Union personnel in selecting job applicants referred to it by the Union.

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

In the event the Union is unable to supply the Employer with qualified personnel within two (2) working days, when called upon by the Employer, the Employer may procure personnel from other sources, provided, however, that in such instances the Employer shall furnish the Union with the names of such personnel, their classification, and date of hiring.

2.06 The Union shall refer applicants in accordance with applicable law.

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

ARTICLE 3

NO-STRIKE AND GRIEVANCES PROCEDURE

3.01 The Union and the Employer agree that there shall be no strike, no picketing, no lock-out, no tie-up, or legal proceedings without first using all possible means of a settlement, as provided for in this Agreement or any Supplement or Rider hereto, or 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 Employer from going to a court of proper jurisdiction for an injunction against the other for breach of the no-strike, no-lockout, no tie-up, no picketing promises made herein.

3.02 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 (the Alaska Rider). Any matter arising under the National Master, or Western Conference Supplemental Agreement, shall be governed by the grievance and arbitration procedures of those Agreements.

3.03 Grievance procedures may be invoked only by authorized Union or Employer representatives.

3.04 In the event of any grievance, complaint, or dispute on the part of any employee, it shall be handled in the following manner, and a decision reached at any stage shall be final and binding on both parties.

3.05 The employee has the option of attempting to resolve the issue with their immediate supervisor. A shop steward shall be present for this discussion if requested by the employee. If the issue is not resolved within one (1) workday, or if the employee chooses not to resolve it with their immediate supervisor the grievance, complaint, or dispute will be addressed as follows:

a. The employee shall report it to their shop steward within five (5) working days. The steward shall attempt to adjust the matter with the supervisor within two (2) working days.

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) working days.

c. If the parties fail to reach a decision or agree upon a settlement in the matter, it shall be submitted to the Alaska Area Parcel Grievance Committee. Discharge cases shall be heard by the Committee within thirty (30) days' of a grievance being filed concerning a termination pursuant to this Section. Any case not solved by this Committee may be submitted to arbitration by either party. The Alaska Area Panel Grievance Committee shall meet on a quarterly basis. Either party may cancel one panel during the calendar year if there are no discharges docketed. Additional panels may be cancelled with mutual agreement of the panel chairs.

Any matters involving interpretation of language contained in either the Western Conference Supplement or the National Master Agreement shall be referred to the respective committee for interpretation.

The rules of procedure for the Alaska Area Parcel Grievance Committee shall outline, among other things, the makeup of the Committee, the method of selecting the arbitrator, and the limitations placed upon the arbitrator.

d. Any grievance not satisfactorily disposed of in accordance with the steps of the grievance procedure outlined above may be submitted to arbitration by either party.

3.06 The co-chairs of the Alaska Area Parcel Grievance Committee shall select an arbitrator. If the co-chairs cannot agree on the arbitrator, the matter shall be immediately referred to the co-chairs of the WRT-UPS Labor Management Committee who shall select an arbitrator within seven (7) calendar days. The parties agree that the procedure for selection of an arbitrator shall not affect in any way the other terms and conditions of this Agreement which shall continue in full force and effect for the term herein provided. It is the intent of the parties to have the arbitration hearing as soon as is practicable and no later than forty-five (45) days from the conclusion of the Grievance Committee panel. A decision shall be ren-

dered by the arbitrator within thirty (30) days of the conclusion of the arbitration or within thirty (30) days of post hearing briefs.

3.07 The parties agree that the decision or award of the arbitrator shall be final and binding on each of the parties and that they will abide thereby, subject to such law, rules, and regulations as may be applicable. The authority of the arbitrator shall be limited to determining questions directly involving the interpretation or application of specific provisions of this Agreement, and no other matter shall be subject to arbitration hereunder. The arbitrator shall have no authority to add to, subtract from, or to change any of the terms of this Agreement, to change an existing wage rate, or to establish a new wage rate. In no event shall the same question or issue be the subject of arbitration more than once. Each party shall bear the expense of preparing its own case. The cost of the arbitrator's services and any other expenses incidental to the arbitration, mutually agreed to in advance, shall be borne equally by the parties.

