

United Ground  
**Express**



**2017-2025 AGREEMENT**

**BETWEEN**

**UNITED GROUND EXPRESS**

**AND**

**THE INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKERS**

**AFL-CIO**

**REPRESENTING**

**AIRPORT GROUND HANDLING AGENTS**



AGREEMENT  
BETWEEN  
UNITED GROUND EXPRESS, INC.  
AND THE  
INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE WORKERS, AFL-CIO  
REPRESENTING  
AIRPORT GROUND HANDLING AGENTS

Section 1 – Recognition

1. This Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between United Ground Express, Inc. (“UGE” or “the Company”) and the International Association of Machinists & Aerospace Workers, AFL-CIO (“IAM” or “the Union”). The IAM shall be the voluntarily recognized representative of UGE employees performing work of airport ground handling agents, traditionally considered fleet and passenger service work, upon a majority ratification vote among such employees approving this Agreement. The Company further agrees that to the extent it has the right to withdraw such recognition it hereby specifically waives such right. It is further agreed that the Company shall not withdraw its recognition of the IAM as the exclusive collective bargaining representative of employees performing ground handling work performed by UGE unless and until another representative is duly certified to represent the craft by the National Mediation Board.
2. “The “Company” shall mean and be limited to United Ground Express, Inc.
3. “Ground Handling Services Contract” (GHSC) shall mean a contract between the Company and any air carrier pursuant to which the Company performs ground handling services for the air carrier.
4. This Agreement is applicable only to the performance of services by the Company pursuant to a GHSC. If a GHSC is in force at a particular location, then employees represented by the Union shall have the right to perform the ground handling work pursuant to that GHSC and in accordance with the terms and conditions of this Agreement.
5. In the event a GHSC is terminated, non-renewed, suspended or ceases to be in force for any other reason for any period of time, the employees covered by this Agreement shall have no rights to continue to perform or be compensated for the ground handling work in connection with that air carrier’s flight operations, including, without limitation, situations where the air carrier is United Airlines, Inc., or a carrier operating flights pursuant to a code-share, capacity-purchase, marketing or other arrangement with United Airlines, Inc. The vendor or other entity which thereafter performs ground handling services in connection with the air carrier’s flight operations shall not be deemed a successor of the Company for any purpose.

Section 2 – Classifications & Vacancies

1. Employees covered by this agreement will be employed in the following job classifications:
  - a. Agent, Agent/Fueler, Cabin Service Agent, Passenger Assistance Agent.
  - b. Leads may be established in each of these Classifications at the Company’s discretion.
  - c. Employees in these classifications may be trained and assigned to work in ramp service, passenger service, operations or any combination thereof as determined by the Company. No more than 15 employees, exclusive of the Lead, will be assigned to a Lead’s group.

Agents or Lead Agents may also be assigned the position of “Compliance Coordinator” or “Station Training Coordinator.”

2. Vacancies in these classifications at any location will be filled initially through hiring at the sole discretion of UGE. Thereafter, vacancies will be posted for bid by existing employees. Employees from within the location will be considered before employees from other locations. An employee must meet and demonstrate qualifications established, in advance, by the Company in order to be considered for a Lead position. If the Company determines that two or more employees are equally qualified for a Lead position, the position shall be filled by the most senior of those employees.
3. New hire employees will be considered as probationary for the first six (6) months of completed service. Probationary periods may be extended at by mutual agreement of UGE and the Union. Probationary employees may be severed from the Company without cause and without notice at the sole discretion of UGE.
4. An employee who has completed his or her probationary period may submit a bid for a posted vacancy in any location. Bids will be awarded based on qualifications as posted, and seniority.
5. When the need arises to reduce the number of employees in any classification, or location, employees will be subject to reduction-in-force by job classification, qualifications, location and full-time or part-time status in reverse order of seniority. Leads reduced at a location may displace junior employees in the same classification at the same location. If there is no junior person at the location, the Lead will be allowed to fill a vacancy on the UGE system and then displace the most junior person in the same classification on the UGE system. Recall to a position will be done in seniority order. Other employees reduced will first be given the option to fill a vacancy for which they are qualified in another classification at their location. If there are no vacancies at the location, then employees may bump the most junior employee at the location in a classification for which they are qualified. If employees are unable to exercise options at the location, employees may then fill any vacancy on the UGE system for which they are qualified. If there are no vacancies, then employees may bump the most junior employee in a classification for which they are qualified on the UGE system, or retain recall rights for a period of 6 years or their length of service, whichever is shorter. Employees furloughed as a result of a reduction-in-force will receive no less than fourteen (14) calendar days' notice or pay in lieu of notice. Employees will not be entitled to notice or pay in lieu of notice if the reduction-in-force is due to circumstances beyond the control of the Company, such as a war, emergency, revocation of an operating certificate, grounding of aircraft, a strike or other cessation of work. Probationary employees affected by a reduction-in-force will be terminated.
6. IAM represented UGE employees will be considered for United Airlines vacancies in IAM represented Fleet Service and Passenger Service classifications on a competitive basis after considered UA employees and may be considered before hiring from the street. The UA/IAM Agreements will govern UGE employees, for pay slotting purposes, successfully employed by United Airlines in any IAM represented classification.

