JC-28 UNITED PARCEL SERVICE DIVISION

FACSIMILE TRANSMITTAL

Date: MARCH 17, 2014

To: ALL PRINCIPAL OFFICERS WITH UPS LOCAL UNIONS AFFILIATED WITH

JOINT COUNCIL NO. 28 - Locals 38, 58, 174, 231, 252, 313, 589, 690, 760

and 839

From: TED BUNSTINE, UPS DIVISION DIRECTOR

JOINT COUNCIL OF TEAMSTERS NO. 28

Subject: UPS CONTRACT UPDATE - REMAINING OPEN SUPPLEMENTS & RIDERS

Message:

Dear Brothers and Sisters.

Last week the Teamsters UPS National Negotiating Committee met with Union Leadership from each of the respective area supplements and riders that have yet to be ratified in an effort to continue to assess and assist those areas in finding resolution to their ongoing negotiations. Currently, there are two area supplements and one area rider that have not been able to reach resolution, as well as the Ohio Rider which is currently being voted by their membership for the second time and votes will be counted on March 19, 2014.

The Central PA and Western PA Supplements have both been voted a second time and have not passed. Based on the discussions with the Committees, it appears that while both have negotiated perhaps their best supplements to date, the outstanding issue for both supplements is their desire to remain in the company healthcare. As we know, the healthcare provisions are contained in the National Master Agreement and **NOT** in the supplements.

Facsimile

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Both Central PA and Western PA fall under those provisions and they will go into the Central States C6 Healthcare (TeamCare) once all supplements and riders are passed and the new contract goes into effect. The reality of the situation is that they are unwilling to accept change despite the fact that the National Master Agreement has been voted on and passed. Both areas are rejecting their supplement in a fruitless effort to try to maintain the company healthcare.

It is unfortunate that these areas are using their supplemental agreements as a vehicle to try to obtain something different for themselves (which will not happen) other than what has already been voted on and passed by our members nationally.

Teamsters Local 89 – Louisville, KY's Air Rider also remains open. The IBT sent two representatives into negotiations with Local 89's committee to try to assist them in getting an agreement. While improvements were made, there are still supplemental issues that remain open. Local 89's negotiating committee made it clear that even if all of their issues in the rider were resolved they still would not recommend ratification of the rider because they feel that moving to the Central States C6 Healthcare (TeamCare) would be a reduction in benefits. When they were asked to itemize exactly what those reductions were, they were unable to articulate what those reductions were.

Again, the healthcare provisions of our contract are contained in the National Master Agreement and it has been voted on and passed by the members. It is unfortunate that members across the country are being held hostage by these remaining areas that simply want to continue to reject any settlement that includes moving to the Central States C6 Healthcare (TeamCare).

The Company presented Local 89 a firm and final offer last week which will soon be mailed out to their members for a ratification vote.

The IBT and the UPS National Negotiating Committee will continue to monitor, assist and seek final resolution in getting these remaining open supplements and riders resolved in these last few areas so we can start receiving the improved wages and benefits contained in our new Contract.

LET'S GET IT DONE!