

UPS & IAMAW
NATIONAL MASTER AGREEMENT

August 1, 2019– July 31, 2024

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NATIONAL MASTER U.P.S. / I.A.M. & A. W. AGREEMENT

Preamble

This collective bargaining agreement is by and between United Parcel Service, Inc. (OH), and hereafter referred to as "UPS", the "Company" or the "Employer", and the International Association of Machinists and Aerospace Workers (IAM&AW), hereafter referred to as the "Union", representing local Unions affiliated with the IAM&AW and collectively referred to as the Union. This Agreement is applicable to those employees in any UPS/IAM local agreement. The Employer and Union hereby agree to be bound by the provisions of this Agreement.

ARTICLE 1.

The Employer and Union have entered into this National UPS/IAM Agreement based upon certain mutual understandings and conditions precedent. They are as follows:

- (1) The decision to negotiate and execute a nationwide agreement was made in order to facilitate the negotiating process and simplify contract administration thereafter.

All employees covered by this Master Agreement and the various local agreements shall constitute one (1) bargaining unit. The printing of this Master Agreement and the related local agreements in separate agreements is for convenience only and is not intended to create separate bargaining units.

- (2) A condition precedent to the negotiation of a successor National UPS/IAM Agreement is that it and all successor local agreements covering UPS employees represented by the different IAM Lodges will be presented to the Union's members as one contract, with one vote by all members, either rejecting or ratifying the National UPS/IAM Agreement.
- (3) A condition precedent to the negotiation of this National Agreement and any successor agreement(s), is that any terms negotiated and included in the National Agreement shall supercede any contrary provision in any Local IAM Agreement on the same subject.
- (4) A condition precedent to the re-negotiation of any successor National UPS/IAM Agreement(s), is that all Local IAM Agreements have a common expiration date with the Master UPS/IAM Agreement.

- (5) If any action is taken by either United Parcel Service, Inc. (OH) ("UPS") or the International Association of Machinists and Aerospace Workers ("IAM") so as to change, alter or eliminate the conditions precedent set forth in this Section, either party shall have the right to decline, with fourteen (14) days written notice, to renegotiate this National UPS/IAM Agreement. If such notice is given, any successor labor agreements will be negotiated only on a local basis with the different IAM Lodges who represent UPS employees.

ARTICLE 2. DUES CHECKOFF AND JOINT DUES COMMITTEE

The Union and the Employer will establish a Joint Dues Committee to review the deduction and remittance of union dues. This Committee is charged with the responsibility of ensuring that dues are accurately deducted and remitted in a timely manner to the Local Unions. It is anticipated that this Committee shall serve as a source of continuing study regarding the most efficient, accurate, and expeditious deduction and payment of dues, including exploring electronic solutions. The Union and the Employer will establish procedures for the operation of this Committee.

The Employer shall deduct dues from vacation week checks, as necessary to cover monthly dues. This will be implemented within six (6) months of ratification of this Agreement.

ARTICLE 3. JOINT UPS/IAM NATIONAL COMMITTEE

The parties hereby establish a Joint UPS / IAM National Committee. The purpose of the National Committee shall be to discuss items of mutual interest that have an impact throughout the Employer's IAM-represented operations. The National Committee will be co-chaired by the Employer's Vice President of Labor Relations and the Union's Automotive Coordinator, or their respective designees. The co-chairs shall appoint an equal number of UPS and IAM representatives to serve on this Committee. The Joint Committee will meet annually or upon the mutual call of the co-chairs.

ARTICLE 4. GRIEVANCE AND ARBITRATION PROCEDURE

Section 1. Grievances

All grievances and / or questions of interpretation arising under the provisions of this Agreement shall be resolved in the following manner:

Disputes involving national language shall first be dealt with in the local grievance machinery, but in no event shall be submitted to arbitration under the local agreements. If the dispute cannot be resolved at the local level, it may be referred to a four-person committee composed of the Employer's Vice President of Labor Relations, the Union's Automotive Director, and one designee for each side, for final and binding resolution. For this committee to have jurisdiction to hear the case, either

side must refer the dispute to this committee within 30 days of it being deadlocked at the local level. The Employer's Vice President of Labor Relations and the Union's Automotive Director may designate another individual to hear the case in their stead. The Employer and Union designees sitting on this committee may not be from the same area (IAMAW Lodge or UPS District) from which the grievance arose. If the committee cannot resolve the dispute, or, if they fail to hear the dispute within 60 days of the dispute being referred to them, then either side may refer the matter to arbitration within ten days. The parties will thereafter mutually agree upon an arbitrator within ten days, and his or her decision shall be final and binding. The expenses of the arbitration (e.g., arbitrator's fee, conference room) shall be borne equally by the Company and the International Union; however, each side shall be responsible for its own legal fees.

Accordingly, no work stoppage, slowdown, walkout or lockout over such grievances and/or questions of interpretation shall be deemed to be permitted or authorized by this Agreement.

Section 2. Picket Lines

It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action (including but not limited to the temporary or permanent replacement of any employee) in the event an employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any primary picket line, including the primary picket line of Unions party to this Agreement, and including primary picket lines at the Employer's place of business, and the Employer shall not direct any employee to cross a primary picket line.

ARTICLE 5. HOLIDAYS

Upon ratification, newly hired employees will not be eligible to receive named holidays, personal days, and option days provided by any local agreement until they have completed twelve (12) months of employment.

ARTICLE 6. COST-OF-LIVING (COLA)

All seniority employees who have completed their appropriate wage progression schedule shall be covered by the provisions of a cost-of-living allowance, as set forth in this Agreement.

Employees who have not completed their appropriate wage progression on the effective date of a COLA increase shall receive the adjustment on a prospective basis on the date they complete their wage progression schedules.

The amount of the cost-of-living allowance shall be determined as provided below on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers,

CPI-W (Revised Series using 1982-1984 Expenditure Patterns), All Items (1982-84=100), published by the Bureau of Labor Statistics, U.S. Department of Labor" and referred to herein as the "Index".

Effective August 1, 2020, and every August 1 thereafter during the life of the agreement, a cost-of-living allowance will be calculated on the basis of the difference between the Index for May 2020 (published June 2020) and every May thereafter, and the base Index for May 2019 (published June 2019) and every May thereafter, as follows:

For every 0.2 point increase in the Index, over and above the base (prior year's) Index plus 3.0% there will be a 1 cent increase in the hourly wage rates payable on August 1, 2020, and every August 1 thereafter. These increases shall only be payable if they equal five (\$.05) cents in a year.

All cost-of-living allowances paid under this agreement will become and remain a fixed part of the base wage rate for all job classifications. A decline in the Index shall not result in the reduction of classification base wage rates.

In the event the appropriate Index figure is not issued before the effective date of this cost-of-living adjustment, the cost of living adjustment that is required will be made at the beginning of the first (1st) pay period after the receipt of the Index.

In the event that the Index shall be revised or discontinued and in the event the Bureau of Labor Statistics, U.S. Department of Labor, does not issue information which would enable the Employer and the Union to know what the Index would have been had it not been revised or discontinued, then the Employer and the Union will meet, negotiate and agree upon an appropriate substitute for the Index. Upon the failure of the parties to agree within sixty (60) days, thereafter, the issue of an appropriate substitute shall be submitted to an arbitrator for determination. The arbitrator's decision shall be final and binding.

ARTICLE 7. HEALTH & WELFARE AND PENSION

Section 1. Existing IAMAW H&W and Pension Funds

(a) For those areas in which Health and Welfare and Pension are both provided through a jointly trustee Taft Hartley fund, contributions shall be increased \$1.00 per hour for each of the first four increases due under the terms of this contract. The parties agree that the fifth increase due pursuant to this Article shall be the same as year one of the next NMUPSA.

Increases to the various funds will be paid in accordance to the same schedule that was followed in the 2014-2019 Agreement which worked off of the old local agreements' expiration dates.

(b) If, in accordance with a duly adopted funding improvement plan or rehabilitation plan, an IAMAW Pension Fund is required to issue a schedule pursuant to ERISA Section 305 (added by the Pension Protection Act of 2006) that requires contributions in excess of those contained within this Article, the Union and the Employer shall promptly meet to negotiate changes in the Agreement to generate sufficient savings to cover the cost of the increased contributions. Agreement shall not be unreasonably withheld. Once completed, the applicable Fund shall be obligated to accept the schedule as if it was the beginning of the term of a new labor agreement.

(c) The Employer and the IAM&AW agree that if additional contributions are required by paragraph (b) above, the maximum amount of a general wage increase that will be reallocated to a pension contribution is thirty-five cents (\$0.35). The parties will not implement any reallocation of GWI to pension contributions in excess of thirty-five cents (\$0.35) without mutual agreement by the parties and subject to it being ratified by the affected employees.

(d) Eligible employees in the jurisdictions of District Lodges 190,160 and 751 shall continue to participate in their existing health and welfare plans, and the Employer will make contributions to those plans as set forth above and as set forth in their respective local agreements.

Section 2. Transition From UPS Sponsored Medical Coverage

(a) Part-time and full-time employees covered by an IAMAW Fund will continue to be covered by those H&W funds. If UPS provides pension coverage to any of these employees the hourly contribution increase referenced in Section 1 (a) above shall be allocated between H&W and pension equally.

(b) Effective January 1, 2015 all full-time and part-time employees on the payroll at that time and those hired thereafter who would have had health and welfare coverage provided by the employer will instead be provided coverage through TeamCare. A weekly contribution shall be made for any week in which the employee receives at least one hour of pay. The Company shall continue weekly contributions for one year for employees who have an on-the-job injury.

(c) Any eligible employee covered by this Section who retires effective January 1, 2015 or thereafter shall be provided retiree medical benefits through TeamCare. The Employer will continue to provide retiree medical coverage to those employees who retire before January 1, 2015.