1. Except as required by law, Agent employees will be paid according to the following scales:

	<u>Agent</u>
1 <sup>st</sup> six months	\$10.05
2 <sup>nd</sup> six months	\$10.35
After one (1) year	\$10.65
After two (2) years	\$10.95
After three (3) years	\$11.25
After four (4) years	\$11.55
After five (5) years	\$11.85
After six (6) years	\$12.25
After seven (7) years	\$12.65
After eight (8) years	\$13.25
After nine(9) years	\$13.75
After ten (10) years*	\$14.25

\*The top rate of the scale will be adjusted annually by a percentage equivalent to the most recent CPI-U published by the Bureau of Labor Statistics applicable to each station on each anniversary of the date of signing of this Agreement.

Employees in the Agent/Fueler, Cabin Service Agent, and Passenger Assistance Agent classifications will be paid according to scales developed pursuant to Section 3, paragraph 6 below.

2. Employees in the Lead classifications will receive an additional \$1.50 to their base rate of pay. Employees temporarily upgraded to the Lead position will receive an additional \$1.50 for time worked as a lead.
3. Employees in "ready reserve" positions will receive an additional \$0.50 per hour for time worked.
4. Employees assigned to the Compliance Coordinator and Station Training Coordinator positions will receive an additional \$1.50 per hour worked in the position.
5. In the event the Company initiates any performance based incentive programs, it will first meet with the IAM to discuss the terms of such programs.
6. In the event that the Company finds that its pay rates for any job classification at any location are non-competitive and require an increase, the Company will notify the Union of any location(s) where pay rates will be greater than in this Agreement. In the event that the Company finds that its pay rates for any job classification at any location are non-competitive and must be reduced, the Company will be required to demonstrate a compelling need to adjust pay rates lower than in the Agreement. With the Union's agreement, employees in the same classification in the same location will have their rates of pay concurrently adjusted to the new lower rates for that classification and location.
  - a. Pay rates in place at active locations are established as of the effective date of this Agreement.

7. An employee who transfers to or from a location which has adjusted rates of pay for their classification will have their rate of pay adjusted upward or downward to conform to the rate of pay received by an employee with the same classification seniority at their new location.
8. Full-time employees, including employees who meet the criteria for full-time as defined by the Affordable Care Act (ACA) or other applicable law, will be eligible to elect medical coverage (Bronze plan, with co-pays, deductibles, etc. as provided under Company policy). The Bronze Plan will provide coverage at a level no less than as required by the ACA. The Company will subsidize full-time employees' required monthly contributions to the extent that employees cost will not exceed 20% of total projected costs for an individual plan, exclusive of any credits or surcharges. Part-time employees and dependents of full-time and part-time employees will be eligible to participate in medical coverage and optional dental/vision and other plans that may be offered by the Company at unsubsidized rates. During the life of this agreement, the Company agrees to review and consider insurance benefit proposals from the IAM Benefits Trust. The Company will be under no obligation to accept or adopt such proposals.
9. Employees will be eligible for pass travel privileges as provided by Company policy. Employees of the union will be furnished positive space transportation in accordance with the Company's agreement with United Airlines, Inc. for official IAM business. In the event that UGE begins business at a location that does not have flight service by UA or UAX, the Company and the Union will meet to discuss travel arrangements for employees of the IAM, which will be equivalent to those of Company Management. With Company approval, other designated union representatives may be furnished with positive space travel in accordance with the Company's agreement with United Airlines, Inc. for official IAM business.
10. Each employee will be eligible to participate in a Company-sponsored 401(k) retirement savings plan pursuant to the terms of such plan. Before any changes are made to the plan, the Company will notify the Union in writing in advance of the effective date of such change(s). Upon request by the Union, the Company will meet to explain the change(s).

#### Section 4 – Hours of Service

1. Full-time employees will be scheduled to work eighty (80) hours within a two (2) week period, with a minimum of four (4) days off, which will be two (2) consecutive days off in each week.
2. Regular part-time employees will be scheduled to work between thirty (30) and seventy (70) hours within a two (2) week period, with a minimum of two (2) consecutive days off per week.
3. Normal work shifts will be scheduled between three (3) and ten (10) hours. Alternative schedules of more than ten (10) hours may be utilized as the needs of the service require. Employees who are called to work on a scheduled day off will receive a minimum of three (3) hours pay.
4. Ready reserve part-time employees will be scheduled to work between twenty (20) and forty (40) hours within a two (2) week period. In addition to their scheduled hours of work, ready reserves will be scheduled for periods of reserve availability of up to forty (40) hours, for a total of sixty (60) hours of scheduled work and scheduled reserve availability per two (2) week period. Ready reserves will be given a minimum of twenty-four (24) hours' notice in advance of being required to report to work, and reserve work assignments will be scheduled for a minimum of four (4) hours, and a maximum of ten (10) hours.

