

TO: UPS Freight Local Unions

FROM: Ken Hall, Union Co-Chair

**DATE:** March 28, 2013

We concluded another week of negotiations with UPS Freight today. This week we focused almost entirely on the issue of subcontracting. Although we have made some progress, we have not yet reached an agreement on this issue.

The Company made a proposal on the Package side to move all employees covered by the UPS health insurance plan into a Union plan. Although the Company has proposed to move people from the Company plan into a Union plan, they have not withdrawn their proposal requiring that employees pay the premiums they originally proposed. We did not receive the same proposal at UPS Freight, but we expect to receive a similar proposal the next time we meet.

We have told the Company we are prepared to meet the weeks of April 15<sup>th</sup> and April 22<sup>nd</sup>, provided the Company is prepared to reach an Agreement acceptable to our members during those two weeks.