(d) The allocation of the one dollar (\$1.00) increase set forth in Section 1 (a) above for those full-time employees participating in Team Care shall be as follows:

August 1, 2019 – fifty cents (\$0.50)

August 1, 2020 – fifty cents (\$0.50)

August 1, 2021– (TBD based on TeamCare's cost)(not to exceed \$0.70)

August 1, 2022– (TBD based on TeamCare's cost)(not to exceed \$0.70)

August 1, 2023– (TBD by first year of next NMA)

The Employer shall pay the agreed-upon contributions to TeamCare for part-time employees participating in TeamCare to maintain covered part-time employees' Health & Welfare benefits.

(e) Individual, spousal and dependent coverage will be made available to part-time employees hired after August 1, 2014 after nine (9) months of active employment.

(f) In each of the years referenced in paragraph (d) above, the remaining amount, if any in 2016 and 2017, shall be allocated to the appropriate IAM&AW Fund or UPS Pension Plan, as applicable.

Section 3. UPS Part-time Pension Plan

The UPS Pension Plan will be improved to provide monthly benefits for part-time employees not covered by I.A.M. & A.W. Pension Plans as follows: The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants will be increased effective August 1, 2004 to fifty-five dollars (\$55) for each year of past and future Service Credit. The benefit formula in the UPS Pension Plan for current or future part-time employees who are participants will be increased solely for purposes of the monthly accrued benefit, effective August 1, 2009 to sixty dollars (\$60) for each year of future credited service to a maximum of 35 years of Credited Service. If a participant is in Covered Employment on August 1, 2009, he shall receive the sixty dollar (\$60) benefit formula for the entire 2009 plan year. The amounts listed in this paragraph will be effective for all years providing the employee has completed:

- a. 35 years of service as a part-time employee - \$2275; or
- b. 30 years of service as a part-time employee - \$1950; or
- c. 25 years of service as a part-time employee and 60 years old - \$1625; or
- d. 25 years of service as a part-time employee at any age will receive a reduced Service - \$1325 (Based on Credit of \$53 per year).

Effective upon the ratification date of the 2002-2009 Agreement, the Employer granted additional years of credited service in accordance with the terms of the Plan to all full-time and part-time employees on the payroll on the date of ratification of this Agreement who worked for UPS after they were 21 but were denied credited service solely because the UPS Pension Plan required that an employee be age 25 or older to participate in the UPS Pension Plan.

The Company will amend the UPS Pension Plan to allow an employee with an hour of service in covered employment on or after August 1, 2014 to become a participant

on the January 1 or July 1 (whichever is earlier), after reaching age 21 and completing a 12 month period of employment beginning on their hire date, or any subsequent calendar year, in which they earned at least 375 hours of service. In addition, in order to receive any retroactive benefit service as a result of the change, the employee's primary job as of August 1, 2014 must be a part-time position. The Pension Plan will also be amended to reduce the number of hours of service required to earn a vesting year from 750 to 375. This paragraph does not change how benefit service is accrued.

This Section does not apply to employees represented by Local Lodge 698, as those employees' pension details are set forth in the local agreement.

Section 4. 401(k) Plan

No later than January 1, 2010, all full- and part-time employees shall be eligible to participate in the IAM National 401(k) Plan in accordance with the terms of that Plan. The Employer shall withhold from an employee's earnings, amounts mutually agreed between the Employer and the employee, and deposit such monies into a 401(k) account in the employee's name in compliance with the Internal Revenue Code and ERISA.

Section 5-Annuity Payroll Deductions

Upon written notification from the appropriate Union representative of a local agreement, UPS will deduct and remit a specified portion of each employee's paycheck to a designated annuity fund. UPS shall only be obligated to make such deduction if all employees covered by the local agreement participate.

ARTICLE 8. WAGES

Section 1. Wage Increases—Automotive and Maintenance Journeyman Mechanics

Wages for Automotive and Maintenance Journeyman Mechanics who have completed progression as of the date of ratification of this Agreement will be determined only in accordance with this Section. Automotive and Maintenance Journeyman Mechanics who complete progression during the life of this Agreement will receive their first general wage increase upon the next anniversary of their previous contract's expiration date, and thereafter, their wages will be determined only in accordance with this Section.

First Increase August 1, 2019	Seventy-five cents per hour (\$.0.75)
Second Increase August 1, 2020	Eighty cents per hour (\$.0.80)
Third Increase August 1, 2021	Ninety cents per hour (\$.0.90)
Fourth Increase August 1, 2022	One Dollar per hour (\$1.00)
Fifth Increase	Same as year 1 of next NMUPSA

Section 2. Wage Increases --Trailer Repairmen

Trailer Repairmen, who are out of progression are currently being paid 85% of the Journeyman Mechanics' rate, shall receive the full general wage increase set forth in Section 1 above. All other Trailer Repairmen who are out of progression will also receive the full general wage increase set forth above.

Section 3. Wage Increases -- Other Employees

Employees other than those listed in Sections 1 and 2 above will receive wage increases consistent with the provisions of their respective local bargaining agreements.

Section 4.

Employees who are out of progression and eligible for the wage increases set forth in Sections 1, 2, and 3 above will receive them as follows: The fifth increase referenced in Section 1 above shall be paid for all employees covered by this agreement on August 1, 2023.

Section 5.

Notwithstanding anything herein or any language in a local agreement, no employee who has completed progression shall receive a wage increase that is greater than those set forth in Section 1 above. The only exception to this are those employees covered by the first sentence of Section 2 above.

Progressions shall continue to be determined by the local agreements. However, for those local agreements which have a progression of two (2) or more years in duration for journeymen mechanics, the following progression shall be substituted. It shall apply to employees entering the job after August 1, 2019.

Current Top Rate

Start	85%
Twelve (12) months	90%
Twenty-four (24) months	Top Rate

Journeymen mechanics in a progression of two (2) or more years duration as of August 1, 2019 shall be slotted into the above progression.

Section 6.

Employees shall have the option of participating in the Employer's electronic funds transfer (EFT), the Employer's check card payment system, or a paper payroll check

system. New employees, defined as employees who are not on the payroll on the date of ratification, shall designate either EFT or a check card, unless prohibited by applicable state law. New employees shall make this election during orientation. Recognizing the mutual benefits and advantages of these systems over a paper payroll check, the Union agrees to encourage all employees to select either EFT or a check card as a method of payment.

Section 7. Paid for Time

All employees covered by this Agreement shall be paid for all time spent in service of the Employer. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work and registers in and until the employee is effectively released from duty. All time lost due to delays as a result of overloads or certificate violations involving federal, state or city regulations, which occur through no fault of the employee, shall be paid for by the Employer.

The Employer will not allow employees to work prior to their start time without appropriate compensation.

Wages for properly selected vacations, in all instances, will be paid to the employees no later than the workday prior to their vacation. If the employee does not receive his/her vacation check, the Employer will make all reasonable efforts to provide the check the following day including delivery by Saturday or Next Day Air. If the employee requests to see his vacation check on the Monday as permitted below and the Employer fails to make the vacation payment available by Saturday following the employee's regular scheduled pay day, the employee shall be paid an additional amount equal to one-half (1/2) of his or her daily guarantee at his or her regular hourly rate of pay for every subsequent pay period until the shortage is corrected. Other shortages involving more than fifty dollars (\$50.00) for full-time employees, and twenty-five dollars (\$25.00) for part-time employees, will be corrected and the payment will be made available to the employee at his/her reporting location on his/her second scheduled workday after reporting the shortage. If the Employer fails to make the payment available on the employee's second scheduled workday and the shortage was the result of the Employer's error, the employee will be paid an additional amount equal to one-half (1/2) of his/her daily guarantee at his/her regular hourly rate for every full pay period in which the shortage is not paid after the second (2nd) scheduled work day, until corrected.

Errors of less than fifty (\$50.00) dollars for full-time employees or twenty-five (\$25.00) dollars for part-time employees and overages will be corrected in the following weekly paycheck. The Union and Employer shall have the authority at any level of the grievance procedure to award a penalty up to the amount specified in the prior paragraph for any violation of the provision.

Any grievance settlement not paid within ten (10) working days of the settlement shall entitle the grievant(s) to a penalty payment as outlined above. The ten (10) working day period shall begin to run when the Labor Department representative agrees to the settlement, or is notified by the Union or management team of the settlement. The Employer shall pay a maximum of one penalty payment for a multi-grievant grievance, which shall be subject to the additional penalties set forth above for untimely payment, until corrected.

Any grievance payments included on a paycheck will also be available for review by affected employees electronically with the applicable identifying grievance number on a website maintained by the Employer. Nothing in this paragraph is intended to eliminate any local practices regarding availability of data regarding grievance settlements.

When an employee notifies the Employer in writing of any ongoing overpayment, the employee's increasing liability will cease five (5) working days after the date of the written notification. The notification shall be provided to the employee's immediate supervisor or manager. All employees must receive their vacation pay in a separate check before taking vacation. Vacation checks for an employee, who is taking a properly scheduled vacation in accordance with the applicable Supplement, Rider or Addendum, will be at the operating center on Monday of the week prior to the employee's vacation week(s). This is to ensure that the employee receives his/her pay prior to taking his/her vacation. The employee will be shown his/her check upon request, but will not receive the check until the regular scheduled pay day.

All green checks will be taxed at the employee's regular withholding tax rate.

Paycheck stubs will show the year-to-date vacation, sick and personal leave balances.

Section 8 – Leave of Absence

(a) Any employee, member of the Union, acting in any official capacity whatsoever shall not be discriminated against for his/her acts as such officer of the Union so long as such acts do not interfere with the conduct of the Company's business, nor shall there be any discrimination against any employee because of Union membership or activities.

