

Louisville

and

United Parcel Service  
Supplemental Agreement

to the

National Master  
United Parcel Service  
Agreement

**For the Period August 1, 2018  
Through July 31, 2023**

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

## ARTICLE II – WORK WEEK

### Section A.

The work week for Air District employees shall be Sunday through Saturday and consist of any five (5) consecutive days in a seven (7) day period, except during the week after Thanksgiving, New Year's Eve, New Year's Day and December, and during any week in conjunction with the celebration of a holiday recognized by this Agreement. The work week for part-time employees hired after July 31, 2000, and for full-time employees hired after July 31, 1997 will consist of any combination up to five (5) days in a seven (7) day period. Work performed on an employee's sixth (6<sup>th</sup>) day will be paid at time and one half, and work performed on an employee's seventh (7<sup>th</sup>) day will be paid at double time.

Employees who work a four (4) day, ten (10) hour shift workweek will receive time-and-one-half for work performed on their fifth (5<sup>th</sup>) workday and double time for work performed on their sixth (6<sup>th</sup>) and seventh (7<sup>th</sup>) workdays.

Overtime and double-time will only be paid during the established work week.

The normal workday for 2<sup>nd</sup> Day employees shall have start times between 6:00 a.m. and 5:59 p.m. The normal workday for 1 Day employees shall have start times between 6:00 p.m. and 5:59 a.m. and shall be considered the sort date.

It is understood that, upon ratification, the Company may create full time jobs that have varying daily guarantees where the overtime will not apply until after the guarantee. These jobs will be scheduled with forty (40) hours in the workweek.

## ARTICLE III – WORK ASSIGNMENTS

### Section A.

For the purposes of daily assignments, employees will work from one of twenty-seven (27) list below, which will be separately maintained for full-time and part-time.

Next Day Air Hub  
Second Day Air Hub  
Next Day Air Marshalling  
Second Day Air Marshalling  
Dolly Repair  
AM Housekeeping  
PM Housekeeping  
AMDC  
Utility Repair  
Next Day Air International  
Second Day Air International  
Import  
Next Day Air Cargo  
Second Day Air Cargo  
Next Day Air Shift

Second Day Air Shift  
Next Day Air Fueling  
Second Day Air Fueling  
Next Day Air Wing A, B, C, etc.  
Second Day Air Wing A, B, C, etc.  
Next Day Air Ramp 1, 2, 3, etc.  
Second Day Air Ramp 1, 2, 3, etc.  
Porter/Helper  
H2K Core  
Container Repair-ULD

Belt Maintenance, Belt Maintenance Part-time (not to exceed 15% number of full-time)  
Ground Support Mechanic Part-time (not to exceed 15% number of full-time)

New equipment or technological change shall be covered under Article 6 Sections 3 and 4 of the National Master Agreement as applicable.

In order to document the parties' past practice of meeting on a case-by-case basis to review and agree, if possible, on any additional maintenance work that can be performed on a non-precedent basis, the following paragraph is added to the Louisville Air Rider:

The Employer and the Union agree to establish a Belt Maintenance Mechanic review committee. This Committee will consist of an equal number of representatives from the Union and UPS. The Committee will meet on a quarterly basis to review the work typically performed by vendors. This would include corporate campaigns, new installations, and modifications to determine to what degree, if any, a portion of any work that is typically performed by the vendors could be offered to Belt Maintenance mechanics. It is understood that only work that does not require additional training, certification, tools or equipment will be considered. This opportunity would set no precedent and does not bind the Company to a claim for this, or other types of work typically performed by a vendor, as belt maintenance mechanic work. The parties agree that if, between quarterly meetings, the Company or Union steward, identify said work, that Belt Maintenance mechanics could perform, it could be brought to a designated management person for review. If agreed upon, one of the stewards can sign off on the work being performed by Belt Maintenance mechanics with the understanding above.

The parties agree that, within six (6) months after ratification of the 2018 agreement, to meet to attempt to agree upon a belt maintenance apprenticeship program.