3.08 Time limits set forth herein for the processing of grievance may be extended by mutual agreement.

ARTICLE 4 PART-TIME EMPLOYEES, WAGES, AND WORKING RULES

The following rules apply to part-time employees:

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

Effective 08/01/2018	
Classification	Top Rate
Part-time Employees	See Article 22 and 40 of the NMUPSA
Utility Drivers	Starting Package Driver rate in Article 41.2(c) of the NMUPSA
Part-time Employees as Helpers	Regular Rate
Peak Drivers	Starting Package Driver rate in Article 41.2(c) of the NMUPSA
Seasonal Helpers	Starting rate in Article 22.5(b) NMUPSA

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

4.02 Orientation Pay. All employees shall be compensated at the applicable hourly rate while attending “new job and employee orientation”. Such time shall count toward seniority.

Employees who fail to meet the qualification guidelines for orientation will get their next opportunity according to Article 7 of the Western Regional Supplemental Agreement.

ARTICLE 5

PART-TIME EMPLOYEES’ WORK RULES

5.01 If a part-time employee works more than five (5) days in any one (1) work week, the time worked or paid over five (5) days shall be paid at the rate of time and one-half (1-1/2). Sunday work shall be paid at the double-time (2) rate of pay, except as provided for in the Western Conference of Teamsters Supplemental Agreement.

5.02 In the event a Hub shift is canceled and is rescheduled for Saturday, the workers on the effected shift will work on Saturday at the straight time rate. If worked in excess of five (5) hours employees shall be compensated at the rate of time and one-half (1-1/2).

5.03 Part-time employees reporting to work shall be guaranteed a minimum of three and one-half (3-1/2) hours pay or work. Should any such employee work more than five (5) hours in any one shift, he/she shall receive time and one-half for all hours worked beyond the fifth (5th) hour.

a. Air hub and/or gateway part-time employees shall be guaranteed three (3) hours work or pay in accordance with Article 40 of the National Master United Parcel Service Agreement.

5.04 Part-time employees working more than six (6) hours shall be entitled to a ten (10) minute paid rest period.

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

5.06 Implementation of additional part-time employee shifts is a matter of and subject to negotiations.

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

- a. Holiday Pay—Four (4) hours for each holiday.
- b. Death In Family—Three (3) workdays off, but only twelve (12) hours pay.
- c. Sick Leave—Fifty percent (50%) of that of a full-time employee, four (4) hours of pay per day.
- d. Vacation Pay – Vacation pay for each Regular Week of vacation, except for the Option Week and Combo Week, shall be one-fifty-second (1/52nd) of the gross annual earnings of the employee during the twelve (12) month period immediately prior to the employee’s employment anniversary date. One-fifty-second (1/52nd) shall be defined as all monies paid to an employee (from the Employer, not to include disability pay, workers compensation pay, or any other pay not listed here that is not directly paid from the Employer) for an anniversary year, excluding unused sick pay, pay in lieu of unused vacations or unused personal days. If the National Master Agreement designates bonuses as part of an employee’s package in lieu of, or in part lieu of wages or back wages, such bonuses shall count towards the gross annual earnings.

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

1. Vacation Hours for Purposes of Pension and Health and Welfare Contributions. While the parties have agreed to a vaca-

tion pay formula based on gross wages, it is the parties' intention that for each week of vacation taken in accordance with this formulation, that the Company will pay twenty (20) hours into each applicable pension covered by this Agreement. Additionally, the employee will be considered to have compensable hours for purposes of the Teamsters Western Region and Local 177 Health Care Plan for each week of vacation taken.

e. The Option Week shall be twenty (20) hours of pay.

5.08 A part-time employee, with seniority, taking full-time employment will immediately be placed on the bottom of the full-time seniority list.

5.09 Part-time employees moving to full-time employment shall receive one-half (1/2) of their part-time seniority for their vacation benefits only.

5.10 Part-time Operating Center Seniority shall control except as otherwise provided in the Article. Employees shall work off separate seniority lists for each Operating Center under this Agreement.

5.11 Seasonal helpers will be guaranteed three (3) hours work and will be paid at the all other start rate as described in Article 22 of the National Master United Parcel Service Agreement. In addition to the seasonal period, seasonal helpers may be used until the commencement of the third full week in January.

5.12 Extra work available on separate shifts will be offered, in seniority order, in a manner to allow all employees the opportunity to double shift before a triple shift is available.