(b) The Company agrees to grant employees reasonable time off without pay without discrimination or loss of seniority rights to attend a labor convention or union meeting called by the Local Lodge or District, provided at least forty-eight (48) hours written notice is given by the IAM&AW, Local IAM&AW, Lodge or District to the Company specifying the length of time off and provided that there shall be no disruption of the Company's operations. The Company's consent to such requests shall not be unreasonably denied.

(c) Authorized agents of the IAM&AW, Local Lodge or District shall have access to the Company's premises during working hours for the purpose of adjusting disputes,

investigating working conditions, collecting dues and ascertaining that this agreement is being adhered to, provided, however, that there is no interruption of the Company's working schedule.

Section 9. Loss of License

When an employee in any job classification requiring driving has his/her operating privilege or license suspended or revoked for reasons other than those for which the employee can be discharged by the Company, a leave of absence without loss of seniority, not to exceed two (2) years shall be granted for such time as the employee's operating license has been suspended or revoked. The employee will be given available work opportunities to perform non-CDL required job functions. There must be available work that the employee is qualified to perform and he or she must be able to perform the work under the local agreement and local practice. While performing this work the employee shall be paid the appropriate rate for the job performed based on his or her company seniority.

Section 10 – Long Term Disability

(1) Full-time seniority employees will become eligible for long-term disability (LTD) after six (6) months of employment for non-occupational illnesses or injuries that last longer than twenty-six (26) weeks.

(2) Long-term disability benefits will equal sixty percent (60%) of the employee's base weekly pay to a maximum of eight hundred dollars (\$800) per week for up to five (5) years. Long-term disability benefits begin when short-term disability coverage ends or after twenty-six (26) weeks from date of disability, whichever is later.

(3) Average weekly base pay is computed by averaging paid hours (maximum of forty (40) hours per week) each week during the last full calendar quarter the employee worked and multiplying that by the hourly rate of their base job. Weeks of un-employment in the prior quarter will not be counted in the calculation. If there were substantial weeks of unemployment, the prior full calendar quarter may be used for the calculation.

(4) The definition of disability, termination of eligibility, offsets, exclusions, limitations, claim procedures and any other related issues will be controlled by the Summary Plan Description.

ARTICLE 9. MILITARY CLAUSE

Section 1 – USSERA Rights

Employees in service in the uniformed services of the United States, as defined by the provisions of the Uniform Services Employment and Reemployment Rights Act (USERRA), Title 38, U.S. Code Chapter 43, shall be granted all rights and privileges provided by USERRA and/or other applicable state and federal laws. This

shall include continuation of health coverage as provided by USERRA, and pension contributions for the employee's period of service, as provided by USERRA. Employees shall be subject to all obligations contained in USERRA which must be satisfied for the employees to be covered by the statute.

The Employer, in its discretion, may make additional payments or award additional benefits to employees on leave for service in the uniformed services in excess of the requirements outlined in the USERRA.

Section 2 – Vacation Restoration

Employees on USERRA-approved military leave shall continue to accrue vacation to be used upon return as set forth below. To be eligible for accrual, employees must be (i). employed by UPS for at least one (1) year, (ii) be a member of the uniformed services at time of callup, and (iii) be called into active duty (other than for training) for a period of service exceeding thirty (30) days pursuant to any provision of law because of a war or national emergency declared by the President of the United States or Congress. An eligible employee returning to work as per USERRA shall be entitled to annual vacation for the remainder of that contractual vacation period based on the number of weeks to which he/she is entitled for years of service and the quarter in the current contractual vacation period in which the employee returns from eligible military leave, as follows:

No. Wks.	Q1	Q2	Q3	Q4
6	6	4	3	1
5	5	3	2	1
4	4	3	2	1
3	3	2	1	1
2	2	1	1	1

In no event shall the employee have less than one (1) week of vacation available upon his/her return.

For the next contractual vacation period, the employee shall be credited with the vacation he would have accrued while he was on military leave. In no event shall the employee have less than he is entitled to based on total years of service under the applicable Local IAM Agreement.

Section 3 – Notification of Leave

The treatment of unused vacation and the scheduling of the vacation shall be in accordance with the applicable Local IAM Agreement.

Upon notification from an employee that he/she is taking USERRA qualified military leave, the Employer shall notify the Local Union within five (5) business days.

Section 4. Spousal Transfer Rights

In the event an active member of the military is transferred to a different geographic location and his or her spouse works for the Employer, the employee may submit a written request to the Employer to transfer to the same geographical area. The transfer shall be approved subject to the following conditions:

- a. A full or part-time opening, as applicable, in the job classification exists at the desired location. The position must be one that an existing employee does not have a right to be awarded.
- b. Job classification seniority is end-tailed.
- c. Company seniority is retained for the purposes of the number of weeks of vacation, holiday eligibility, and benefit purposes.
- d. The transfer must be requested in advance of the relocation to ensure that there is no break in service by the transferring employee. If no permanent position is available at the time of the relocation the provisions of paragraph a. above, shall apply for a maximum of six (6) months.
- e. The Employer shall not be responsible for any moving expenses or work missed by the employee.
- f. An employee who transfers out of his or her original area where they are covered by an IAM Pension Trust Fund into the jurisdiction of another pension trust fund, such employee shall remain in his or her original pension trust fund. The Employer agrees to pay the required pension contributions to the employee's original pension trust fund as set forth in the trust agreement, provided there is no conflict with any collective bargaining agreement and/or trust agreement.

ARTICLE 10. TECHNOLOGICAL CHANGE

Section 1. Technological Change

(a) Technological change will be defined as any significant change in equipment or materials which results in a significant change in the work of any classification of employees in the bargaining unit or diminishes the number of workers in any classification of employees in the bargaining unit. Such changes could include, but are not limited to, the use of drones or driverless vehicles,

(b) The Employer will advise the Union of any technological changes when the change has entered the field testing phase or at least six (6) months prior to the implementation of such change. In all cases, the Company will provide notice of any technological change

covered by this Section before the technology is implemented.

(c) The Employer will be required to provide the Union upon written request, any relevant information to the extent available regarding the technological changes.

(d) In the event that the parties cannot reach agreement on a dispute regarding technological changes, either party may refer all outstanding disputes to the IAM National Grievance Committee for resolution.

(e) It is understood the Company is obligated to train employees on new technologies which are deemed to be work of the bargaining unit.

Section 2. Technology and Discipline

No employee shall be discharged if such discharge is based solely upon information received from GPS or any successor system unless he/she engages in dishonesty (defined for the purposes of this paragraph as any intentional act or omission by an employee where he/she intends to defraud the Company). The Company must confirm by direct observation or other corroborating evidence any other violations warranting discharge

ARTICLE 11. MAINTENANCE OF STANDARDS

The Employer agrees, subject to the provisions of this Agreement, that all conditions of employment relating to wages, hours of work, overtime differentials and general working conditions shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement, and the conditions of employment shall be improved whenever specific provisions for improvement are made elsewhere in this Agreement. It is agreed that the provisions of the Article shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying the terms and conditions of this Agreement.

ARTICLE 12. TOOL ALLOWANCE AND TOOL REPLACEMENT

SECTION 1. TOOL ALLOWANCE AND REPLACEMENT

Local agreements that have neither a tool allowance nor a tool replacement shall receive a \$350 annual tool allowance (net of taxes) payable in December each year to all PE and Automotive journeymen mechanics. The same allowance will apply to those local agreements with a tool allowance of less than \$350 annually. Local Agreements that currently have a tool allowance or tool replacement of \$350 or more annually shall keep the language in those agreements. Full-time trailer mechanics

and trailer repairmen who are out of progression shall be eligible for a \$225 annual tool replacement. In order to receive all or some of the replacement, an inventory of the tools must be in place. This new \$225 tool replacement will not apply in those local agreements where the trailer mechanics and trailer repairmen have a greater tool replacement benefit. Local Agreements that do not have a tool allowance for apprentice journeymen mechanics, shall receive a \$200.00 annual tool allowance (net of taxes) payable when the apprentice is hired and each twelve (12) months thereafter until he or she becomes a journeyman mechanic.

Section 2. Uniforms

If the Company requires any employee to wear a uniform jacket, shirt, pants or safety vests, the Company shall furnish the uniform parts and replacement parts, as necessary.

ARTICLE 13. SUB-CONTRACTING

The parties intend that subcontracting provisions within the Local IAM Agreements will continue to be followed. However, the parties to this Agreement also want to emphasize that it is their intent to preserve work and job opportunities for the employees covered by this Agreement, consistent with those provisions in the Local Agreements. The Employer further agrees that it is not its intent to use the subcontracting provisions in the Local Agreements to diminish or eliminate bargaining unit jobs. Rather it is the parties' mutual intent and goal to grow the operations so as to be able to add additional employees and union members.

In order to help achieve the mutual objectives set forth above, the Employer agrees to meet and discuss with the Union's Local Business Representatives the subcontracting of any Plant Engineering Maintenance, Automotive, GSE, Body Shop or Trailer Shop work prior to the performance of such work by a third party.

ARTICLE 14. INJURED EMPLOYEE

An employee who is sent home by the Company as a result of an injury on the job, or is sent to a hospital, or who must obtain medical attention that day, shall receive pay at the applicable hourly rate for the balance of his/her regular shift on that day. An employee who has returned to his/her regular duties after sustaining a compensable injury who is required by the worker's compensation doctor to receive additional medical treatment during his/her regularly scheduled working hours shall receive his/her regular hourly rate of pay for such time.

ARTICLE 15. DRUG AND ALCOHOL TESTING

Section 1. Controlled Substances Testing

The parties have agreed that the procedures as set forth in Article 15, Section 1 shall be the methodology for all testing and will be modified only in the event that further federal legislation or Department of Transportation regulations require revised testing methodologies or requirements during the term of this Agreement. To the extent that a subject is not covered by this Article the appropriate regulation shall control.

Should other categories, modifications or types of testing be required by the government, the parties will meet as expeditiously as possible to develop a mutually agreeable procedure.