## **Section B.**

Excluding Peak Season (November - December), prime vacation (July-August), and Section F of this Article, part-time employees with one (1) year or more seniority will be allowed to move from part-time job to part-time job on a minimum of 50 percent of available openings, by seniority and written request, to be limited to two (2) moves per year twelve (12) month period. Six-hour jobs will only be filled by current part-time employees from the existing six hour transfer lists and not hired from the outside. Six hour transfers will be posted electronically through the BIDX system. Part-time employees will be permitted to select the transfers by seniority. Six-hour transfers will be posted midweek and taken down the following midweek. The transfer will be awarded no later than ten (10) days from the transfer coming down. Six-hour and three-hour transfer awards will be posted electronically through BIDX system for fifteen (15) calendar days. If the employee is awarded a position and does not accept the position, it will count as an awarded-transfer in reference to the above stated two (2) moves per year twelve (12) month period. Employees will be allowed five working days to disqualify after



assignment to a new position. A part-time employee must work sixty (60) workdays after transferring to a new position prior to exercising a new transfer, if eligible.

Upon qualifying, part-time employees that transfer to Marshalling and Fueling may not transfer to another part-time position for one (1) year, part-time employees that transfer to PSC may not transfer to another part-time position for eighteen (18) months, except within their work assignments unless the new position is an upgrade from 3 hr to 6hr.

The Company shall fill the following part-time jobs: Marshalling, Fueling, PSC, Inbound ramp, AM Housekeeping, GSE Pre-trip, and ULD Control from the existing transfer lists. If the position is not filled after being offered to at least five (5) employees, the Company may fill the position from the outside.

## **Section D.**

The Company agrees to a one time opportunity for 10% within each mandatory group to be exempt from de-ice. The 10% will be determined by seniority. The offering of this one time opportunity will take place after the current (2007, 2008) deice season is concluded. It is understood that all future vacancies within the mandatory groups will be required to de-ice as part of their bid.

In those instances where the Employer does its own de-icing, it shall use, among other, the dolly, utility and container repair employees. When any of these full-time employees are called into work they shall be guaranteed a minimum of four (4) hours at the applicable rate of pay or such call in. It is understood that if a "call-in" is required to perform this work, qualified full-time employees shall be called in before any part-time employees.

In those instances where the Employer does its own De-icing, the Company shall use the following employees (MANDATORY), first:

### **Night De-ice Operations**

10 Bid De-ice jobs  
FT HSK/Hub 7:00 to 3:30  
FT 9/11 & 2/4/6 Ramp  
FT Wing A Ramp (OPC Drivers)  
FT Hub/HSK 12:00 to 8:00

### **Day De-ice Operations**

FT GSE non-powered Employees  
FT Container Repair FT  
All of the other de-ice employees will use  
the new sign up process.

If the mandatory list is changed (due to district reassignment, work shift change, etc.) other mandatory areas can/will be added at the discretion of the Company, after discussing with the Union. Employees that work in the mandatory area must/will work in the de-ice operation. Any employees that transfer to these mandatory areas must understand that de-ice is part of job responsibility.

Other FT and PT employees can De-ice/Train on a voluntary basis. However, the De-ice management team will determine which operations will require volunteers.

If a De-ice operation needs additional staffing, the "call-in" list from the other operations will be used to supplement the De-ice operation.

It is understood that Full-time employees will be called in for additional work first; Full-time employees will be guaranteed a minimum of four (4) hours at the applicable rate of pay for such a call in.

Weekend De-icing is voluntary and is limited to employees that work that particular shift. If the operation does not get enough volunteers, the total "call-in" list will be used to staff the operation, beginning with Full-time employees. The total call in list refers to a combination of both night and day de-ice employees.

~~The Company agrees to two (2) opportunities during the life of this agreement for 10% within each mandatory group to be exempt from de-ice. The 10% will be determined by seniority. The first 10% offering will take place upon successful ratification of the 2013 contract. The second 10% offering will take place prior to the 2015-2016 de-ice season. It is understood that all future vacancies within the mandatory groups will be required to de-ice as part of their bid.~~

The Company agrees to two (2) opportunities during the life of this agreement for 10% of those not already opted out within each mandatory group to be exempt from de-ice. However, it is understood that the number of employees opted out in any mandatory group cannot exceed 30%. The 10% will be determined by seniority. The first 10% offering will take place after the 2018/2019 deice season is concluded. The second 10% offering will take place after the 2019/2020 deice season is concluded. It is understood that all future vacancies within the mandatory groups will be required to de-ice as part of their bid.