5.13 Flight Guardian package processing shall be bargaining unit work.

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

a. Protective outer winter clothing (e.g., parkas) for Ramp workers. To fulfill this obligation, the Company will, after an employee

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

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

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

- a. Movement of the “K” loader or elevator to or from aircraft shall be performed by bargaining personnel. Operation of such equipment is the work of the bargaining unit.
- b. The fueling of aircraft and contract snow removal, lavatory servicing, and catering, is not the work of the bargaining unit.
- c. All other work currently associated with the Air Hub operation, including movement of equipment for job set up purposes, is the work of the bargaining unit.
- d. Employees involved in Air Hub and Gateway Operation shall be covered under the same conditions as all other employees with the following exception:
 - 1. Start times may be adjusted with one (1) hour notification prior to affected employees reporting for work to coincide with the arrival and departure of planes. In the event a second change of starting

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

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

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

ARTICLE 6 UTILITY DRIVERS

6.01 It is agreed that package operations may hire Utility Drivers. Part-time employees (in order of seniority) who desire to be hired as Utility Drivers shall so inform their Center Manager in writing. Those part-time employees who successfully meet the qualification standards for UPS drivers will be considered for the Utility driving job (e.g., personal safe driving record and must pass DOT physical).

6.02 These Utility Drivers may be used to cover absentees, overflow work, vacations, etc. There shall be no restriction on the starting time of Utility Drivers.

a. When a Utility Driver is scheduled in advance to deliver, they will not work their scheduled part-time shift on each of those days unless mutually agreed.

b. The Utility Driver rate of pay will be the start rate of a package driver pursuant to Article 41 Section 2(c) of the NMUPSA or the regular rate of the employee, whichever is greater.

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

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

6.04 After November 1 of each year, and before hiring additional seasonal Drivers, the Company shall offer the next three (3) peak season Driver openings to the Utility Drivers' seniority list.

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

a. Employees will bid for open Utility driving positions by Company seniority. Bidding is open to part-time and full-time employees.

b. Bidding for Utility driving positions will be held in October of each year, or more often if needed.

c. Bidding is done by employees submitting a letter.

d. Utility Drivers' seniority dates are established by the date they first drive in the Utility Driver position.

e. If a Utility Driver turns down driving work three (3) times, or removes themselves for other than good cause, they are removed from the Utility Driver seniority list, and cannot bid back on the list until the next bid period.

6.06 Utility Pay Variance.

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

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

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

having issues that may prevent them from successfully completing the trial period.

g. An extra training route, as described in Article 8 of the Western Region Supplement, may be established by mutual agreement, to train a utility driver.

ARTICLE 7 HOLIDAYS

7.01 The following are paid holidays each year:

January 1st	Day after Thanksgiving
Memorial Day	Christmas Day
July 4th	December 31st
Labor Day	Employee's Anniversary Date of Employment
Thanksgiving Day	3 Floating Holidays

7.02 All seniority employees shall be paid for all holidays regardless of when they occur, except holidays falling after sixty (60) continuous calendar days off for sickness or accident. To be eligible for holiday pay, the employee shall be required to work their scheduled work day preceding the holiday and their scheduled work day following the holiday. However, if work is not available or the employee is excused from work by the Employer on the day preceding or following the holiday, the employee shall receive the holiday pay. Excused shall mean work not available, approved time off, paid sick leave (verifiable by a health care provider), vacation, or funeral leave. Newly hired employees are not eligible for holiday pay for holidays not worked during their first six (6) months' of employment.

7.03

a. When a holiday falls on Sunday, the next following normal day of work shall be the holiday.

b. Work performed on holidays shall be compensated at time and one-half (1-1/2), plus holiday pay. Employees with regular shifts overlapping a holiday shall have holidays advanced or delayed and, in either case, same shall be celebrated and paid as a holiday. No

employee shall be called to work on a holiday for less than a full day's work, unless mutually agreed to.

c. If a holiday occurs during an employee's vacation the employee shall receive holiday pay in addition to vacation pay. If a holiday occurs during an employee's sick leave, the employee shall receive holiday pay in lieu of sick leave pay.

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

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

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

ARTICLE 8 VACATIONS

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

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

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

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

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

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

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

The following chart is for illustrative purposes:

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

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

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

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

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

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

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

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

8.03 Vacation Eligibility and Black-Out Dates.

a. The Company will allow thirteen percent (13%) of the employees in each classification to take vacation in accordance with the sentence below. Vacations shall be granted between the third full week in January and the week of Thanksgiving.

