

**Letter of Agreement
between
Local Unions of the International Brotherhood of Teamsters Signatory to the
Western Region of Teamsters Supplemental Agreement
and
United Parcel Service, Inc.**

This Letter of Agreement (“LOA”) by and between United Parcel Service, Inc. (“UPS” or “Company”), and the Local Unions of the International Brotherhood of Teamsters signatory to the Western Region of Teamsters Supplemental Agreement (“Union”) (collectively the “Parties”) sets forth the terms and conditions of this LOA and the Parties agree that such terms and conditions shall apply to the Company, the Local Unions who have agreed to and signed this LOA, and the bargaining unit employees described herein.

The Parties expressly agree that this LOA shall be non-precedent setting and shall not be utilized, or introduced as evidence, in any subsequent grievance or Arbitration proceeding, or referenced in any future negotiations between the Parties.

In response to the COVID–19 Crisis, the Parties agree to temporarily allow UPS part-time bargaining unit members to perform work as drivers using their personal vehicles for the purpose of providing continued service to the community at large during this crisis under the following terms and conditions:

1. The Company agrees to offer, on a voluntary basis and in seniority order, package delivery work to all part-time employees utilizing their personal vehicles, under the following terms and conditions:
 - A. The Company agrees that all full-time Regular Package Car Drivers (“RPCD’s”), 22.4 full-time Combination Drivers, full-time 22.3 Combination Job employees who are qualified to drive, full-time 22.3 Combination Air Drivers, full-time Air Drivers part-time Air Drivers, part-time Early AM Drivers, part-time Cover Drivers and part-time Utility Drivers in the facility, or, from a facility within forty (40) miles and in the same Local Union’s jurisdiction, shall be working, or shall be offered all available package delivery work, prior to the Company using any part-time employee delivering packages utilizing their personal vehicle in accordance with this LOA.
 - B. The Company agrees that full-time Regular Package Car Drivers (“RPCD’s”), 22.4 full-time Combination Drivers, full-time 22.3 Combination Job employees who are qualified to drive, full-time 22.3 Combination Air Drivers, full-time Air Drivers part-time Air Drivers, part-time Early AM Drivers, part-time Cover Drivers and part-time Utility Drivers shall not have their overtime reduced, nor shall they suffer any loss of work due to the Company’s utilization of part-time employees delivering packages utilizing their personal vehicle in accordance with this LOA.
 - C. The Company agrees that in each facility covered by this LOA they will rent delivery vehicles for all full-time Regular Package Car Drivers (“RPCD’s”), 22.4 full-time

Combination Drivers, full-time 22.3 Combination Job employees who are qualified to drive, full-time 22.3 Combination Air Drivers, full-time Air Drivers part-time Air Drivers, part-time Early AM Drivers, part-time Cover Drivers and part-time Utility Drivers who do not have one when delivering packages prior to utilizing any part-time employees to deliver packages utilizing their personal vehicle in accordance with this LOA.

- D. The Company agrees that part-time employees delivering packages utilizing their personal vehicle in accordance with this LOA shall receive the top full-time RPCD rate of pay for all hours worked in this capacity.
 - E. The Company agrees that part-time employees delivering packages utilizing their personal vehicle in accordance with this LOA shall be limited to a total of eight (8) hours worked per day. Part time employees working in this capacity will not work their regular part-time shift.
 - F. The Company agrees that part-time employees who volunteer for this package delivery work shall utilize their own personal vehicle and shall receive the current IRS mileage rate for all miles recorded while performing work under this LOA, including mileage to and from the building for loading and delivering purposes. Mileage reimbursement submissions shall be paid to the employee within thirty (30) days of submission.
 - G. The Company agrees to provide the part-time employees who volunteer for this package delivery work utilizing their own personal vehicle all training, recordation equipment, software programs and other equipment necessary for them to perform the duties assigned to them in accordance with this LOA.
- 2. The Company will be responsible for compliance with all Federal, State and Local laws regulating the employment relationship with respect to all its employees performing services under this LOA, including but not limited to, providing coverage under applicable State Workers Compensation laws, paying all wages in compliance with Federal, State and Local wage and hour laws, and complying with all Federal, State and Local employment discrimination laws.
 - 3. The Company agrees that the decision whether to participate in this LOA or not, is a decision that will be made individually by each Local Union and that such decision is voluntary. The states, facilities/locations and Local Unions covered by this LOA at this time are as follows:

Arizona

Mesa, Tucson, Phoenix (Local 104)

Oregon

Hillsboro (Local 162)

Southern California

Ontario, San Bernardino, Palm Springs (Local 63)

Santa Barbara (Local 186)
San Fernando, Van Nuys, Main St. (Local 396)
San Diego, Chula Vista (Local 542)
Laguna (Local 952)

Utah

Salt Lake City (Local 222)

Washington

Seattle, Redmond, Shoreline, Port of Tacoma (Local 174)
Kennewick (Local 839)

Additional states, locations/facilities and Local Unions may be added to this list at the discretion of the Company. The Company agrees that all terms and conditions of this LOA will automatically apply to any locations/facilities that are added to the current list and are in the jurisdiction of a Local Union already signatory to this LOA. The Company also agrees that locations/facilities added to the current list which are in the jurisdiction of Local Unions not already signatory to this LOA will require the approval and signature of that Local Union to this LOA for the terms and conditions of this LOA to be applicable to that added location.

4. In the event the Company has a need for additional Feeder Drivers to perform feeder work in the jurisdiction of a Local Union signatory to this LOA the Company shall hire laid-off UPS Freight Drivers and laid-off CSI Drivers from the Local Union's jurisdiction prior to using subcontractors for the duration of this LOA. All Feeder Drivers and Backup Feeder Drivers will be worked in that classification prior to using laid-off UPS Freight or laid-off CSI drivers.
5. In the event the Company does not get enough part-time employees to volunteer to deliver the package volume in a facility covered under this LOA utilizing paragraph 1(A), and has a need for additional employees to perform that package delivery work, the Company shall hire laid-off UPS Freight Drivers and laid-off CSI Drivers, first from that Local Union's jurisdiction, then from other Local Union's jurisdiction who are signatory to this Agreement, to perform such work.
6. Provided supplies are available, and the Company is not buying supplies which would otherwise go to the healthcare industry, the Company agrees to provide employees masks and gloves when requested and maintain adequate sanitary supplies in all facilities (i.e. hand sanitizer, antibacterial soap, paper towels, etc.). There is currently a shortage of some supplies. The Company and Union will work together to identify distributors of these items in order to establish the necessary inventory.
7. The Company recognizes there have been numerous concerns expressed by the individual Local Unions pertaining to the health and safety of the employees. This is a fluid situation requiring regular communication amongst the parties. Each district will establish a daily conference call to discuss concerns. A District level Company

representative for Health and Safety, Plant Engineering, and Labor will be on each call. Business Agents and Officers from each Local Union will be invited to attend the call. These calls will commence March 31st, 2020.

8. In recognition of the social distancing guidelines issued by multiple Federal, State and Local governments and agencies, and the CDC, the Company agrees to cease all supervisory management on-car rides (i.e. OJS, Training, etc.), with the exception of return to work from injury rides, post-accident rides, or rides for training of new hires for the duration of this LOA.
9. In recognition of the social distancing guidelines issued by multiple Federal, State and Local governments and agencies, and the CDC, the Company agrees to cease utilization of all on-car helpers for the duration of this LOA. The exception would be at a drop location where the helper and driver do not come in contact.
10. The Company agrees that all employees who work during their scheduled vacation will be paid at their overtime rate of pay for all hours worked.
11. The Company and the Union agree that the effective term of this LOA will be twenty-eight (28) days beginning at 12:00 a.m. March 30th, 2020 and ending at 11:59 p.m. April 28th, 2020.

The Parties agree that five (5) days prior to the expiration of this LOA they will review the terms and may by mutual agreement of the parties extend the effective period of the LOA in fourteen (14) day increments with a review of each such fourteen (14) day period five (5) days prior to its expiration.

The Parties agree that each signatory Local Union retains the unilateral right to withdraw their agreement to participate in this LOA at the expiration of the initial twenty-eight (28) day effective period, and at the expiration of any successive fourteen (14) day extension period.

The terms of this LOA may be modified only by mutual agreement of all Parties signatory to this LOA.