## Section G.

Paid ten (10) minute rest period provisions shall apply to all Louisville Air Operation employees. The administration of this provision may differ between the Next Day Air Operation and the Second Day Air Operation. Part-time employees will receive a second ten (10) minute break if they are worked over six (6) hours. ~~after their sixth (6<sup>th</sup>) hour worked during peak season Nov.—Dec.~~

# ARTICLE IV-FULL TIME POSITIONS

## Section D.

If a bid job is vacated, the company will bid the job as it was bid previously, except for legitimate operational needs. The company maintains the right to determine whether the job needs to be filled.

A newly promoted full-time employee must stay in their original bid classification for a six-month period, except in the case of newly created full-time jobs.

Employees bidding a full-time position will be subject to a thirty (30) day qualification period. Full-time employees will have ten (10) working days to disqualify themselves. If an employee is disqualified from a bid job the opening shall go to the next person on the bid sheet.

Any full-time air employee who successfully completes the GSE or Belt Maintenance Skills Inventory shall work under a six (6) month qualifying period. After qualifying the employee will begin an eighteen (18) month progression. All progression increases will be based on the top rate in GSE at the time of the increase. After completing the qualifying period the employee shall go to one hundred percent (100%) of the current GSE rate. For vacation purposes, the employee shall receive credit equal to their company seniority and employees' seniority will end tail on GSE and Air District Maintenance Seniority list.



The annual bid for all GSE and Air District Belt Maintenance mechanics will be posted prior to October 1 of each year, selected by October 31, and assigned by November 15.

If a bid job is vacated, the company will bid the job as it was bid previously, except for legitimate operational needs. When a job is vacated, the Company will post a job for bid the following mid-week. When the employee qualifies for a new job, the opening will be bid in the next week. The bid will be posted until the following mid-week and awarded no later than ten (10) days from the bid coming down. Full-time bid awards will be posted electronically through the BIDX system for fifteen (15) calendar days. When a job becomes vacant through the bid process, open positions will not be filled until the job is bid and the awarded bid employee arrives. In the meantime, the Company may assign a qualified employee. When the posted bid closes, the employee with the most company seniority between the awarded bid and the internal transfer request will be assigned the job. (The 30 working days LOA will not apply to the employee who is temporarily assigned the job.) Full-time jobs vacated in the small sort operation shall be replaced by another full-time employee or part-time to full-time employee, depending on the move in the bid process. The company maintains the right to determine whether the job needs to be filled.

## ARTICLE VI – VACATION

### Section F.

Regular vacation selection will be by seniority in individual work groups in accordance with the work groups in accordance with the work groups' identification in "1" below:

#### Identification

Next Day Air Hub Primary Sort Areas  
Next Day Air Hub Secondary Sort Areas  
Next Day Air Hub Outbound Belts  
Next Day Air Hub Small Sort Areas  
Next Day Air Hub Irregular Drivers North and South  
Next Day Air Hub PSC  
Next Day Air Hub Input  
~~Next Day Air Ramp Manager Group~~  
Next Day Air Ramp 6  
Next Day Air Ramp 9/11  
Second Day Air Hub Primary Sort Areas  
Second Day Air Hub Secondary Sort Areas  
Second Day Air Hub Outbound Belts  
Second Day Air Hub Small Sort Areas  
Second Day Air Hub Irregular Drivers North and South  
Second Day Air Hub PSC  
Second Day Air Hub Input  
Second Day Air Ramp ~~Manager Group~~  
Feeder Unload  
Container Repair Full-time by Shift  
Dolly Repair Part-time by Shift  
Dolly Repair Full-time by Shift  
A.M. Housekeeping  
P.M. Housekeeping  
AMDC Part-time Shift

AMDC Full-time Shift  
 Fueling Part-time by Shift  
 Fueling Full-time by Shift  
 Marshalling Part-time by Shift  
 Marshalling Full-time by Shift  
 Utility Repair Part-time by Shift  
 Utility Repair Full-time by Shift  
 Next Day Air International by Shift  
 Second Day Air International by Shift  
 Import by Shift  
 Air Cargo by Shift  
 Next Day Air Shift Building Set-up  
 Next Day Air Shift Building Pull  
 Second Day Air Shift Building Set-up  
 Second Day Air Shift Building Pull  
 Next Day Air Wing A, B, C, etc.  
 Second Day Air Wing A, B, C, etc.

Additional groups may be designated for the purpose of vacation selection upon mutual agreement between Employer and the Union prior to the November 15 posting date of any year.

