



**TEAMSTERS**

**United Parcel Service** National Negotiating Committee

25 Louisiana Avenue, NW, Washington, DC 20001

July 29, 2013

Dear UPS Members:

I am writing to bring you up to date on the status of the 2013 UPS contract and your Area Supplement or Rider.

As you know, the National UPS Agreement covering more than 220,000 Teamster members throughout the country has been approved by a majority of UPS Teamsters who voted. This contract will take effect after all Area Supplements and Riders, including yours, are also passed. The National UPS Contract covers all economic issues including wage increases, pension contributions, and health care benefits. It also contains many improvements in language dealing with 9.5 issues, harassment, SurePost and additional full-time jobs.

It is important to clarify that while you or your fellow members covered by your Area Supplement may have voted against the National Agreement, a majority of Teamsters around the country voted to pass it. It is, therefore, a binding agreement between UPS and the Teamsters Union, and cannot be reopened.

A majority of Teamsters voting in your area voted against your Area Supplement. Many voted against the Area Supplement because they were unhappy with the change to a new health care plan that was negotiated in the National Agreement. Because health care is contained in the National Agreement, another vote against the Supplement will not impact health care. The Supplement deals strictly with local area issues, not the broader economic and language issues that are covered by the National Agreement that has already been approved.

At the same time, there were local issues that people voting against the Area Supplement were concerned with. Your supplemental negotiating committee is now bargaining with the company to address these issues. Once a modified agreement is concluded we will bring that to you for a new vote.

### **Health Care**

When we went into negotiations, UPS was demanding major concessions in health care, including the proposal that UPS employees pay a significant share of the monthly premium currently paid 100% by the company. We attempted, and we believe we were successful in bargaining a new health care plan, TeamCare, that is comparable to the former UPS company plan and is significantly better than the UPS

proposal. It does not require UPS Teamsters to pay a monthly premium. Nevertheless, the prospect of changing health care plans produced uncertainty among many UPS members and in some areas, including yours, led to a vote against the National and Supplemental Agreements.

Even though the new TeamCare plan has been ratified in the national agreement we want you to know that your Negotiating Committee will be working with the TeamCare trustees and administration to make improvements in areas that we know our members were most concerned with.

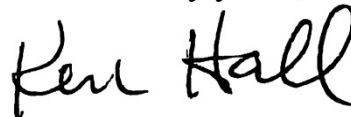
### **Going Forward**

After your area supplement bargaining committee concludes its negotiations, a contract will be presented to you for ratification. You will review the changes made to the Supplement and decide to vote for or against it.

Keep in mind that the wage and benefit increases will not go into effect until after all Supplements and Riders are passed.

The final decision will be in your hands.

Fraternaly yours,

A handwritten signature in black ink that reads "Ken Hall". The signature is written in a cursive, slightly slanted style.

Ken Hall

Co-Chair, National Negotiating Committee

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