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

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

8.05 Vacation Selection.

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

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

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

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

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

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

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

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

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

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

**ARTICLE 9
PROTECTION OF RIGHTS**

9.01 It shall not be a violation of the Agreement, nor shall it be cause for discharge or permanent replacement as an employee or disciplinary action of any kind, if employee refuses to breach a primary picket line or to cross or work behind a legal primary picket line, approved by the Union party to this Agreement, including picket lines at the Employer's place of business.

**ARTICLE 10
ALASKA TEAMSTER-EMPLOYER
PENSION TRUST**

10.01 Effective each August 1 of this Agreement, the Employer shall contribute in accordance with Article 30 of the Western Region of Teamsters United Parcel Service Supplemental Agreement, (up to a maximum of two thousand eighty [2080] hours per calendar year), for each hour of compensation earned by each part-time employee during a given month to the Alaska Teamster-Employer Pension Trust Fund, for the purpose of providing a pension plan for the employees, in accordance with LOU #5, Pension Rehabilitation Supplemental for Part-Time Employees.

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

10.02 Break-in Pension Rate for Part-time Probationary Employees. Effective August 1, 2002, all probationary employees hired as part-time employees shall, for the first ninety (90) calendar days of employment, receive a thirty cents (\$.30) per compensable hour contribution rate into the Alaska Teamster-Employer Pension Trust.

10.03 The contributions shall be paid to the Trust Fund for all compensable hours by the tenth (10th) day of the month following the month in which the employee(s) worked. The Trust Fund will furnish the transmittal forms.

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

10.05 The contributions owing to the Alaska Teamster-Employer Pension Trust Fund are in addition to the contributions owing to the Western Conference of Teamsters Pension Trust Fund. It is the intention of the parties that the employees be covered by both pension plans.

ARTICLE 11 WESTERN CONFERENCE OF TEAMSTERS PENSION TRUST

11.01 Effective August 1 of this Agreement, the Employer shall contribute three dollars and twenty-eight cents (\$3.28) plus the increases outlined in Article 34 of the NMUPSA, and Article 30 of

the Western Region of Teamsters United Parcel Service Supplemental Agreement for each hour of compensation earned by each employee during a given month (up to a maximum of two thousand eighty [2080] hours per calendar year), to the Western Conference of Teamsters Pension Trust Fund, for the purpose of providing a pension plan for the employees. The details of the plan will be determined by the Board of Trustees of the Western Conference of Teamsters Pension Trust Fund in accordance with the Trust Agreement of April 26, 1955, which created the Trust Fund. The Employer and the Union agree to be bound by said Trust Agreement and all lawful amendments thereto, and do further agree to accept as their representatives the employer-trustees and the union-trustees who constitute the Board of Trustees of said Trust Fund and their lawful successors.

For probationary employees hired on or after August 1, 2002, the Employer shall pay an hourly contribution rate of ten cents (\$0.10) (including \$0.01 for PEER 84 for part-time employees), during the probationary period as defined in Article 4, Section 1, of the WRT/UPS Agreement, but in no case for a period longer than the first ninety (90) calendar days from an employee's first date of hire. If and when this period is completed, the full standard contribution rate shall apply.

11.02 The contributions shall be paid to the Trust Fund by the tenth (10th) day of the month following the month in which the contributions were earned. The Trust Fund will furnish the transmittal forms.

11.03 The failure of an Employer to make the contributions required by this Section may result in a collection action by the Board of Trustees; and, in such action, the Employer shall be obligated to pay liquidated damages, costs, and attorney's fees, as provided in the Trust Agreement.

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

ARTICLE 12

PACIFIC COAST BENEFITS TRUST

12.01 UPS shall make contributions at the rate of forty cents (\$.40) per compensable hour into the Pacific Coast Benefits Trust Fund on behalf of each employee beginning on the earlier of the employee's achievement of seniority or the employee's completion of six hundred (600) hours of employment (or re-employment) within twelve (12) consecutive calendar months, such contributions to be made retroactively for all compensable hours in the twelve (12) consecutive months immediately preceding achievement of seniority or the completion of six hundred (600) hours of employment (or re-employment) as the case may be. Provided, however, that UPS shall not contribute for more than one hundred seventy-three (173) hours in any calendar month for each covered employee. The total amount due for each calendar month shall be remitted in a lump sum not later than the tenth (10th) day of the following month.