5. All scheduled meal periods are unpaid. Periods of work of 5 to 12 consecutive hours will have a scheduled 30 minute unpaid meal period. Periods of work of more than 12 and up to 16 consecutive hours will be entitled to a second 30 minute unpaid meal period. Employees who work 4 hours or more will be granted a 10 minute rest period. An additional 10 minute rest period will be granted for every additional 4 hours of work. Employees required by leadership to give up their scheduled meal period due to operational needs will be provided one of the following as determined by mutual agreement of the employee and management:
  - a. Pay at one-and-one-half times the rate of pay for the meal period, or
  - b. Authorization to leave work thirty (30) minutes early and be paid the straight time rate of pay for the meal period.
6. Split shifts will be scheduled for a total of no less than six (6) hours and no more than ten (10) hours total per shift. Work segments within a split shift will be scheduled between two (2) and six (6) hours, and a minimum of two (2) hours and a maximum of four (4) hours between work segments, as the needs of the service require. There will be no more than two (2) work segments per split shift. Employees scheduled for a work segment of five (5) hours or more may, at the employees option, be scheduled for a one-half ( $\frac{1}{2}$ ) hour unpaid lunch period during the work segment.
7. During an employee's first six (6) months in a new position, the employee may be assigned to training shifts as determined by leadership. These shifts may vary by days of week, start times and work assignment/work areas based on the training needs of the employee.
8. The scheduling parameters outlined in Section 4, Paragraphs 1 through 7 above shall be considered general guidelines, and exceptions to these parameters based on the Company's demonstration of compelling needs of the service may be made at any location to ensure UGE is able to operate competitively based on flight schedules and ground handling activity, and with the consent of the Union, which shall not be unreasonably withheld. In addition, at certain locations, due to the seasonality of flight schedules, work may not be available to employees throughout the year and, consequently, employees may be not scheduled to work for specified weeks or months, with the option to work at other UGE locations based on availability, based on local circumstances upon the Company's demonstration of a compelling need and with the agreement of the Union, which shall not be unreasonably withheld.
9. Authorized Unpaid Time Off (AUTO) will be awarded based upon operational activity and staffing. AUTO may be available in advance on a daily or extended basis. AUTO will be awarded based on the needs of the service, with consideration for seniority, qualifications, shift times, work areas and classifications. Requests received after posted AUTO is awarded will be considered on a first-come, first-served basis. Advance AUTO may be granted in increments up to thirty (30) days.
10. Work schedules (including ready reserve schedules) will be posted for bid at least once per year, at least five (5) days before bidding starts. The employees in each classification will bid work schedules within their assigned work areas in order of their seniority and qualifications. Results of the bid will be posted by the Company at least five (5) days before the new bid commences.
11. Except as required by law, employees who work more than forty (40) hours within one week will be paid at the overtime rate of time and one-half (1.5X) for hours worked in excess of forty (40) hours, excluding hours worked due to shift and day trades.

12. Overtime work will be distributed among qualified employees as equitably as possible. Every effort shall be made to equalize overtime distribution among qualified, interested and available employees within each work area. Where the needs of the service require an employee to remain assigned to work for continuity purposes, employees may be assigned overtime without regard to seniority or overtime hours charged.
13. Employees within the same job classification may be permitted to trade work days and shifts upon written approval from management. Employees are responsible for the obligations incurred as a result of such trades, which shall not require the payment of overtime under any circumstances.
14. Employees who are required to work on New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving or Christmas will be paid at the double-time rate (**2.0X**) for all hours worked on these holidays. Employees who are not scheduled to work will not be entitled to pay for the holiday. Employees who are scheduled to work the holiday, but are directed by the Company to not work the holiday will receive straight time pay for the scheduled hours not worked on the holiday. An employee working the holiday and released by the Company will be paid for the balance of their scheduled shift at the straight time rate.

Section 5 – Paid Time Off

1. Non-probationary employees become entitled to pay for accrued paid time off on January 1 of the year ("the vacation year") following the accrual year; employees in a probationary status as of January 1 of the vacation year become entitled to pay for accrued paid time off upon release from probation (based on the ratio in section 5 below). Except as otherwise required under state law, paid time off will be taken during the calendar year following that in which it is earned, and may not be carried over into the following year, except that an employee may defer up to twenty-four (24) hours of paid time off to be taken on a day-at-a time basis in the following year.
2. Paid time off will be paid at the employee's regular rate of pay in effect at the time taken. An employee who leaves the Company either voluntarily or involuntarily will receive full payment for unused paid time off credited from the previous year and, if required by law, paid time off accrued in the year of separation. In the event of the employee's retirement, permanent disability or death, current year accruals will also be paid. An employee who has not completed six (6) months of service is not eligible for pay for accrued time off upon termination.
3. Full-time employees who maintain active employment in a paid status for twelve (12) months during the accrual year will accrue paid time off based on the employee's completed years of Company service, as follows:

<u>Completed Years of Service</u>	<u>Paid Time Off Hours</u>
One (1) to four (4) years	80 hours
Five (5) to nine (9) years	120 hours
More than nine (9) years	160 hours

4. In addition to normal PTO accrual, during the 6 month probationary period new employees will accrue 4 hours per month of paid time off that, with management approval, may be used , after

the employee has completed probation.