A minimum of fifteen percent (15%) of the employees in each work group will be allowed to be scheduled off each day of the week during the months of May, June, July, and August. For the remaining months, a minimum of 10 percent (10%) of the employees by work group will be allowed to be scheduled off (in accordance with the designated vacation period). An employee may request the use of a single vacation day or option day in which they have accrued, up to the start time of the day of request as long as the Company is below the percentage of people off in accordance with this paragraph.

The application of the fifteen percent (15%) per work group will be applied as follows:

Number of Employees	Number of Vacations per Day/Week
1-10	1
11-16	2
17-23	3
24-30	4
31-36	5
37-43	6

The Application of ten percent (10%) per work group will be applied as follows:

Number of Employees	Number of Vacations per Day/Week
1-14	1
15-20	2
21-30	3
31-40	4

Vacation schedules shall be posted in each work group by November 15<sup>th</sup> of each year for the following year's vacation period. Vacation selection shall be by seniority within each work group. The posted vacation schedule shall show the weeks available for vacation and the number of employees in each group who may be on vacation during each week. There shall be no vacation from the first (1<sup>st</sup>) Monday after Thanksgiving to December 25<sup>th</sup>.

Vacation shall be selected by December 15<sup>th</sup>. If all earned vacation weeks have not been selected or designated in the time allotted, the open weeks will be assigned by seniority to the eligible employees. Employees with 3 weeks or more earned vacation may designate vacation to be given on a first come; first served basis provided the employee gives 3 weeks notice, and provided the vacation time is available. There shall be no penalty pay associated with this selection.

An employee voluntarily transferring work groups to exercising a vacation selection may carry the initial vacation selection if vacation time is available in the new work group. If not available, the employee will have to select from weeks as available in accordance with this Article.

## **Section J**

Cartage, Porter helpers, and AMDC employees shall be allowed to take vacation between Monday after Thanksgiving through Christmas up to 15%, provided the Worldport hub is adequately staffed for peak season.

## **ARTICLE VIII – SIX HOUR JOBS**

~~1. Prior to the expiration of this agreement the Employer shall create an additional fifty (50) full time jobs from part time work. Ten (10) of the above mentioned fifty (50) jobs will be bid for each of the five (5) years of this agreement.~~

1. The Company shall create two hundred and fifty (250) full time jobs over the life of this agreement. The Company will have bid a minimum of fifty (50) of these jobs within the first year of the contract. These fifty (50) jobs will be Monday through Friday dayshift jobs and will be bid upon ratification. By the end of the second year of the contract, the Company will have bid a minimum of seventy-five (75) of the two hundred and fifty (250) jobs. By the end of the third year of the contract, the Company will have bid a minimum of one hundred (100) of the two hundred and fifty (250) jobs. By the end of the fourth year of the contract, the Company will have bid a minimum of one hundred and seventy-five (175) of the two hundred and fifty (250) jobs. If any of the two hundred and fifty (250) jobs are not already in place, they will be bid in the last year of the contract. These jobs shall count towards the Employer's obligation to maintain full time jobs under Article 22.3 of the NMA.

5. Six (6) hour employees will receive ~~thirty-eight and one-half (38.5)~~ forty (40) hours per option week. Vacation will be paid at ~~thirty (30)~~ thirty-five (35) hours per week.

## **LETTER OF RECORD**

2. In addition to the language in Article 3, Section 1 of the National Master Agreement, it is understood that the practice of having business agents or stewards attending pre-seniority attainment meetings for the purpose of educating new employees about the Union will continue for the life of this agreement. The Union will be notified one (1) week in advance.

3. ~~Full time and Six Hour~~ All employees, ~~along with stewards~~ shall have the right to cell phones in accordance with company policy.

12. When combination employees are temporarily moved off his/her job it shall be by total company seniority from those employees qualified and available, in the immediate work area.



Excluding Peak Season (November-December), the Company agrees to continue the practice of honoring a request from full time hub combination and cartage employees to transfer from one half of their combination job to another within the managers area; the only exception is the 1DA Small Sort and 2DA Small Sort will each be considered one manager's area (for the purpose of this specific language only), if business conditions allow, provided there is an opening in the requested position. It is understood that this process will not cause a disruption to the operation nor trigger a bump.

16. Any full-time employee bidding into AMDC or Container Repair – ULD will not be permitted to bid outside their classification for a period of one (1) year.