12.02 UPS acknowledges that it has received a true copy of the Trust and shall be considered a party thereto. It is understood and agreed that UPS accepts the terms and conditions of this Trust and agrees that the Employer Trustees named pursuant to the Trust are its representatives and consents to be bound by the actions and determinations of the Trustees. UPS further agrees to abide by such rules as may be established by the Trustees of said trust to facilitate the audit of hours for which contributions are due, the prompt and orderly collection of contributions, and the accurate recording of such hours.

ARTICLE 13

SICK LEAVE

13.01 Employees with seniority shall accumulate thirty-two (32) hours of sick leave benefits a year, two and two-thirds (2-2/3) hours per month. Benefits shall be payable for absences caused by illness or accident commencing on the first (1st) day of illness or accident. Employees off sick must report such absence at least one (1) hour prior to start time daily.

13.02 Unused sick leave shall accumulate up to two hundred ten (210) hours in a sick leave bank. The sick leave bank shall be available for future use as prescribed in this Article. Sick leave shall be deducted from the bank on an hourly basis. Benefits for full days off must be for four (4) hours and must be scheduled workdays.

13.03 Those employees that would have accrued additional days of sick leave except for the two hundred ten (210) hour maximum provided in Section 13.02 shall be entitled to compensation for one-half (1/2) of such over maximum accrual payable to such employees with the first (1st) pay period check for December each year.

13.04 Employees shall be entitled to sixteen (16) hours pay for personal leave each year. Personal leave must be requested five (5) workdays in advance. Scheduling of time off for personal leave shall be by mutual agreement. Personal leave must be taken in eight (8) hour increments and shall be deducted from sick leave.

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

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

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

Employees on Workers' Compensation will notify the Company of their status regarding their ability to return to employment every

two (2) weeks, and when their treating physician changes their working restrictions, or releases them to return to work.

13.06 Employees separated from employment shall receive half their bank hours as pay; if deceased, full value shall go to estate.

13.07 The Employer will advise employees the number of sick leave hours in his/her bank, upon request.

13.08 Sick leave pay shall be pro-rated pursuant to Section 5.07(c) of this Agreement.

13.09 All part-time employees successfully transferring to full-time status will be remunerated for all sick bank hours.

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

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

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

ARTICLE 14 MISCELLANEOUS

14.01 Records.

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

b. Employees shall have access to their personnel files and evaluation forms before or after working hours. Exception would be

when a Business Representative is involved in adjusting a grievance.

c. Seniority Lists.

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

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

a. Accordingly, the parties agree that supervisors will not perform the work of the employees they supervise except during training, demonstration, and safety education; and supervisors will not perform Union member's work until all reasonable efforts have been exhausted to have the work covered by Union employees of United Parcel Service.

b. Reasonable effort shall be construed to mean that the employer will:

1. Use all means possible to contact a bargaining unit employee to perform work due to sick leave utilization, vacations, personal leave, funeral or family leave, holidays, and overflow.
2. The Company will establish, maintain, and post, at all times, a double shift list (part-time employees) and extra overtime list (full-time employees). In addition, the Company will maintain a volunteer list of Package Car Drivers willing to augment the pre-load.

14.03 Funeral Leave. Should travel be required as defined in Article 29 of the National Master United Parcel Service Agreement, the employee may supplement a fifth (5th) day from their personal leave or Option Holiday Bank.

14.04 Change of Operations.

a. All issues arising from employees directed to work out of any location other than their original domicile will be referred to Article 38 of the National Master United Parcel Service Agreement.

b. In the interim period, the affected employee shall be paid travel time to and from their original domicile at the appropriate rate.

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

a. Upon resignation or retirement, or

b. Upon termination, subject to being upheld in the grievance process, or

c. After layoff in excess of 36 consecutive months, or

d. When absent from work 36 consecutive months while on disability, or

e. Upon working in a non-bargaining unit position, or

f. Employees receiving workers' compensation benefits as a result of an on-the-job injury will retain their employment status for a maximum period of 36 months. Employees unable to return to work after 36 months are considered to have voluntarily terminated their employment, or retired with disability, whichever is applicable. Prior to invoking this action it is subject to review by the Company's Labor Relations Representative, and the Union's Business Representative, who upon mutual agreement may grant an extension of time for the employee to return to work. The basis for the review for an extension of time shall be if an employee has provid-

ed, or their health care provider has provided, information that an employee is progressing in their treatment, and it is probable that the employee will return to work. Additionally, an employee that accepts a statutory settlement in accordance with the Alaska Workers' Compensation Act, for a Permanent Total Disability, will be considered to have terminated his employment.