5. Paid time off accrual for part-time and ready reserve employees is calculated using the employee's ratio of actual work hours to a full-time forty (40) hour work week, completed years of service, and the number of months the employee is in a "paid status" during the accrual year. Employees who change between full-time and part-time status or among different part-time shift schedules will accrue and be paid time off in proportion to the actual hours in each status. Employees must be in a paid status for more than one half of a month in order to accrue paid time off for that month. Employees hired on or before the fifteenth (15<sup>th</sup>) of the month will accrue paid time off credit for that month. Those hired after the fifteenth (15<sup>th</sup>) of the month will accrue paid time off credit beginning the following month.
6. No later than October 15, employees will designate the number of hours, if any, of paid time off to be taken on a day-at-a-time basis in the following year.
7. Block paid time off weeks for bid for the following year will be scheduled Sunday through Saturday. The Company will determine the number of employees who may be on paid time off during any given week. The Company shall confer with the local union committee at least thirty (30) days in advance of the paid time off scheduling period to discuss the method of bidding block paid time off for the coming year. The information to be discussed will include anticipated block week and day-at-a-time allotments, paid time off accruals, anticipated bidding procedures and rules, classification and work area identification, and the seniority lists to be used. The minimum total number of block weeks offered will be equal to number of block weeks employees have declared.
8. Bidding for block paid time off will be by location, work area and classification. Bids will be posted by November 1, bidding will begin no later than December 1, and will be completed by December 15. The award of block paid time off will be based on seniority. Bids may be split into separate periods of no less than one week each. If less than one week is accrued, it must be bid and taken in one block. Multiple weeks may be bid in any bid round if taken consecutively. Employees may bid one (1) continuous period, which may include all or any portion of the block paid time off to which he/she is entitled. Employees failing to bid at the assigned time will be allowed to select block paid time off from weeks still available at the time they report to bid as long as that round is still open.
9. Employees will bid to available weeks or if none are available, be assigned a block paid time off week(s) if they transfer to another location, classification or work area during the calendar year.
10. Employees may designate any amount of accrued hours of paid time off to be taken on a day-at-a-time basis. Except for illness or injury (which absences are subject to the Company's attendance and dependability policy, and for which medical documentation may be required) the award of paid time off on a day-at-a-time basis on a specific day will be based on operational need. Requests may be submitted up to thirty (30) days in advance, and will be awarded in seniority order no later than two (2) days prior to the date requested.
11. Within two (2) days, any available daily time off will be awarded on a first-come, first-served basis, and such requests will be approved or denied within twenty-four (24) hours from the time the request was made, based on known operational needs. Employees may request to take multiple days of paid time off consecutively; however, each day is an individual request and will be awarded on a day-by-day basis.



12. Daily paid time off will pay and deduct from the accrued paid time off bank the number of hours in the full shift.

#### Section 6 – Seniority

1. An employee's Company seniority begins on the date the employee is placed on the payroll of the Company. Company seniority is utilized for determining pay, eligibility for benefits, and PTO accrual. An employee's Contract seniority begins on the station transition date or hire date, whichever is later. Contract seniority is utilized for furlough/recall and for bidding work schedules and days off. Employees with the same Contract seniority date shall have their tie broken first by their relative Company seniority date then, if the same, by the last four digits of their Social Security number with the lower number being more senior. An employee shall permanently forfeit all seniority upon severance of his employment with the Company.
2. Notwithstanding the seniority tie breaking language in Paragraph 1 above, the following shall apply when the Company opens a new bid location and hires its initial employees from the previous employer's work force:
  - a. All employees in the initial workforce who are employed at the new location, who have not previously established seniority under this agreement, shall establish contract seniority as of the first date of the Company's operation of the bid location.
  - b. If the previous employer's work force had a seniority list, the Company will maintain the employees' previous relative seniority to break ties among employees with the same contract date of hire when first establishing their seniority.
  - c. If no seniority list existed, the Company will use the employees' hire dates at the previous employer, if such hire dates can be determined, to break ties among employees with the same contract date when first establishing their seniority. Where employees had the same hire date with the previous employer, or the hire dates cannot be determined, those ties will be broken using the Social Security number method discussed in paragraph 1, above.
  - d. All initial employees hired from the previous employer shall be senior to any initial new hire employee with the same contract seniority date who did not work for the previous employer. The relative seniority of those who did not work for the previous employer shall be established using the Social Security number method discussed in paragraph 1, above.
3. An employee's seniority begins on the date the employee is placed on the payroll of the Company. Seniority is adjusted for periods of Furlough and all other period of inactive status of greater than 90 days. Seniority is utilized for determining pay, eligibility for benefits, paid time off accrual, pass travel boarding priority, layoff/recall and all competitive bidding purposes. An employee shall permanently forfeit all seniority upon severance of his employment with the Company. Employees hired at a location from an incumbent vendor may, at the Company's discretion, have previous vendor seniority recognized for wage progression, PTO bidding and shift bidding. Travel seniority will be the station transition date or date the employee is placed on the payroll, whichever is later.

4. For LOAs extended beyond 90 days, the employee will retain but will not accrue seniority after 90 days, except as required by applicable law.
5. An employee will lose his seniority status and his name will be removed from the seniority list if he or she accepts any position with the Company not covered by an IAM agreement; quits or resigns; is discharged for just cause. Employees who accept a management position will retain and continue to accrue seniority for 6 months.
6. Former United Airlines, Inc. ("UAL") employees with recall rights to UAL, who are hired by the Company within thirty-six (36) months of their furlough from UAL will be given credit for previous service accrued at UAL for PTO accrual and Pay progression purposes.