The provisions of Article 15, Section 3 will apply to all employees requesting enrollment in a rehabilitation program following a positive drug test. Employees may use the United Parcel Service Employee Assistance Program, a Union sponsored program, as well as any other referral service in choosing an approved program for treatment.

Section 1.1 Employees Who Must Be Tested

UPS employees subject to Department of Transportation mandated drug testing are drivers of vehicles with a vehicle weight rating over 26,000 pounds, requiring a commercial driver license (CDL). This includes certain mechanics and employees who relieve for vacations or other temporary vacancies.

In addition to testing mandated employees, controlled substance testing will be part of pre-qualification conditions for jobs that are subject to being tested for controlled substances before being accepted into such a position.

Employees covered by this Collective Bargaining Agreement who are not subject to DOT mandated drug testing are only subject to reasonable cause testing as provided herein. The substances for which testing shall be conducted, and cut-off levels thereto, shall be consistent with those listed for the DOT-covered employees. This provision also applies to testing conducted pursuant to rehabilitation and after care programs.

Section 1.2 Testing

Because of the consequences that a positive test result has on an employee, UPS will employ a very accurate, two-stage testing program. Urine samples will be analyzed by a highly qualified independent laboratory which is certified by the Department of Health and Human Services (HHS). All samples will be tested according to DOT drug testing requirements. Validity testing for the presence of adulterants shall be conducted on all specimens, per HHS requirements.

Section 1.3 Screening Test

The initial test uses an immunoassay to determine levels of drugs or drug metabolites. The following initial cutoff levels shall be used when screening specimens to determine whether they are negative for these five (5) drugs or drug classes.

Substance	Initial Test Level (ng/mL)(1)
Marijuana Metabolites (2)	50 (3)
Cocaine Metabolites	150 (3)
Codeine/Morphine	2000
Hydrocodone/Hydromorphone	300
Oxycodone/Oxymorphone	100
6-Acetylmorphine	10
Phencyclidine	25
Amphetamines/Methamphetamine	500
MDMA/MDA	500

These substances and test levels are subject to change by the Department of Transportation as advances in technology or other considerations warrant.

Section 1.4 Confirmatory Test

All specimens identified as positive on the initial test shall be confirmed using gas chromatography/mass spectrometry (GC/MS) techniques at the cutoff values listed. The following cutoff levels shall be used to confirm the presence of drugs or drug metabolites:

Substance	Confirmatory Test Level (ng/mL)
Marijuana Metabolites (2)	15
Cocaine Metabolites	100
Codeine/Morphine	2000
Hydrocodone/Hydromorphone	100
Oxycodone/Oxymorphone	100
6-Acetylmorphine	10
Phencyclidine	25
Amphetamine Methamphetamine (4)	250
MDMA (4)/MDA (5)	250

- (1) For grouped analytes (i.e. two or more analytes that are in the same drug class and have the same initial test cutoff):

Immunoassay: The test must be calibrated with one analyte from the group identified as the target analyte. The cross-reactivity of the immunoassay to the other analyte(s) within

the group must be eighty percent (80%) or greater; if not, separate immunoassays must be used for the analytes within the group.

Alternate technology: Either one analyte or all analytes from the group must be used for calibration, depending on the technology. At least one analyte within the group must have a concentration equal to or greater than the initial test cutoff or, alternatively, the sum of the analytes present (i.e., equal to or greater than the laboratory's validated limit of quantification) must be equal to or greater than the initial test cutoff.

- (2) An immunoassay must be calibrated with the target analyte, A-9-tetrahydrocannabinol 1-9-carboxylic acid (THCA).
- (3) Alternate technology (THCA and Benzoyllecgonine): When using an alternate technology initial test for the specific target analytes of THCA and Benzoyllecgonine, the laboratory must use the same cutoff for the initial and confirmatory tests (i.e., 15ng/mL for THCA and 100ng/mL for Benzoyllecgonine).
- (4) Methylenedioxymethamphetamine (MDMA).
- (5) Methylenedioxyamphetamine (MDA).

In the event the initial drug test indicates a positive response the confirmatory test must be done.

On an initial drug test, the laboratory must report a result below the cutoff concentration as negative. If the result is at or above the cutoff concentration, the laboratory must conduct a confirmation test.

On a confirmation drug test, the laboratory must report a result below the cutoff concentration as negative and a result at or above the cutoff concentration as confirmed positive.

These substances and test levels are subject to change by the Department of Transportation as advances in technology or other considerations warrant.

Section 1.5 Laboratory Testing

All laboratories selected by UPS for analyzing Controlled Substances Testing will be HHS certified.

Section 1.6 Types of Testing Required

Testing procedures will be performed as part of pre-qualified practices, after defined DOT reportable accidents, on the basis of reasonable cause, upon return to duty after a positive test, under DOT mandated random testing and as follow-up testing for

post drug rehabilitation as outlined under Article 15, Section 3.

Section 1.7 Pre-Qualification Testing

Controlled substance testing will be part of UPS's regulated pre-qualification conditions for certain automotive mechanic positions that require a CDL.

These mechanic applicants will be advised in writing prior to the application process that pre-qualification testing will be conducted to determine the presence of controlled substances. Applicants will be required to acknowledge in writing an understanding of this request before they receive an application.

Section 1.8 Reasonable Cause Testing

Upon reasonable cause, UPS will require an employee to be tested for the use of controlled substances.

Reasonable cause is defined as an employee's observable action, appearance, or conduct that clearly indicate the need for a fitness-for-duty medical evaluation.

The employee's conduct must be witnessed by at least two (2) supervisors, if available. The witnesses must have received training in observing a person's behavior to determine if a medical evaluation is required. When the supervisor(s) confronts an employee, a Union representative should be made available. If no steward is present, the employee may select another hourly paid employee to represent him.

Documentation of the employee's conduct shall be prepared and signed by the witnesses within twenty-four (24) hours of the observed behavior, or before the test results are released, whichever is earlier. In addition, a copy will be sent to the Local Union in a timely manner.

Note: (Reasonable Cause)

At the time the urine specimen is collected, the employee may opt to also give a blood sample. If the employee takes this option, the blood sample must confirm positive presence for the substance confirmed in the urine test. If no positive is confirmed in the blood specimen, the employee will be given a warning letter, offered an opportunity for rehabilitation as set forth in this Article, and the employee will be required to otherwise satisfy the requirements imposed by the DOT regulations. However, if there is a second occasion where reasonable cause testing results in a positive urine test, the employee will then be subject to discharge.

Non-DOT - Reasonable Cause:

In the event an employee (not covered by DOT) is tested pursuant to the discipline Article in a local agreement, such test will be performed under the same procedures and requirements as those set forth in this Article. In the event the test result is positive, as set forth above, it shall be considered a dischargeable offense.

Section 1.9 Post-Accident Drug Testing

Employees will be required to submit to a drug test after a DOT defined serious accident, which is one in which:

1. There is a fatality, or;
2. A citation is issued and there is bodily injury to a person who, as a result of the injury, receives immediate medical treatment away from the scene of the accident, or;
3. A citation is issued and one (1) or more motor vehicles incur disabling damage as a result of the accident requiring a vehicle to be transported away from the scene by a tow truck or other vehicle.

Employees may be required to submit to drug testing if there is any reasonable suspicion of drug usage or reasonable cause to believe that an employee has been operating a vehicle while under the influence of drugs, or reasonable cause to believe the employee was at fault in the accident and drug usage may have been a factor.

Employees are required to submit to such testing as soon as possible, but in all events within thirty-two (32) hours. Union representation will be made available.

It is not the intention of this language to prohibit the employee from leaving the scene of an accident for the period of time necessary to obtain assistance in responding to the accident or to receive necessary medical attention.

The result of a urine test for the use of controlled substances, conducted by federal, state, or local officials having independent authority for the test, shall be considered to meet the requirements of post-accident testing, provided such tests conform to applicable federal state or local requirements, and that the results of the tests are obtained by the Employer.

Section 1.10 Random Testing Random Employee Selection:

The procedure used to randomly select employees for drug testing, in compliance with the U.S. Department of Transportation Regulations, will be a computer program specifically intended for such an application.

The program will utilize an internal computer clock procedure to randomly generate lists of employees mandated for testing by the Department of Transportation/Federal Highway Administration. The computer shall randomly select the required number of employees from the total pool of affected employees. The total pool list shall be by each region.

For verification purposes and to cover absences the computer shall print the following lists for each testing period:

1. An alphabetical total pool list of employees in the region, and

2. A district list of employees shall be printed from the random list in the order in which they are computer selected.

An absent employee whose name appears on the primary list on the random test day must be tested upon return to work immediately upon notification provided he/she returns prior to the next selection period. The lists or true copies of the lists shall be maintained by a third party administrator. Upon request to the District Labor Relations Manager, the lists will be made available for review by Local Union representatives and company labor relations managers to verify the proper application and use of the lists in the random testing system.

The parties agree that no effort will be made to cause the system and method of selection to be anything but a true random selection procedure insuring that all affected employees are treated fairly and equally.

The parties further agree not to amend or change the current method of random selection as described herein without prior agreement between the parties.

Section 1.11 Notification

UPS employees, subject to Department of Transportation mandated random drug testing, will be notified of testing in person or by direct phone contact. Notification shall be given by the management person responsible for such notification.

Section 1.12 Rehabilitation and Testing After Return To Duty/SAP and Employer Duties

A positive test specimen as a result of a DOT pre-qualification or random test will result in a rehabilitation opportunity. An employee whose test results are reported to the Medical Review Officer by the HHS certified laboratory and who has been contacted by the Medical Review Officer or his/her designee has seventy two (72) hours to contact the Medical Review Officer to review the test results. If the review time schedule is not met, then the Medical Review Officer (MRO) may report to UPS Management that the test is verified as positive. If neither UPS nor the MRO, after making all reasonable efforts, as required by the DOT regulations, is able to contact the employee within ten (10) days from receiving the laboratory results, the test will be considered an uncontested positive test result. If the Medical Review Officer determines a specimen is positive, then the employee will have five (5) calendar days to evaluate his/her situation with an approved Substance Abuse Professional and then up to fifteen (15) calendar days to enter the rehabilitation treatment center after approval of a leave of absence as outlined in Article 15, Section 3. UPS will follow the final recommendations of the Substance Abuse Professional as to the appropriate aftercare protocol and post rehabilitation unannounced drug testing.