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

LETTER OF UNDERSTANDING # 1

By and Between

UNITED PARCEL SERVICE, INC.

And

TEAMSTERS LOCAL 959

Re: Expansion Areas

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

1. It is agreed that the Company will expand its Anchorage Center's (Wasilla Satellite) delivery area to include the following towns: Big Lake, Houston, and Sutton.

Additionally, the Company will expand its Fairbanks Center's delivery area to include the following town(s): Ester.

2. The expansion agreed upon in Section 1 above will occur no later than March of 2019.

3. Any further additions to the Company's service areas (to mean the work is performed by Company employees) may be unilaterally added by the Company, or through negotiations, when the Agreement is open for negotiations.

LETTER OF UNDERSTANDING # 2

By and Between

UNITED PARCEL SERVICE, INC.

and

TEAMSTERS LOCAL 959

Re: Feeder/Full-Time Inside Position

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

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

a. Schedule. At this time, the position is expected to have a coinciding scheduled start time with the sunrise shift, unless operational needs change. The employee will perform inside work before or after the feeder run to fulfill the daily hour guarantee. At the commencement of this Letter of Understanding, the employee is expected to be assigned a schedule of five (5), eight (8) hour days; however, the Union and Company may meet and adjust the schedule to a four (4), ten (10) schedule should this schedule enhance the operation.

b. Guarantee of Hours. For each day the employee reports to work and performs feeder work, this employee shall be guaranteed eight (8) hours. This provision is subject to change in accordance with paragraph (a) above.

c. Pay. For each day the employee performs feeder work, the employee shall be paid one-half (1/2) the daily guarantee at the feeder rate of pay, as agreed upon in Article 4.01 of the Local Rider. The remaining one-half (1/2) of the employee's daily guarantee shall be paid in accordance with Article 41, Section 3, of the National Master United Parcel Service Agreement. If there is overtime work to be performed, the employee shall receive the applicable overtime rate of pay for the classification of work performed. If the feeder work is expanded beyond four (4) hours, the parties shall meet to negotiate a change in the applicable rate of pay.

d. Vacation. The employee may not bid vacation that is in conflict with other feeder drivers. This position is expected to fill in, as needed, for regular feeder drivers, if all other Anchorage back-up feeder drivers are already working as feeder drivers. Full-time dates of seniority shall prevail for purposes of vacation bidding.

e. Seasonal Nature. It is understood that this position may be seasonal in nature. As such, the parties agree to meet and negotiate changes in the terms and conditions of this Letter of Understanding as necessary. If the account ceases to exist, the employee shall resume his or her original position and place on the applicable seniority list.

f. Training. United Parcel Service will provide the training necessary to perform the work as described herein. It shall be the responsibility of the employee to pay all fees necessary to acquire and maintain a commercial driver's license (CDL).

g. This Feeder/Full-time combination position is not subject to a rebid of other existing full-time, Article 22, Section 3, positions, unless the employee holding this bid gives the Company ninety (90) calendar days written notice prior to the 22.3 rebid. Prior to a 22.3 rebid, the Company will ensure that the employee holding this bid has knowledge of the rebid prior to the ninety (90) calendar days above.

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

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

LETTER OF UNDERSTANDING # 3

By and Between

UNITED PARCEL SERVICE, INC.

and

TEAMSTERS LOCAL 959

Re: Full-time and Part-time Employees' Seniority within their Shifts

This Letter of Understanding details the working guidelines between the Company and the Union as it relates to Article 4, (Seniority), Section 3, (Recognition of Seniority), of the Western Region Supplemental Agreement and the Alaska Rider, Letter of Addendum, regarding full-time employees.

This Letter of Understanding shall answer, detail, and provide a mutual understanding and agreement with regard to full-time Article 22, Section 3, employees and part-time employees as it relates to multiple crews working the same shift, shift overlaps between the same classification of employees, and shift overlaps between both types of employees in regard to work reduction, layoff, and shift pushback.