#### Section 7 – Union Representation

1. Employees covered by this Agreement shall, as a condition of continued employment, pay or tender to the Union such dues and assessments as are uniformly required of members of the Union, starting as of sixty (60) days following the beginning of such employment.
2. Any employee who is more than sixty (60) days in arrears in the payment of dues and assessments shall be subject to discharge. When an employee becomes delinquent in the payment of dues, the Union shall notify the employee in writing that he is delinquent in the payment of dues and/or assessments and accordingly is subject to discharge. Such letter shall also notify the employee that he must remit the required payment within fifteen (15) days of the date of receipt of the notice or be subject to discharge. If the employee still remains delinquent, the Union shall notify the Company (copy to the employee) that the employee has failed to remit payment within the fifteen (15) day grace period and is therefore to be discharged.
3. The Union agrees that it shall indemnify the Company and hold the Company harmless from any and all claims, awards, and judgments, including court costs, which arise out of any action brought by an employee by virtue of any terms of this Article.
4. During the life of this Agreement, the Company agrees to deduct from the pay of each member of the Union covered by this Agreement, and to remit to the Union, membership dues uniformly levied in accordance with the Constitution and By-Laws of the Union and as prescribed by the Railway Labor Act, as amended, provided such member of the Union voluntarily executes an agreed-upon Check-Off Form as prepared and furnished by the Union.

#### Section 8 – Grievance Procedure

1. The Union may select and designate representatives as may be necessary for representing employees and investigating grievances under this Agreement. IAM Representatives and IAM employees shall have access to the premises of the Company, as permitted by local airport authority regulations, for the purposes of investigating grievances or other matters directly connected with the operation of this Agreement and its procedures for the settlement of any dispute. Non-UGE employee representatives and officials of the Union shall have access upon notification of local leadership.
2. The Company will provide the Union a reasonable amount of time as needed (not to exceed 2 hours) to participate in new-hire orientation for employees covered under this Agreement.

3. At any meeting for the purpose of investigating an employee where disciplinary action is contemplated by the Company, and all stages of the grievance procedure, the employee shall be permitted to be represented by a Union representative, either in-person, or via telephone or computer.
4. An employee who has completed his/her probationary period shall not be dismissed, disciplined or suspended by the Company without an investigation, just cause, and being notified in writing by the Company, with a copy to the Union, of any such action and reason therefore. Any grievance respecting such action by the Company shall be subject to the grievance procedure set forth in this Article. Probationary employees shall not be entitled to the use of the grievance procedure.
5. Employees withheld from service pending investigation of disciplinary charges shall suffer no loss of pay, except that employees may be suspended without pay when withheld for: (1) charged with any act constituting a criminal offense, on or off duty; (2) refusal or adulteration of a drug or alcohol test; (3) insubordination or refusal to work; or (4) failure to cooperate with an investigation. This provision does not limit the Union's right to grieve the appropriateness of the application of this provision.
6. Any dispute between an employee and the Company which may arise under the terms of this Agreement as to the meaning or application of this Agreement and which cannot first be mutually resolved, will be handled under the following grievance procedures:

Step One

- a. If an employee has a complaint, he should first discuss the matter with his Supervisor or Manager, who will attempt to settle the matter.
- b. If the issue is not satisfactorily resolved, the employee may request a Steward to handle the matter with the Supervisor or Manager.
- c. If the matter is still not resolved, the Steward must put the facts in writing on a standard form provided by the Company and give it to the Supervisor or Manager, who has three (3) days to give the Union a written response. The complaint form and response will not prejudice either party from raising facts or arguments at future steps of this Grievance Procedure.

Step Two

- a. If the Union decides to pursue the complaint further, it must be filed in writing with the Company on a standard grievance form within fifteen (15) days from the time for the Supervisor's written response in Step One.
- b. If not settled earlier, the grievance will be reviewed by representatives appointed by the Company and Union within ten (10) days of its referral to Step Two. The Company will provide a written answer within fourteen (14) days of this review. If the Union decides to further appeal the answer to the System Board, within thirty (30) days from the Company's answer it must perfect all facts in a written Submission to the Company and the designated IAM Representative.

Step Three -- System Board of Adjustment. If the grievance remains unsettled after being processed through Step Two above, the Union may appeal the dispute to arbitration before the System Board in compliance with Section 204, Title II of the Railway Labor Act, as amended, no later than thirty (30) days from the date of the Company's response unless extended by mutual agreement of the parties. The appeal shall state the name(s) of the employee(s) involved, the position of the employee or the Union, and the remedy being sought by the grievant. In the event the dispute is appealed, the Company and the Union by mutual agreement shall select a neutral

arbitrator.

7. The Company and the Union each shall select one representative of their own choosing to sit with the neutral arbitrator and together with him shall constitute the System Board of Adjustment. Each Board member will be free to discharge his duty in an independent manner without fear that his individual relations with the Company or with the employee hereunder may be affected in any manner by any action taken by him in good faith in his capacity as a Board member. The Board will have jurisdiction only over disputes between the Company and the Union or any employee or employees governed by this Agreement growing out of the grievances involving interpretation or application of this Agreement. Damages awarded for violations of this Agreement will be limited to actual compensation accruing from the date of violation, but in no case earlier than thirty (30) days prior to the date the grievance was filed. The Board will have no authority to award punitive damages or other penalties or demands that go beyond, or are inconsistent with, direct compliance with the Agreement.
8. The System Board of Adjustment will meet in Chicago, Illinois, unless mutually agreed otherwise. The Company and the Union agree to share equally the compensation and expenses of the neutral. Each party will assume the compensation, travel expenses and other expenses of the Board members selected by it and the witnesses called or summoned by it. The Company will provide transportation of the Board members and witnesses who are employees of the Company from the point of duty or assignment to the point at which they must appear, to the extent permitted by law.
9. Employees and the Company may be represented at the hearing by such person or persons as they may choose. Evidence may be presented either orally or in writing or both. A stenographic record of the hearing may be taken if requested by either party. The Board will hear and rule on the dispute promptly and issue a decision in writing, which shall be final and conclusive upon the Company and the Union.
10. In the event that the Company and the Union are unable to agree upon the neutral, a panel of seven (7) neutrals will be provided by the National Mediation Board upon written request from the Union and the Company, from which the parties shall select one
11. Time limits contained herein may be extended by mutual agreement at any step. Days, as used in this Section, means calendar days.