The employee will be permitted to return to work after the SAP has determined that the employee has successfully complied with prescribed education and/or treatment and the employee has provided a negative drug test result conducted under direct

observation, as per cutoff levels contained in Section 1.3 or Section 1.4 of this Article, as applicable, and/or an alcohol test with an alcohol concentration less than 0.02. The Employer will make all reasonable efforts to conduct all return-to-work testing, conference calls, and examinations within five (5) working days of completion of a rehabilitation program.

It is understood that if the grievance procedure is utilized contractual time limits on disciplinary action and the employee's request for rehabilitation will be suspended until resolution of the grievance.

Substance Abuse Professional (SAP)

Each Substance Abuse Professional (SAP) must be a licensed Doctor of Medicine or Osteopathy, or a licensed or certified psychologist, social worker, employee assistance professional, or drug and alcohol counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substance-related disorders and be knowledgeable of the SAP function as it relates to Employer interest in safety-sensitive functions and applicable DOT agency regulations. In addition, the SAP shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing education requirements.

The SAP is responsible for performing the following functions:

1. Conducting the initial face-to-face clinical assessment and evaluation to determine what assistance is needed by the employee to solve problems associated with alcohol and/or drug use;
2. Referring the employee to an appropriate education and/or treatment program;
3. Conducting a face-to-face follow-up evaluation to determine if the employee has actively participated in the education and/or treatment program and has demonstrated successful compliance with the initial assessment and evaluation recommendations;
4. Providing the Employer with a follow-up drug and/or alcohol testing plan for the employee; and
5. Providing the employee and Employer with recommendations for continuing education and/or treatment.

Follow-up testing shall consist of at least six (6) tests in the first (1st) twelve (12) months following the employee's return to duty. The one (1) year period may be extended as necessary by written verification of the Substance Abuse Professional. Tests shall be conducted under direct observation.

Employer Responsibilities

Prior to allowing an employee to return to duty, after the employee has tested positive for the presence of controlled substances or has refused to submit to a drug test, the employer shall;

- A. Ensure that the employee is "drug free," based on a drug test that shows no positive evidence of the presence of a drug or a drug metabolite in the employee's system.
- B. Ensure that the employee has been evaluated by a Substance Abuse Professional (SAP) for drug use or abuse.
- C. Ensure and confirm with the Substance Abuse Professional that the employee demonstrates compliance with all conditions or requirements of a rehabilitation program in which he or she participated.

Section 1.13 Disciplinary Action

Employees may be subject to discipline up to and including discharge as provided below if they test positive for drugs specified elsewhere in this Article.

1. Reasonable Cause Testing

- a. A positive test is a dischargeable offense unless the Union and the Employer expressly agree to a lesser penalty. Any such agreement will not be precedent setting.
- b. Refusal to submit to a reasonable cause drug test is a dischargeable offense.

2. Post-Accident Testing

- a. A positive test is a dischargeable offense.
- b. Refusal to submit to a post-accident drug test is a dischargeable offense.

3. Random Testing

- a. 1st offense - A positive test shall result in a warning letter (subject to successful completion of rehabilitation).
- b. 2nd offense - A positive test is a dischargeable offense.
- c. Refusal to submit to a random drug test is a dischargeable offense.

4. Pre-qualification

- a. 1st offense - A positive test shall result in disqualification until the next opening (subject to successful completion of rehabilitation).
- b. 2nd offense - A positive test is a dischargeable offense.

5. Other Dischargeable Offenses:

- a. Failure to successfully complete rehabilitation.
- b. A positive specimen as part of after-care drug testing.
- c. Failure to comply with after-care treatment plan.
- d. An adulterated or substituted specimen.

Section 1.14 Preparation for Testing

Pursuant to Department of Transportation regulations, the Employer reserves the right to utilize on site or off site collection facilities.

Upon arrival at the collection site, an employee must provide the collection agent with:

Photo identification issued by the Employer or a federal, state or local government;

If the employee arrives without the above-listed item, the collection agent should contact the district Safety and Health manager or district Human Resources manager.

A standard DOT approved urine custody and control form will be supplied by the appropriate laboratory. This form must be used by all collection facilities and signed by the employee and the collection agent in the appropriate areas.

Section 1.15 Specimen Collection Procedures

The Employer agrees to continue use of the Specimen Collection Checklist. The checklist is to be used with the affected employees at the collection site by the person performing the collection services for the Employer.

The checklist is to be used at all locations, but it is understood that failure to use or the refusal to use the checklist does not invalidate a properly conducted controlled substance testing procedure. Nor does it prohibit an employee's recourse to the collective bargaining agreement and/or the grievance procedure.

All procedures for urine collection will follow Department of Transportation guidelines to ensure an individual's privacy. An employee who gives reason to believe that he or she may have adulterated or substituted a sample will be required to provide a specimen under direct observation by a same gender collection agent. If it is determined that an employee has adulterated or substituted a sample it shall result in the termination of his/her employment.

No unauthorized personnel will be allowed in any area of the collection site. Only one (1) controlled substances testing collection procedure will be conducted at a time and the specimens can only be handled by the collection site person.

The employee being tested should remove any outer garments, such as coats, jackets, hats or scarves, and should leave any personal belongings (purse or briefcase) with the collection agent. The employee shall display the items in his/her pockets to the collection agent. If the employee requests it, the collection agent shall provide the employee a receipt for his or her belongings. The employee may retain his or her wallet.

After washing his/her hands, the employee shall remain in the presence of the collection agent and shall not have access to any water fountain, faucet, soap dispenser, cleaning agent or other materials which could be used to adulterate the specimen.

The collection agent provides the employee with a new, sealed kit selected by the employee. The employee will provide his or her specimen in a stall or otherwise partitioned area that allows for privacy. The Employer agrees to recognize all employees' rights to privacy while being subjected to the collection process at all times and at all collection sites. Further, the Employer agrees that in all circumstances the employee's dignity will be considered and all necessary steps will be taken to ensure that the entire process does nothing to demean, embarrass or offend the employee unnecessarily. Authorization for collection under direct observation will be in accordance with Department of Transportation regulations. All procedures shall be conducted in a professional, discreet and objective manner. Refusal to provide a specimen under direct observation when requested shall be considered a refusal to test and a terminable offense.

The employee shall be instructed to provide at least forty-five (45) milliliters of urine in the collection container. The employee shall hand the specimen to the collection agent. The specimen shall remain in the sight of both the collection agent and the employee at all times. A minimum of thirty (30) milliliters of urine shall be placed in the primary specimen container by the collection agent. The collection agent then must pour at least fifteen (15) milliliters of urine from the collection container into the second specimen bottle to be used for the split specimen. If the individual is unable to provide forty-five (45) milliliters of urine, the collection agent shall direct the individual to drink fluids, not to exceed forty (40) ounces distributed reasonably over a period not to exceed three (3) hours or until a sufficient specimen is provided, whichever occurs first. (The original specimen, if any, should be discarded, unless it was out of temperature range or showed evidence of adulteration or tampering.) If the individual is still unable to provide forty-five (45) milliliters of urine, he/she will be taken out of service and a medical evaluation will be conducted within five (5) business days by a licensed physician who has the expertise in this type of medical issue, and is approved by the Employer to determine if there is a medical reason for the inability to provide a specimen. If it is not determined that there is a medical reason, the individual will be treated as having refused to take the test. If the employee fails for any reason to provide forty-five (45) milliliters of urine, the collection agent should contact a third party administrator (TPA) and either the District Safety and Health Manager or another Employer designee.

The regulations specify the privacy procedures and the reasons to believe that a specimen has been adulterated which includes, but is not limited to, conduct clearly and unequivocally indicating an attempt to substitute or adulterate the sample, e.g., abnormal urine color or urine temperature outside the acceptable range. All specimens suspected of being adulterated shall be packaged and forwarded to the laboratory for testing.

In the event of suspected specimen adulteration, a second (2nd) specimen will be immediately collected under direct observation and the entire procedure should be repeated including initiation of a new custody and control form and separate packaging for shipping. If an employee refuses to provide a second (2nd) specimen, it shall be noted as a refusal to test and shall be a terminable offense.

The collection agent shall document any unusual behavior or appearance on the urine custody-and-control form.

Specimen handling (from one (1) authorized individual or place to another) will always be conducted using chain-of-custody procedures. Every effort must be made to minimize the number of people handling specimens. Both specimen containers shall be sealed and then forwarded to an approved laboratory for testing.

When a return-to-duty or follow-up test is being conducted, the collection process may be observed. If observed, the observer shall be the same gender as the employee being tested.

When a test kit is received by a laboratory, the thirty (30) milliliter sealed urine specimen container shall be removed immediately for testing. The shipping container with the remaining sealed container shall be immediately placed in secure refrigerated storage.

If an employee is told that the first (1st) sample tested positive, the employee may, within seventy-two (72) hours of receipt of actual notice, request that the second urine specimen be forwarded by the first (1st) laboratory to another independent and unrelated HHS approved laboratory of the parties' choice for GC/MS confirmatory testing of the presence of the drug. If an employee chooses to have the second (2nd) sample analyzed, he/she shall at that time execute a special checkoff authorization form to insure payment by the employee. If the second (2nd) test is positive, and the employee wishes to use the rehabilitation option, the employee shall reimburse the Employer for the costs of the second (2nd) confirmation test and handling and shipping charges before entering the rehabilitation program. For those employees who choose to have the second (2nd) specimen tested, disciplinary action can only take place after the MRO verifies the first test as positive and the second laboratory confirms the presence of the drug. However, the employee must be taken out of service once the first (1st) test result is verified as positive by the MRO while the second test is being performed. If the second (2nd) laboratory report is negative, the employee will not be charged for the cost of the second (2nd) test and will be reimbursed for all lost time. It is also understood that if an employee opts for the second (2nd) specimen to be tested, contractual time limits on disciplinary action in the Supplements are

waived.