17. Upon ratification of this agreement, all ramp vans will be inspected to determine if they have a working air conditioning system. Any that have a working air conditioning system will be maintained in working order.

18. It is agreed that part-time employees bidding to full time jobs will not lose their option week the first year after taking a full time position.

19. In order to receive holiday pay, an eligible employee must complete the regularly scheduled workday which immediately precedes or follows the holiday.

20. Employees calling in shall receive one occurrence for 2 consecutive days, up to four (4) times in a twelve (12) month period, without a Dr.'s note, provided it is for the same reason.

## **Double Shift Letter of Understanding**

Monday through Friday

The facility is broken down to the following areas for double shift opportunities:

\*Wings, A,B,C,D,E

\*Core Unload/Thumb, Building One/Grade Lane/Wing H/Grade Lane Shift

\*SEAS

\*Small Sort

\*PSC

\*Revenue Recovery

When a request for double shifters is received from the 2DA or 1DA operations, the positions will be filled by seniority that pertains to particular areas. Request cannot be made by job type.

If the request for a particular area is not filled, the remaining positions will be filled by employees from like areas by seniority. For example, Wings A,B,C request 20 double shifters only 10 employees sign up. The remaining 10 positions will be filled by seniority from the THUMB/CORE UNLOAD.

The like areas below are grouped for the 1<sup>st</sup> and 2<sup>nd</sup> choice to backfill a request. The employees will be selected by seniority by group. If the first group is depleted, we will use the second group by seniority and so on.

Like Area Groups

Wing A,B,C,D,E - 1<sup>st</sup> Wing A,B,C,D,E, 2<sup>nd</sup> Thumb, Core Unload, 3<sup>rd</sup> Building One, Grade Lane, Wing H/Grade Lane Shift

CORE UNLOAD/Thumb – 1<sup>st</sup> Wing A,B,C,D,E, 2<sup>nd</sup> Building One, Grade Lane, Wing H/Grade Lane Shift

Building One/Grade Lane/Wing H/Grade Lane Shift – 1<sup>st</sup> Wing A,B,C,D,E, Core Unload/Thumb SEA – SEA (Small and Parcel)

Small Sort – Small Sort

PSC – PSC

Revenue Recovery

\*\*\*\*\*For double shift opportunities, the 2DA Ramp will be considered part of Wings A,B,C,D,E

\*\*\*For purpose of double shifts from 1DA operation to 2DA operation only; The 9/11 ramps and ramp 6 will be allowed the same opportunity as Wing H employees. ~~The 2/4/6 ramps will be allowed the same opportunity as Wing E employees.~~

\*\*\*The 1DA and 2DA small sort employees for purpose of double shifts will be allowed the same opportunity as Core unload employees.

\*\*\*If Wings A,B,C,D,E and the Core Unload/Thumb, Building One, Grade Lane, Wing H, have exhausted all means for double shifters, it will open up first to the seniority in the following groups (PSC, SEAS, Revenue Recovery and Small Sort). If these areas are exhausted it will open to the district.

\*\*\*For double shift opportunities, if the small sort, SEA, PSC, or Revenue Recovery can't cover their own double shift needs, these four groups will be considered as a like area work group.

#### FOR SUNDAYS

The 2DA OPERATION will have the rights to fill the needs of the Sunday sort first. The process for double shifting is identical to the Monday-Friday double shifting guidelines.

\*\*\*The company will post signs with double shift opportunities in all guard facilities. At the time of the posting, a Company representative will take a picture of the posting that shows a date and time stamp. The employee will be responsible for checking these double shift lists and signing up for these double shift opportunities on the computer or by the phone. The computer is preferred. The phone number to call will be:

2DA Sunday Double Shift only: 359-1335

2DA Mon-Fri Double shift only: 359-7160

2DA Deice: 359-7585

1DA Double Shift: 359-7351 or 359-7312

\*\*\*The Company will post a list with the names of employees on a made/did not make list on a link attached to UPSERS.com after each sort for the corresponding shift offered.

These numbers are connected to voicemails. Employees should leave their name, GEMS ID, and F/T Supervisor name on message. The cut off times for the 2DA operation for Mon-Fri double shift is 1:00. 2DA Sunday double shift operation cut off time is on Thursday at noon. The cut off times for the 1DA operations Mon-Fri double shift is 01:30. 1DA Sunday double shift operation is 2:00.