#### Section 9 – General

1. Except as restricted by this Agreement, the Company has the sole and exclusive right to manage, operate, and maintain the efficiency of the business and working forces. This includes the rights: to hire, discipline, suspend and discharge employees; to hire, promote and demote employees, and maintain discipline and efficiency in the Company's facilities; to determine where and when to operate; to determine the type and location of facilities and equipment the Company will utilize; to sell or discontinue all or part of the business; to sell or lease equipment or facilities; to determine marketing methods and strategies; to enter into affiliation or marketing agreements with other entities; and to invest (including equity investments) in other business entities including, without limitation, air carriers. The exercise of any right reserved herein to management in a particular manner, or the non-exercise of a right, will not operate as a waiver of the Company's rights, nor preclude the Company from exercising the right in a different manner. The rights enumerated above will not be deemed to exclude other preexisting rights of management, except as expressly provided in this Agreement.

2. Employees accepting full-time employment with the IAMAW as a District officer, and/or other designated officers of a Local Lodge of District, or Grand Lodge staff or officer shall be granted an indefinite leave of absence by the Company for the period so employed as long as this Union remains the exclusive bargaining agency of employees covered by this Agreement. Under such leaves the employees shall continue to accrue seniority. Such employees shall have all employee benefits that can reasonably be continued in effect during their leave of absence and upon their return from such leave of absence will be credited with the maximum paid time off provided by the Agreement then in effect for employees of like seniority.
3. The Union and the employees will not engage in any strike, slowdown, sickout, or other job action or work stoppage; (except that the Company agrees UGE employees will not be used in the event of a strike by IAM-represented employees at United Airlines, Inc.), including a sympathy strike, during the term of this Agreement. The Company reserves the right to seek injunctive relief for any such violations. The Company agrees not to lock out employees during the term of this Agreement. Notwithstanding the provisions of this paragraph, it is understood that there is no contractual prohibition on the ability of employees to honor lawful IAM picket lines at United Airlines.
4. The Company and the Union will comply with all applicable Federal, State, and local anti-discrimination laws. This Agreement will apply equally to all employees regardless of any protected category under applicable law, including age, citizenship, color, disability, gender, gender identity, genetic information, national origin, pregnancy, race, religion, sexual orientation or veteran status. It is understood, wherever in this Agreement employees or jobs are referred to in the male gender, it shall be recognized as referring to both male and female employees.
5. It is the intent of the parties that they remain in compliance with all applicable laws and regulations. In the event that it is discovered that any provision of this Agreement or any Company policy or practice which pertains to a mandatory subject of bargaining is in violation or potential violation of any applicable law or regulation, the parties will, in a timely manner, meet and confer for the purpose of curing the violation or potential violation in a way which requires the least change, disruption of the existing circumstances, and additional cost as is possible while minimizing any negative impact on the employees.
6. Military leave will be granted in accordance with the Uniformed Services Employment and Reemployment Rights Act. Family and Medical Leave will be available to eligible employees in accordance with applicable federal and state laws and regulations. Company offered leaves of absence ("COLA") may be offered at the discretion of the Company. Where the requirements of the operation permit, the Company may grant an unpaid personal leave of absence (PLOA). An employee granted an LOA will retain and continue to accrue seniority during the first 90 days of any such leave. The employee will remit applicable dues or service fees directly to the Union during his or her entire LOA. Medical benefits for employees will cease at the end of the month at which the leave commenced. The Company recognizes jury duty as a civic responsibility and will release employees for jury duty. Other leaves that are considered by the Company will also be considered for UGE employees.
7. In the event the Company declares any location to be operating under "adverse conditions," an employee will be allowed to report for work up to sixty (60) minutes late with no loss of pay for absence/tardiness. An employee arriving later than sixty (60) minutes after the beginning of the shift will be paid only for the actual hours worked. If an employee is unable to report to work, he will not be paid for that day and will be charged with an absence. When the decision to close a

facility is made before the start of a shift, the Company will try to notify employees not to report to work. An employee who misses work due to a facility closure will be paid for the regular scheduled hours missed for the first day. At locations that have more than one (1) shift assigned to work, the decision to close may apply to only one (1) shift. When the decision is made to close a facility during a shift, an employee who is at work at the time of the decision will receive pay for the remainder of his regular shift. Absence due to a facility closure will not be treated as an absence for attendance purposes.