Interpretation of Seniority.

A. Multiple Crews, Same Shift.

1. When a need for layoffs exists because of a reduction in workload, i.e., flight cancellation, the crews with the same shift will be treated as one grouping. Employees will be laid off in reverse order of seniority, using the employee's full-time seniority date in their current classification. The full-time seniority date will be used for layoffs affecting full-time employees only, and the part-time seniority date will be used for layoffs affecting part-time employees only.

B. Shift Overlap between Full-time and Part-time Employees.

1. It is the preference of both parties to lay off full-time employees at the Anchorage, Alaska, location last as it relates to all employees in Anchorage, Alaska.

2. In light of Section B(1) above, the following is agreed upon between the parties:

a. If work is reduced, i.e., flight cancellation, and a part-time shift occurs within a full-time shift, the Company will lay off employees in reverse order of seniority (part-time employees first, then full-time employees in reverse order of seniority).

b. If work is reduced, i.e., flight cancellation, for the full-time shift and a part-time shift overlaps the full-time shift, the part-time shift employees will be laid off in reverse order of seniority and the full-time shift may be flexed earlier or later to capture the full-time employees guaranteed hours. Employees must make themselves available telephonically for notification of the change. In light of this, the Company may request affected employees to take up to a two (2) hour unpaid lunch during their adjusted shift schedule.

C. Because of the nature of specialized training and certification, the “Export, Import, Bush, Intra, and Night Sort” employees will be exempt from the layoff rules as described in Paragraph (B) above, except as it applies to the employees assigned to these sorts.

D. The parties agree to meet and confer from time to time to assess the compatibility of these rules with the current economic conditions and contractual language changes. Upon notification, the parties will meet within fourteen (14) calendar days from date of notification to negotiate changes, modifications, and rebid of shifts.

E. An employee, who has a complete shift layoff because of a flight cancellation, will be given first right to extra work, i.e., call in for shift coverage, when available by full-time seniority date, and then part-time seniority date.

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

LETTER OF UNDERSTANDING # 3.1

By and Between

UNITED PARCEL SERVICE, INC.

and

TEAMSTERS LOCAL 959

Re: Guidelines for Letter of Understanding #3, Section B.2.b

This Letter of Understanding (LOU) clarifies the parties' intent as it relates to LOU #3, Section B.2.b.

In accordance with paragraph two of LOU #3, if there exists a need for work reduction, layoff, or shift pushback, and the Company utilizes Section B.2.b, the layoff of part-time employees whose shift overlaps the full-time employees, but starts earlier, shall still occur in accordance with Section B.2.b, if the part-time employees scheduled start time is up to, and including, one (1) hour prior to the full-time employees scheduled start time whose shift overlaps. This does not change the application of Section B.2.b if the entirety of the part-time shift occurs within the full-time shift, or commences during the full-time shift but after the normal quitting time of the full-time shift.

The parties, may from time to time, in accordance with LOU #3, Section D, make temporary adjustments to the one (1) hour rule above. If the parties make temporary adjustments to the one (1) hour rule, the parties may also increase the length of the unpaid lunch correspondingly.

Additionally, the parties may consider a split work day for full-time employees as well. Such examples of when the parties may make these temporary adjustments include, Chinese New Year and Acts of God. When the Company becomes reasonably aware that possibilities for temporary adjustments will exist, it shall meet and confer with the Union.

LETTER OF UNDERSTANDING # 4

By and Between

UNITED PARCEL SERVICE, INC.

and

TEAMSTERS LOCAL 959

Re: Pension Rehabilitation Supplemental For Full-Time Employees

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

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

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

Effective	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
Package Car, Tractor Trailer, and Feeder Drivers					
Basic Contribution	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65
Rule of 85	\$1.13	\$1.13	\$1.13	\$1.13	\$1.13
Subtotal	\$6.78	\$6.78	\$6.78	\$6.78	\$6.78
Supplemental Percentage	44.00%	44.00%	44.00%	44.00%	44.00%
Supplemental	\$2.99	\$2.99	\$2.99	\$2.99	\$2.99
Total With Supplemental	\$9.77	\$9.77	\$9.77	\$9.77	\$9.77
Amount Not Subject to Supplemental	\$1.26 BC / \$0.26 R85	\$2.10 BC / \$0.47 R85	TBD	TBD	TBD
Total Contribution	\$11.29	\$12.34	TBD	TBD	TBD