## LETTER OF UNDERSTANDING

Upon completion of the Worldport expansion, Porter helpers will only inspect the equipment listed below:



Porter/Helper inspections: UNL-05, DWS, VI Beltflow Conveyor, Rapistan conveyors, Grade Lane conveyor, Vertisorter, Transnorm powerturn beads, Posisorter slave 1 and 2 polychains, nosedock daily pretrip, Rapistan powerturn, irreg. straight, IGC Beltflow conveyor (small sort), Small Sort Collector, Small Sort induct, Small Sort primaries, Small Sort secondaries.

Mechanics will continue to inspect all the equipment that they are currently, including the equipment below which are mechanic only inspections.

Mechanic only **for this equipment, but not limited to:** Transnorm powerturn (other than bead inspection), Transnorm merge, irreg merge, irreg powerturn, posisorter, nosedock (other than daily pretrip), Portec, High Voltage Electrical Testing, Axxmann merges, Axxmann powerturns, Axxmann gated conveyors, and Axxmann metering conveyor.

When the Worldport expansion is complete, the following equipment will be added to the Mechanic only inspection list.

Additional “mechanic only” after completion of expansion: LOA/UNL 20, Gappex, irreg merges and irreg curves.

As part of the Worldport expansion at least 25 mechanic jobs will be created.

**The Union and Company agree that Porter Helpers will now cover parts department work on all holidays and weekends.**

## **Overtime Procedures for Belt Maintenance**

1. Sort Continuation – Sort coverage of an assigned area may last up to 30 minutes in the mechanics assigned area. (This is not area seniority; this is sort-continuation to allow for operation continuity.) If the coverage is expected to, or lasts longer than 30 minutes, the Company must ask those available, in seniority order to complete the sort wrap-up.
2. Job continuation – If a mechanic is assigned a job (repair) and it runs into overtime, he/she may be expected to complete the job if estimated completion time is less than one hour. If mechanic feels job can be completed in one hour.
3. Shift Coverage – When a mechanic calls in and we need to cover his/her shift we will use present, qualified and available for that day. If the call-in is for multiple days, the subsequent days will be bid by seniority to those available. If the Company is notified twenty-four hours in advance, the call-in procedure will be used. Mechanics will be selected by seniority on adjacent shifts for shift coverage.
4. If additional help is needed, UPS will begin calling in the most senior mechanics on the next shift due to report.
5. Back to back shifts are allowed as long as the shift schedules do not overlap.
6. Mechanics are only allowed to work 18 hours in a 24-hour period. Mechanics cannot be forced to work more than 16 hours in a 24 hour period. **Mechanics cannot be forced to work more than sixteen (16) hours in a twenty-four (24) hour period.**



## **Coverage Mechanics**

### **Agreement between UPS and Teamsters Local 89**

**Date 1-18-05**

1. The Coverage Mechanic is a bid position selected during the annual bid process.
2. Management will designate the required shifts and workweeks as needed for coverage areas.
3. Management reserves the right to change the number of mechanics assigned to each shift in order to meet conditions. These conditions include, but are not limited to, Absenteeism, Disability, Military Leave, Vacations, and Workers Comp. The Company is not required to cover all of the above conditions. If no employees are off for military leave, vacation, or workers compensation, mechanics will work their bid home AM or PM coverage shift.
4. The coverage areas shall be posted weekly in the shops of the areas where the mechanics report to work. The selection areas will be awarded to those bid coverage mechanics only in seniority order.
5. All bid coverage mechanics must select before ~~Thurs~~ Wednesday @ 8:00 AM including those not working that week. Failure to select or to call in for those not working will be assigned to the vacant areas by management.
6. 30 days in one area or start time by a coverage mechanic does not constitute a new bid position.

## **LETTER OF AGREEMENT**

**United Parcel Service Inc. (UPS) and the Teamsters Local 89 (Union) agree to the following to resolve the differential between the part-time and full-time short-term disability benefits for Local 89 represented employees:**

1. **UPS shall take the necessary steps to ensure that the short-term disability benefits received by the full-time employees represented by Teamsters Local 89 will be based on the same formula that is applied by TeamCare for short-term disability benefits for part-time employees.**
2. **The increased short-term benefit shall become effective six (6) months after the ratification off the National Master Agreement (NMA).**