8. Training is part of an employee's job duties. On-the-job training will be accomplished during the employee's working hours. The Company will schedule employees for any formal training event scheduled for more than sixty (60) minutes, either within the employee's regular working hours or, if that is not practical, then in conjunction with a regular shift or through adjustment of his regular schedule, without loss of pay. Completion of web- or computer-based training assignments scheduled for sixty (60) minutes or less (modules may be assigned to be completed in groups) will be the responsibility of the employee. When attending training away from base, all scheduled training hours, including travel time (for air travel – scheduled departure to actual block in), will be compensated at straight-time (1X) rates. Employees will be provided with positive space passes for travel in conjunction with training. The Company will provide single hotel rooms for an employee when attending training away from base. Employees will receive per diem expenses in accordance with Company policy for all hours away from base.
9. Employees will be provided an annual allowance based on active service, mutually agreed upon by the Company and the Union, for the replacement of uniform items due to normal wear and tear, and for the acquisition of uniform pieces and accessory items not part of the standard uniform. An initial set of uniforms will be provided to the employee at no cost.
10. Safety is UGE's most important priority and is the responsibility of all employees. All Management & IAM represented employees are expected to help maintain a safe, sanitary, clean and healthy work environment. Each employee will work in a safe manner to ensure unsafe acts or conditions are eliminated. To ensure a safe environment, employees are required to comply with the Company's safety programs, safety policies and procedures. Employees will be provided necessary safety devices, as determined by the Company. All employees are expected to immediately report unsafe conditions, equipment, tools and practices to a supervisor in the affected work area. An employee will not be required to perform work he or she reasonably believes to be unsafe because of a violation of established health and safety rules, or any local, state or federal health and safety regulations or laws. The Company and the IAM Safety Director will work cooperatively to create a safe workplace.
11. Employees covered by this Agreement will be subject to all applicable federal, state, and local regulations and Company policies with respect to the use, possession, testing on reasonable suspicion and removal from/return to duty requirements involving the use of alcohol, illicit drugs, and other controlled substances. An employee impaired at work, with a confirmed, split sample positive test for alcohol, illicit drugs, or other controlled substances will be discharged for cause.
12. Consistent with the needs of the operation, on a local basis the Company will discuss accommodations that might be required in individual cases to allow employees to obtain necessary security badges.
13. If free parking facilities are not readily available for employees at their normal work locations, the Company will pay the standard monthly parking fee charged for parking in the area designated for employees at that location.

Section 10 – Effective Date and Duration

1. This Agreement shall become effective March 6, 2017 and shall continue in full force and effect through March 5, 2025, and thereafter until either party serves notice of intended change in accordance with Section 6, Title I of the Railway Labor Act, as amended; provided, however it is expressly and mutually agreed that in no event may such proposals for intended change be submitted or served by either party at any time prior to 180 days before the amendable date.

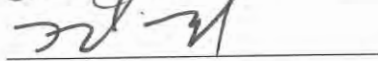
IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 6<sup>th</sup> day of March, 2017.

For UGE

Lynda Coffman

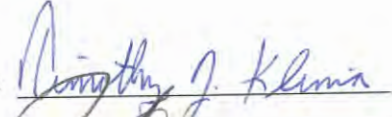


Nick Hollinger



For the IAM

Timothy J. Klima



James Carlson



UGE AGENT Pay Progression - 3/6/17

Location	Seniority											
	0	0.5	1	2	3	4	5	6	7	8	9	10
AVP	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
AZO	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
BGM	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
BHM	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
BPT	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
BTV	\$ 11.60	\$ 11.90	\$ 12.20	\$ 12.50	\$ 12.80	\$ 13.10	\$ 13.40	\$ 13.80	\$ 14.20	\$ 14.80	\$ 15.30	\$ 15.80
CHA	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
CRP	\$ 11.05	\$ 11.35	\$ 11.65	\$ 11.95	\$ 12.25	\$ 12.55	\$ 12.85	\$ 13.25	\$ 13.65	\$ 14.25	\$ 14.75	\$ 15.25
CWA	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
DAY	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
ERI	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
EYW	\$ 12.30	\$ 12.60	\$ 12.90	\$ 13.20	\$ 13.50	\$ 13.80	\$ 14.10	\$ 14.50	\$ 14.90	\$ 15.50	\$ 16.00	\$ 16.50
GRB	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
GSP	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
HOB	\$ 10.50	\$ 10.80	\$ 11.10	\$ 11.40	\$ 11.70	\$ 12.00	\$ 12.30	\$ 12.70	\$ 13.10	\$ 13.70	\$ 14.20	\$ 14.70
JAN	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
LFT	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
LNK	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
MAF	\$ 12.80	\$ 13.10	\$ 13.40	\$ 13.70	\$ 14.00	\$ 14.30	\$ 14.60	\$ 15.00	\$ 15.40	\$ 16.00	\$ 16.50	\$ 17.00
MEM	\$ 10.30	\$ 10.60	\$ 10.90	\$ 11.20	\$ 11.50	\$ 11.80	\$ 12.10	\$ 12.50	\$ 12.90	\$ 13.50	\$ 14.00	\$ 14.50
MKE	\$ 10.30	\$ 10.60	\$ 10.90	\$ 11.20	\$ 11.50	\$ 11.80	\$ 12.10	\$ 12.50	\$ 12.90	\$ 13.50	\$ 14.00	\$ 14.50
MRY	\$ 10.80	\$ 11.10	\$ 11.40	\$ 11.70	\$ 12.00	\$ 12.30	\$ 12.60	\$ 13.00	\$ 13.40	\$ 14.00	\$ 14.50	\$ 15.00
PIA	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
PSP	\$ 10.80	\$ 11.10	\$ 11.40	\$ 11.70	\$ 12.00	\$ 12.30	\$ 12.60	\$ 13.00	\$ 13.40	\$ 14.00	\$ 14.50	\$ 15.00
PWM	\$ 11.05	\$ 11.35	\$ 11.65	\$ 11.95	\$ 12.25	\$ 12.55	\$ 12.85	\$ 13.25	\$ 13.65	\$ 14.25	\$ 14.75	\$ 15.25
SAF	\$ 11.21	\$ 11.51	\$ 11.81	\$ 12.11	\$ 12.41	\$ 12.71	\$ 13.01	\$ 13.41	\$ 13.81	\$ 14.41	\$ 14.91	\$ 15.41
SAV	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
SBA	\$ 10.80	\$ 11.10	\$ 11.40	\$ 11.70	\$ 12.00	\$ 12.30	\$ 12.60	\$ 13.00	\$ 13.40	\$ 14.00	\$ 14.50	\$ 15.00
SBN	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
SHV	\$ 11.30	\$ 11.60	\$ 11.90	\$ 12.20	\$ 12.50	\$ 12.80	\$ 13.10	\$ 13.50	\$ 13.90	\$ 14.50	\$ 15.00	\$ 15.50
SYR	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25
TDY	\$ 10.30	\$ 10.60	\$ 10.90	\$ 11.20	\$ 11.50	\$ 11.80	\$ 12.10	\$ 12.50	\$ 12.90	\$ 13.50	\$ 14.00	\$ 14.50
TYS	\$ 10.05	\$ 10.35	\$ 10.65	\$ 10.95	\$ 11.25	\$ 11.55	\$ 11.85	\$ 12.25	\$ 12.65	\$ 13.25	\$ 13.75	\$ 14.25