Section 1.16 Specimen Shipping Preparations

After measuring temperature and visibly inspecting the urine specimen, the collection agent should tighten and seal the specimen shipping container.

The collection agent places a security label (initialed and dated by the employee) over the bottle cap, overlapping the bottle sides.

A double-pouch bag will be used for shipping, with one (1) side for the urine specimen and the other for paperwork.

The collection agent places the urine specimen in the sealable pocket of the specimen bag and then seals the bag.

The collection agent places laboratory copies of the urine custody and control form in the back sleeve of the double-pouch bag.

The collection agent places the sealed specimen bag in the shipping box.

Section 1.17 Medical Review Officer

Any person serving as a Medical Review Officer (MRO) for the Company must be a licensed doctor of medicine or osteopathy with knowledge of substance abuse disorders, issues relating to adulterated and substituted specimens, possible medical causes of specimens having an invalid result, and applicable DOT agency regulations. In addition, the MRO shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing education requirements.

The MRO is responsible for performing the following functions, in addition to those specified in the DOT regulations:

1. Reviewing the results of UPS's drug testing program.
2. Receiving all positive and negative drug test reports as prescribed under the DOT regulations, and making all reports of drug test results to the Employer.
3. Within a reasonable time, notifying an employee of a confirmed positive test result.
4. Reviewing and interpreting each confirmed positive test result in order to determine if there is an alternative medical explanation for the specimen's testing positive. The MRO shall perform the following functions as part of the review of a confirmed positive test result:
 - a. Provide an opportunity for the employee to discuss a positive test result.

- b. Review the employee's medical history and relevant biomedical factors. An employee is allowed to use a controlled substance (except for methadone) only when taken as prescribed by a licensed medical practitioner who is familiar with the employee's medical history and assigned duties.
 - c. Review all medical records made available by the employee to determine if a confirmed positive test resulted from legally prescribed medication or other possible explanation.
 - d. Verify that the laboratory report and assessment are correct.
5. Processing an employee's request to test the split sample. Such testing will be conducted at the employee's expense. The employee shall be reimbursed by UPS for any such expense should the retest provide a negative result. If a reanalysis is negative, then the MRO will declare the test canceled.

Section 1.18 MRO Determination

If the MRO determines, after appropriate review, that there is a legitimate medical explanation for the confirmed positive test result, the MRO shall report the test to the Employer as a negative. If the MRO determines, after appropriate review, that there is no legitimate medical explanation for the confirmed positive test result, the MRO shall report the positive test result to the appropriate member of management in accordance with DOT regulations.

Based on a review of laboratory reports, quality assurance and quality control data and other drug test results, the MRO may conclude that a particular confirmed positive drug test result should be cancelled. Under these circumstances, the MRO shall report that the test is cancelled.

Not later than seventy-two (72) hours after notification of a confirmed positive test result or refusal to test because of adulteration or substitution, an employee may submit a written or verbal request to the MRO for testing of the split sample. The laboratory used must be certified by the HHS and must follow usual chain-of-custody procedures.

The employee shall be reimbursed for any pay lost if taken out of service based upon a positive test result which is negated by the second (2nd) test or as the result of the resolution of the grievance.

Section 1.19 Record Retention

The medical review officer is the sole custodian of the individual test results. The MRO shall retain reports of individual positive test results for a minimum of five (5) years. Individual negative test results will be maintained for at least twelve (12) months. UPS shall maintain in an employee's qualification file only such information as

required by the DOT to document compliance with the drug testing requirements.

Section 1.20 Release of Drug Testing Information

The MRO shall inform the employee before beginning the verification interview, that the MRO could transmit to appropriate parties information concerning medications being used by the employee or the employee's medical condition only if, in the MRO's medical judgment, the information indicated that the employee may be medically unqualified under applicable DOT agency rules.

When a grievance is filed as a result of a positive test the Employer shall obtain from the laboratory its records relating to the drug test. Upon receiving the records, the Employer shall provide copies to the appropriate official of the Union, by the end of the following business day after receiving the documents from the laboratory or the MRO, as applicable, provided that the employee has executed written consent authorizing release to the Union, a copy of which must be provided to the Employer.

The Company agrees to notify the Union of any change of HHS approved laboratories used for drug testing, for whatever reason.

Section 1.21 Paid For Time

Testing - Except for drug tests taken in conjunction with a DOT physical, the employee will be paid their regular straight time hourly rate of pay in the following manner:

1. For all time at the collection site.
2. (a) If the collection site is reasonably en route between the employee's home and the center, and the employee is going to or from work, pay for travel time one (1) way between the center and the collection site or the collection site to the center; or
(b) For travel time both ways between the center and the collection site, only if the collection site is not reasonably en route between the employee's home and the employee's center.
3. If an employee is called at home to take a random drug test at a time when the employee is not en route to or from work, the employee shall be paid in addition to all time at the collection site, travel time both ways between the employee's home and the collection site with no minimum guarantee.

When an employee is on the clock and a random drug test is taken any time during the employee's shift, and the shift ends after eight (8) hours, the employee shall be paid time and one-half (1-1/2) for all time past the eight (8) hours.

Provisions in local agreements that are superior shall prevail.

Section 2. Alcohol Testing

The parties have agreed that the procedures as set forth in Article 15, Section 2 shall be the methodology for testing and will be modified only in the event that further federal legislation or Department of Transportation regulations required by regulation, revise testing methodologies or requirements during the term of this Agreement.

Where such regulations allow revised testing methodologies such modifications shall be subject to mutual agreement by the parties.

Section 2.1 Employees Who Must Be Tested

UPS employees subject to Department of Transportation mandated alcohol testing are drivers of vehicles with a vehicle weight rating over 26,000 pounds, requiring a Commercial Drivers License (CDL). This includes certain mechanics and employees who relieve for vacations or other temporary vacancies.

Section 2.2 Testing

Because of the consequences that a positive test result has on an employee, UPS will employ a very accurate, two-stage testing program. Breath samples will be collected by a Breath Alcohol Technician (BAT), who has been trained in the use of the Evidential Breath Testing (EBT) device, in a course equivalent to the DOT's model course. All samples will be tested according to DOT alcohol testing requirements. In the event that breath testing is not possible in such cases as reasonable cause, or post accident, the Employer has the right to use alternative DOT approved methods.

Section 2.3 Screening Test

The initial screening test uses an Evidential Breath Testing (EBT) device to determine levels of alcohol. The following initial cutoff levels shall be used when screening specimens to determine whether they are negative for alcohol. The EBT must also be capable of distinguishing alcohol from acetone at the 0.02 concentration level, test an air blank, and perform an external calibration check.

Breath Alcohol Levels:

Less than 0.02 - Negative

0.02 and above - Positive (Requires Confirmation Test)

Section 2.4 Confirmatory Test

All specimens identified as positive on the initial screening test, showing an alcohol concentration of 0.02 or higher, shall be confirmed using an EBT that is capable of providing a printed result in triplicate, is capable of assigning a unique and sequential number to each test, and is capable of printing out, on each copy of

the printed test result, the manufacturer's name for the device, the device's serial number, and the time of the test.

A confirmation test must be performed not sooner than fifteen (15) minutes after the screening test, but not more than thirty (30) minutes after the screening test.

The following cutoff levels shall be used to confirm the presence of alcohol:

Breath Alcohol Levels:

Less than 0.02 - Negative

0.02 to 0.039 - Positive/Out of service for twenty-four (24) hours from time of the test
0.04 and above - Positive/Out of service and referred to Substance Abuse Professional (SAP).

Section 2.5 Types of Testing Required

Testing procedures will be performed as part of pre-qualified practices, after defined DOT reportable accidents, on the basis of reasonable cause, upon return to duty after a positive test, under DOT mandated random testing and as follow-up testing for post alcohol rehabilitation as outlined under Article 15, Section 3.

Section 2.6 Reasonable Cause Testing

Upon reasonable cause, UPS will require an employee to be tested for the use of alcohol.

Reasonable cause is defined as an employee's observable action, appearance or conduct that clearly indicates the need for a fitness-for-duty medical evaluation.

The employee's conduct must be witnessed by at least two (2) supervisors, if available. The witnesses must have received training in observing a person's behavior to determine if a medical evaluation is required. When the supervisor confronts an employee, a union representative should be made available. If no steward is present, the employee may select another hourly paid employee to represent him.

Documentation of the employee's conduct shall be prepared and signed by the witnesses within twenty-four (24) hours of the observed behavior. In addition, a copy will be sent to the Local Union in a timely manner.

Non-DOT Reasonable Cause Testing

Employees covered by this Collective Bargaining Agreement who are not subject to DOT mandated alcohol testing are only subject to reasonable cause testing as provided herein, in accordance with supplemental practices.

Section 2.7 Post-Accident Alcohol Testing

Employees will be required to submit to an alcohol test after a DOT defined serious accident, which is one in which:

- I. There is a fatality, or;

2. A citation is issued and there is bodily injury to a person who, as a result of the injury, receives immediate medical treatment away from the scene of the accident, or
3. A citation is issued and one (1) or more motor vehicles incur disabling damage as a result of the accident requiring a vehicle to be transported away from the scene by a tow truck or other vehicle.

Employees may be required to submit to alcohol testing if there is any reasonable suspicion of alcohol usage or reasonable cause to believe that an employee has been operating a vehicle while under the influence of alcohol, or reasonable cause to believe the employee was at fault in the accident and alcohol usage may have been a factor.