Effective	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
Automotive Mechanics					
Basic Contribution	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65
Rule of 85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65
Supplemental Percentage	44.00%	44.00%	44.00%	44.00%	44.00%
Supplemental	\$2.49	\$2.49	\$2.49	\$2.49	\$2.49
Total With Supplemental	\$8.14	\$8.14	\$8.14	\$8.14	\$8.14
Amount Not Subject to Supplemental	\$1.27	\$2.11	TBD	TBD	TBD
Total Contribution	\$9.41	\$10.25	TBD	TBD	TBD

Effective	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
G.S.E. Mechanics					
Basic Contribution	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65
Rule of 85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65
Supplemental Percentage	44.00%	44.00%	44.00%	44.00%	44.00%
Supplemental	\$2.49	\$2.49	\$2.49	\$2.49	\$2.49
Total With Supplemental	\$8.14	\$8.14	\$8.14	\$8.14	\$8.14
Amount Not Subject to Supplemental	\$1.21	\$1.61	\$2.01	\$2.41	\$2.81
Total Contribution	\$9.35	\$9.75	\$10.15	\$10.55	\$10.95

Effective	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
All Other Full-Time Employees					
Basic Contribution	\$3.65	\$3.65	\$3.65	\$3.65	\$3.65
Rule of 85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal	\$3.65	\$3.65	\$3.65	\$3.65	\$3.65
Supplemental Percentage	42.00%	42.00%	42.00%	42.00%	42.00%
Supplemental	\$1.53	\$1.53	\$1.53	\$1.53	\$1.53
Total With Supplemental	\$5.18	\$5.18	\$5.18	\$5.18	\$5.18
Amount Not Subject to Supplemental	\$2.17	\$2.57	\$2.97	\$3.37	\$3.77
Total Contribution	\$7.35	\$7.75	\$8.15	\$8.55	\$8.95

Effective	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
Probationary Employees Full-Time Rule of 85					
Basic Contribution	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83
Rule of 85	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17
Subtotal	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Supplemental Percentage	50.00%	50.00%	50.00%	50.00%	50.00%
Supplemental	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Total With Supplemental	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
Amount Not Subject to Supplemental	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Contribution	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50

Effective	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
Probationary Employees Full-Time					
Basic Contribution	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Rule of 85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Supplemental Percentage	50.00%	50.00%	50.00%	50.00%	50.00%
Supplemental	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Total With Supplemental	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
Amount Not Subject to Supplemental	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Contribution	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50

LETTER OF UNDERSTANDING # 5

By and Between

UNITED PARCEL SERVICE, INC.

and

TEAMSTERS LOCAL 959

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

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

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

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

Effective	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
Part-Time Employees					
Basic Contribution	\$3.65	\$3.65	\$3.65	\$3.65	\$3.65
Supplemental Charge	42.00%	42.00%	42.00%	42.00%	42.00%
Supplemental Percentage	\$1.53	\$1.53	\$1.53	\$1.53	\$1.53
Total With Supplemental	\$5.18	\$5.18	\$5.18	\$5.18	\$5.18
Amount Not Subject to Supplemental	\$2.07	\$2.47	\$2.87	\$3.27	\$3.67
Total Contribution	\$7.25	\$7.65	\$8.05	\$8.45	\$8.85

Effective	8/01/2018	8/01/2019	8/01/2020	8/01/2021	8/01/2022
Probationary Part-Time Employees					
Basic Contribution	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30
Supplemental Charge	50.00%	50.00%	50.00%	50.00%	50.00%
Supplemental Percentage	\$0.15	\$0.15	\$0.15	\$0.15	\$0.15
Total With Supplemental	\$0.45	\$0.45	\$0.45	\$0.45	\$0.45
Amount Not Subject to Supplemental	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Contribution	\$0.45	\$0.45	\$0.45	\$0.45	\$0.45

LETTER OF UNDERSTANDING #6

By and Between

UNITED PARCEL SERVICE, INC.

and

GENERAL TEAMSTERS UNION LOCAL NO. 959

ALASKA RIDER

Re: Health Insurance Coverage

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

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