Mr. Timothy J. Klima  
Airline Coordinator  
International Association of Machinists  
& Aerospace Workers  
9000 Machinists Place  
Upper Marlboro, MD 20722

**RE: Pay Progression Date**

Dear Mr. Klima,

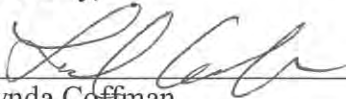
This confirms our understanding and agreement concerning previous service credit for pay purposes that will be provided to employees from incumbent ground handling companies that were in place prior to UGE's transition into a location.

Notwithstanding any other provision of the 2017 – 2025 UGE/IAM Airport Ground Handling Agents Agreement, employees who are hired by UGE from a previous ground handling company, during the initial transition of UGE into a location, will, for pay progression purposes only, be given credit for their service with the previous ground handling company to the equivalent of their hire date with the previous company.

Additionally, any active United Airlines employee who is currently furloughed from one of the following stations and who is competitively hired by UGE at the station from which they were furloughed, will be given service credit, for PTO accrual and UGE pay progression, equivalent to their United Airlines Company Seniority date. (ABQ, ALB, BDL, BNA, BOI, BUF, CHS, CLT, CMH, CVG, DSM, DTW, ELP, FSD, GEG, GRR, GSO, ICT, JAX, MDT, MFE, MIA, OKC, OMA, ONT, ORF, PBI, PNS, PVD, RIC, ROC, TUS; and Below the wing only at ATL, MCI, RDU, RSW, SLC, SMF, STL).

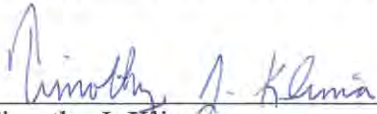
Please indicate your concurrence by signing 1 copy of this letter in the place indicated below, and returning it to the undersigned.

Sincerely,



Lynda Coffman  
President  
United Ground Express, Inc.

Agreed, this 6th day of March, 2017



Timothy J. Klima  
Airline Coordinator  
International Association of Machinists  
& Aerospace Workers

March 6, 2017

Timothy J. Klima  
Airline Coordinator, Transportation  
International Association of Machinists &  
Aerospace Workers, AFL-CIO  
9000 Machinists Place  
Upper Marlboro, MD 20772

Re: Lump Sum Payment

Dear Mr. Klima:

This confirms our understanding and agreement regarding the lump sum "signing bonus" payments to United Ground Express (UGE) employees.

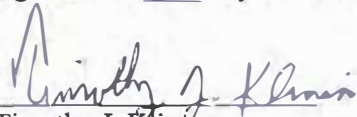
Contingent upon the ratification and execution of the tentative collective bargaining agreement between UGE and IAM, dated January -, 2017, UGE will provide each employee within the Fleet and Passenger Service craft or class covered by the collective agreement who is active as of the date of signing of the agreement with a lump sum payment of \$1500.00, less the employee's portion of applicable taxes and deductions. Such payments will be made no later than 30 days after the date of signing of the agreement.

Sincerely,



Lynda Coffman  
President  
United Ground Express, Inc.

Agreed, this 6<sup>th</sup> day of March, 2017



Timothy J. Klima  
Airline Coordinator, Transportation  
International Association of Machinists &  
Aerospace Workers, AFL-CIO