Alcohol testing will be required after accidents under the above conditions and employees are required to submit to such testing within two (2) hours of the accident, if possible, and within eight (8) hours at the latest.

Employees are required to submit to such testing as soon as possible within two (2) hours. Under no circumstances shall this type of testing be conducted more than eight (8) hours after the time of the accident.

It shall be the responsibility of the employee to remain readily available for testing after the occurrence of a commercial motor vehicle accident. It is also the responsibility of the employee to not use alcohol for eight (8) hours or until an alcohol test is performed under this section, whichever occurs first. Union representation will be made available.

It is not the intention of this language to prohibit the employee from leaving the scene of an accident for the period of time necessary to obtain assistance in responding to the accident or to receive necessary medical attention.

Law Enforcement Testing

The result of a breath or blood test for the use of alcohol or a urine test for the use of controlled substances, conducted by federal, state, or local officials having independent authority for the test, shall be considered to meet the requirements of post-accident testing, provided such tests conform to applicable federal, state or local requirements, and that the results of the tests are obtained by the Employer.

Section 2.8 Random Testing - Random Employee Selection

The procedure used to randomly select employees for alcohol testing, in compliance with the U.S. Department of Transportation regulations, will be a computer program specifically intended for such an application.

The program will utilize an internal computer clock procedure to randomly generate lists of employees mandated for testing by the Department of Transportation/Federal Highway Administration. The computer shall randomly select the required number of employees from the total pool of affected employees. The total pool list shall be by

each Region. The pool of employees selected randomly for controlled substance testing will also be the pool of employees selected for alcohol testing in compliance with DOT regulations. For verification purposes and to cover absences the computer shall print the following lists for each testing:

1. An alphabetical total pool list of employees in the Region, and
2. A District list of employees shall be printed from the random list in the order in which they are computer selected.

An absent employee whose name appears on the random test list must be tested upon return to work immediately after notification provided he/she returns before the next selection period. The lists or true copies of the lists shall be maintained by a third party administrator. Upon request to the District Labor Relations Manager, the lists will be made available for review by Local Union representatives and company labor relations managers to verify the proper application and use of the lists in the random testing system.

The parties agree that no effort will be made to cause the system and method of selection to be anything but a true random selection procedure insuring that all affected employees are treated fairly and equally.

The parties further agree not to amend or change the current method of random selection as described herein without prior agreement between the parties.

An employee shall only be tested for alcohol while the employee is performing safety sensitive functions, just before the employee is to perform safety sensitive functions, or just after the employee has ceased performing such functions.

Employees who are on long term illness or leave of absence shall not be subject to testing.

Section 2.9 Notification

UPS employees, subject to Department of Transportation mandated random alcohol testing, will be notified of testing in person or by direct phone contact. Notification shall be given by the management person responsible for such notification.

Section 2.10 Rehabilitation and Testing after Return to Duty

If the Breath Alcohol Technician (BAT) determines a specimen is confirmed positive, then the employee will be removed from service and have five (5) calendar days to evaluate his/her situation with an approved Substance Abuse Professional (SAP) and then up to fifteen (15) calendar days to enter the rehabilitation treatment center after approval of a leave of absence as outlined in Article 15, Section 3. UPS will follow the final recommendations of the Substance Abuse Professional (SAP), concerning the appropriate after-care protocol and post rehabilitation unannounced

alcohol testing.

It is understood that if the grievance procedure is utilized contractual time limits on disciplinary action and the employee's request for rehabilitation will be suspended until resolution of the grievance.

The provision of Article 15, Section 3 will apply to all employees requesting enrollment in a rehabilitation program following a positive alcohol test. Employees may use the United Parcel Service Employee Assistance Program, a union sponsored program, as well as any other referral service in choosing an approved program for treatment.

Follow-up testing shall consist of at least six (6) tests in the first twelve (12) months following the employee's return to duty. The one (1) year period may be extended as necessary by written verification of the SAP.

Employer Responsibilities

Prior to allowing an employee to return to duty, after the employee has tested positive for an alcohol concentration higher than 0.02, or has refused to submit to an alcohol test, the Employer shall:

- A. Ensure that the employee is "alcohol free", defined as less than 0.02, based on an alcohol test.
- B. Ensure that the employee has been evaluated by a SAP for alcohol use or abuse.
- C. Ensure and confirm with the SAP that the employee demonstrates compliance with all conditions or requirements of a rehabilitation program in which he or she participated.

Section 2.11 Discipline

It is agreed that an employee will have rehabilitation opportunities for alcohol abuse as outlined in Article 15, Section 3, except as provided under Random Testing below.

Reasonable Cause Testing

An employee who is tested for reasonable cause and whose alcohol level is 0.02 to 0.039 will be taken out of service for twenty-four (24) hours and receive a warning letter.

An employee who is tested for reasonable cause and whose alcohol level is 0.040 to .069 will be taken out of service for twenty-four (24) hours, referred to a Substance Abuse Professional (SAP) and suspended for ten (10) days. If the employee has committed a disciplinary offense under the terms of the supplemental agreement, the results of the test may be used in the support of the Employer's disciplinary action.

A second positive test of 0.02 or above is a dischargeable offense. A positive test of 0.070 or above is a dischargeable offense.

A presumption exists that the employee was drinking on the job if the observation, time

of testing and alcohol level combine to show the employee's level was too high to have consumed alcohol prior to the employee's report time.

An employee taken out of service for a positive test result must have a negative test prior to returning to work.

1. Post Accident Testing

An employee who is involved in an accident for which the mandate requires post accident testing must submit to such test. A post accident test of 0.02 or above is a dischargeable offense.

2. Random Testing

A positive test of 0.02 to 0.039 will result in the employee being taken out of service for twenty-four (24) hours and a warning letter shall be issued.

A second positive test of 0.02 to 0.069 or an initial positive test of 0.04 or above will result in the employee being taken out of service and a ten (10) day suspension shall be imposed. The employee will also be referred to a Substance Abuse Professional (SAP) for evaluation. If the SAP requires in-patient treatment and that in-patient treatment is the second (2nd) such treatment afforded the employee, the cost of such treatment will not be borne by the UPS medical plan.

A third (3rd) positive test of 0.02 or above after the employee was tested pursuant to the above levels will subject the employee to discharge.

3. Dischargeable Offenses

Other language to the contrary notwithstanding, the following may result in discipline up to and including discharge:

- A. Failure to successfully complete rehabilitation.
- B. A positive test, defined as 0.02 or higher, as part of post-care testing.
- C. Failure to comply with the after-care treatment plan.
- D. Possession of and/or consumption of an alcoholic beverage while on duty.
- E. Any test of an on-duty employee that measures at or above the state mandated DWI level. Should any state reduce the DWI mandated levels below 0.08, the Employer and the Union agree to meet and re-negotiate section E of this Agreement.
- F. An employee's refusal to submit to a negotiated test.

Non-mandated employees shall be subject to reasonable cause testing as outlined above.

In no circumstances under this Section shall suspension time run concurrently with any leave period.

Section 2.12 Preparation for Testing

Pursuant to Department of Transportation regulations, the Employer reserves the right to utilize on site or off site testing facilities. Under no circumstances shall the Employer utilize UPS personnel to serve as a Breath Alcohol Technician (BAT).

Upon arrival at the testing site an employee must provide the BAT with a photo identification.

If the employee arrives without the photo identification, issued by the Employer, or a federal, state or local government, the BAT should contact the District Safety and Health manager or the District Human Resources manager.

A standard DOT approved alcohol testing form must be used by all testing facilities. The form used for non-DOT tests will contain the same information and procedures as the DOT form.

Section 2.13 Specimen Testing Procedures

The Employer agrees to implement a "Specimen Testing Checklist." The checklist is to be used with the affected employees at the testing site by the person performing the testing for the Employer. The checklist is to be used at all locations, but it is understood that failure to use or the refusal to use the checklist does not invalidate a properly conducted alcohol testing procedure. Nor does it prohibit an employee's recourse to the collective bargaining agreement and/or the grievance procedure.

Procedures for alcohol testing will follow Department of Transportation guidelines to ensure an individual's privacy.

No unauthorized personnel will be allowed in any area of the testing site. Only one (1) alcohol testing procedure will be conducted at a time.

The employee will provide his or her specimen in a location that allows for privacy. The Employer agrees to recognize all employees rights to privacy while being subjected to the testing process at all times and at all testing sites. Further the Employer agrees that in all circumstances the employee's dignity will be considered and all necessary steps will be taken to insure that the entire process does nothing to demean, embarrass or offend the employees unnecessarily. Testing will be under the direct observation of a BAT. All procedures shall be conducted in a professional, discreet and objective manner. Direct observation will be necessary in all cases.

The employee shall provide an adequate amount of breath for the EBT device. If the individual is unable to provide a sufficient amount of breath, the BAT shall direct

the individual to again attempt to provide a complete sample. If the employee fails for any reason to provide the requisite amount of breath, the BAT shall contact the District Safety and Health manager or Human Resources manager.

If an employee is unsuccessful in providing the requisite amount of breath, the Employer then must have the employee obtain, within five (5) business days, an evaluation from a licensed physician chosen by the Employer who has the expertise in the medical issues concerning the employee's medical ability to provide an adequate amount of breath. If the physician determines that a medical condition has, or with a high degree of probability, could have precluded the employee from providing an adequate amount of breath, the employee's failure to provide an adequate amount of breath will not be deemed a refusal to take the test.

If the physician is unable to make a determination that the employee was medically unable to provide a sufficient amount of breath, the employee will be regarded as refusing to take the test.

The BAT shall document any unusual behavior or appearance on the alcohol testing form.

Section 2.14 Substance Abuse Professional (SAP)

Each Substance Abuse Professional (SAP) must be a licensed Doctor of Medicine or Osteopathy, or a licensed or certified psychologist, social worker, employee assistance professional, or drug and alcohol counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substance-related disorders and be knowledgeable of the SAP function as it relates to Employer interest in safety-sensitive functions and applicable DOT agency regulations. In addition, the SAP shall keep current on applicable DOT agency regulations and comply with the DOT qualification training and continuing education requirements.

The SAP is responsible for performing the following functions:

1. Conducting the initial face-to-face clinical assessment and evaluation to determine what assistance is needed by the employee to solve problems associated with alcohol and/or drug use.
2. Referring the employee to an appropriate education and/or treatment program;
3. Conducting a face-to-face follow-up evaluation to determine if the employee has actively participated in the education and/or treatment program and has demonstrated successful compliance with the initial assessment and evaluation recommendations;

4. Providing the Employer with a follow-up drug and/or alcohol testing plan for the employee;
5. Providing the employee and employer with recommendations for continuing education and/or treatment.

Section 2.15 Record Retention

The Employer shall maintain records in a secure manner, so that disclosure of information to unauthorized persons does not occur.

Each Employer or its agent is required to maintain the following records for two (2) years;

1. Records of the inspection and maintenance of each EBT used in employee testing;
2. Documentation of the Employer's compliance with the Quality Assurance Plan (QAP) for each EBT it uses for alcohol testing;
3. Records of the training and proficiency testing of each BAT used in employee testing; and
4. Any required log books.

The Employer or its agent must maintain for two (2) years records pertaining to the calibration of each EBT used in alcohol testing, including records of the results of external calibration checks.

Section 2.16 Release of Alcohol Testing Information

The Breath Alcohol Technician (BAT) shall inform the employee before testing that the Employer will be notified if the confirmatory test is greater than 0.02, since the employee will be removed from service and considered medically unqualified to drive under DOT agency rules and regulations.

When a grievance is filed as a result of a positive test the Employer shall obtain records relating to the alcohol test. Upon receiving the records, the Employer shall provide copies to the appropriate official of the Union, by the end of the following business day after receiving the documents from the laboratory or the MRO, as applicable, provided that the employee has executed written consent authorizing release to the Union, a copy of which must be provided to the Employer.

Section 2.17 Paid for Time

Testing - the employee will be paid their regular straight time hourly rate of pay in the following manner:

1. For all time at the testing site.
2. (a) If the testing site is reasonably en route between the employee's home and the center, and the employee is going to or from work, pay for travel time one way between the center and the testing site or the testing site to the center, or
(b) For travel time both ways between the center and the testing site only if the testing site is not reasonably en route between the employee's home and the employee's center.

When an employee is on the clock and a random alcohol test is taken any time during the employee's shift and the shift ends after eight (8) hours, the employee shall be paid time and one-half (1-1/2) for all time past the eight (8) hours.

Provisions in local agreements that are superior shall prevail.

Section 3. Rehabilitation Program - Leave of Absence

An employee shall be permitted to take a leave of absence for the purpose of undergoing treatment in an approved program for alcoholism or substance abuse. Employees may use the United Parcel Service Employee Assistance Program (EAP), a Union sponsored rehabilitation program, as well as any other referral service in choosing an approved program for treatment.

Employees shall be permitted to take advantage of a rehabilitation program once every five (5) years, three (3) times lifetime maximum, under all conditions of this Article.

The leave of absence must be requested prior to the commission of any act subject to disciplinary action except as provided in Article 15, Section 1 and Section 2. The leave of absence shall be for a maximum of ninety (90) days; additional time may be granted if it is mutually agreed between the Company and the Union, or requested by the Substance Abuse Professional (SAP). While on such leave, the employee shall not receive any of the benefits provided by this or any UPS /IAM Agreement, except the continued accrual of seniority.

If an employee voluntarily enters such a rehabilitation program, under the provisions of the Article, the following shall apply:

1. Before returning to work, the Employer shall ensure that the employee is "alcohol/drug free" This requirement shall be satisfied when the employee has provided a negative drug test result, as per cutoff levels contained in Section 1.3 or Section 2.4 of Article 15, as applicable, and/or an alcohol test with an alcohol concentration less than .02. The Employer will make all reasonable efforts to conduct all return-to-work testing, conference calls, and examinations within five (5) working days of completion of a rehabilitation program.
2. Within one (1) year of the date on which an employee returns to work, the

employee may be subject to unannounced alcohol/drug testing, as specified in the return to work agreement. The one (1) year period may be extended only by the SAP and must be substantiated by written verification of the SAP.

3. Unannounced alcohol drug testing for the above-mentioned employee, if required shall be determined by the SAP as provided in this Article. The date, time and place of collection for alcohol/drug testing, if required, shall be determined by the SAP.

4. Failure to comply with the after-care treatment plan or a positive specimen as part of the after-care treatment plan will result in discipline pursuant to Article 15, Sections 1.13 and 2.11.

All alcohol/drug treatment agreements including pre-care, after-care and return to work agreements entered into shall be confidential and signed by the employee and the SAP overseeing the treatment program and must have been approved by the Local Union official prior to the employee's signature. The post-care agreement shall comply with all provisions of this Article.

The Employer agrees to recognize the employee's rights to privacy and confidentiality while being party to such an agreement. The Employer agrees that in all circumstances the employee's dignity will be considered and all necessary steps taken to ensure that the entire process does nothing to demean, embarrass or offend the employee unnecessarily.

ARTICLE 16. DURATION

Section 1.

This Agreement shall be in full force and effect from August 1, 2019 to and including July 31, 2024 and shall continue from year to year thereafter unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.

Section 2.

Where no such cancellation or termination notice is served and the parties desire to continue this Agreement but also desire to negotiate changes or revisions in this Agreement, either party may serve upon the other a notice at least sixty (60) days prior to July 31, 2024 or July 31st of any subsequent contract year, advising that such party desires to revise or change terms or conditions of this Agreement.

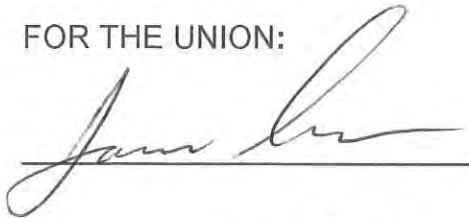
Section 3.

In the event of an inadvertent failure by either party to give notice set forth in Sections 1 and 2 of this Article, such party may give notice at any time prior to the termination

or automatic renewal date of this Agreement. If notice is given in accordance with the provisions of this Section, the expiration date of this Agreement shall be the sixty-first (61st) day following such notice.

The undersigned hereby execute the NATIONAL MASTER UPS/IAM AGREEMENT and affiliated Local IAM Agreements (Supplemental Agreements, Riders and/or Addenda). The Agreement is effective as of the date of ratification unless otherwise specifically noted herein.

FOR THE UNION:



Date:

7-25-19

FOR THE COMPANY:

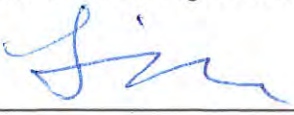


Date

7-18-2019

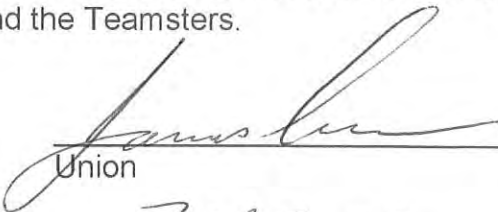
LETTER OF UNDERSTANDING

The term "NMUPSA" as used in this Agreement refers to the National Master United Parcel Service Agreement between UPS and the Teamsters.



Company
7.18.2019

Date



Union
7-25-19

Date

MEMORANDUM OF UNDERSTANDING

United Parcel Service Inc. (UPS) and the IAM & AW (Union) agree to the following in connection with the former IAM & AW-represented UPS employees who are in a retired status as of December 31, 2014 and receiving retiree medical coverage through a UPS sponsored plan:

- 1) Retirees in UPS sponsored plans (pre- and post-65) will have the following contribution rates:

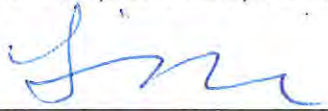
Effective 1-1-2015:

Single-one hundred dollars (\$100.00)/retiree plus-two hundred dollars (\$200.00)

Effective 1-1-2016:

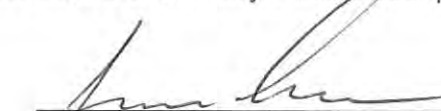
Single-one hundred and fifty (\$150.00)/retiree plus-three hundred dollars (\$300.00)

- 2) Effective January 1, 2015 all current retiree medical plans will be modified to provide an 80/20 benefit in network; 70/30 benefit out-of-network, and an annual deductible of \$200/\$400.
- 3) Nothing within this paragraph is intended to alter UPS rights with regard to the retiree plans as specified in the associated Summary Plan Description.



Company
7-18-2019

Date



Union
7-25-19

Date

MOU WHEN AN EMPLOYEE IS ON LEAVE FOR UNION BUSINESS

If an employee is on leave of absence for union training the entire week and is unable to earn a compensable hour the company will make the necessary contribution to maintain his/her health care coverage. This does not pertain to long term leaves for extended union business.



COMPANY

Date: 7-18-2019



UNION

Date: 7-25-19

MEMORANDUM OF UNDERSTANDING

United Parcel Service, Inc. ("UPS") and the International Association of Machinists and Aerospace Workers ("UNION") agree to the following:

If an employee goes on a leave of absence of work as a result of an off-the-job injury or illness which qualifies for disability payments, UPS will make whatever weekly contributions are necessary to maintain health & welfare coverage for five years from the date of the initial absence. A new five-year period will apply if an employee returns to work and then begins another disability leave for different reasons or returns to work for at least sixty (60) calendar days.



COMPANY

Date: 7-18-2019



UNION

Date: 7-25-19