

**Local 162 Driver Local Rider
Effective
April 1, 2008 to March 31, 2013**

ARTICLE 22. RECOGNITION

This Agreement is entered into by and between DHL EXPRESS (USA), INC. (hereinafter the "Company", "Employer" or "DHL"), the TEAMSTERS DHL NATIONAL NEGOTIATING COMMITTEE (hereinafter "TDHLNNC"), and LOCAL UNION 162, AFFILIATED WITH THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (hereinafter "Union" or "Local 162") covering all drivers in Portland, Oregon. This Local Rider is supplemental to and becomes a part of the National Master DHL Agreement, hereinafter referred to as the "National Agreement" and the Pick-up and Delivery Operational Supplement, hereinafter referred to as the "Operational Supplement," for the period commencing April 1, 2008 through March 31, 2013. This Local Rider shall not become effective unless and until it is ratified by the Employer's Driver employees represented by Local 162 and approved in writing by the National Union Committee as provided in the National Agreement (Article 2, Scope of Agreement, Section 1, Scope and Approval of Local Supplements).

Once this Local Rider becomes effective, it (together with the National Agreement and Operational Supplement) shall supersede, cancel and replace in its entirety the pre-existing collective bargaining agreement between the parties for the affected Driver employees represented by Local 162.

The terms set forth in each Local Rider shall supersede any conflicting terms in their applicable Operational Supplement. Challenges/grievances arising out of alleged conflicts shall be submitted directly to the National Grievance Committee for a decision.

Where used in this Addendum, words in the masculine also shall be used and construed as in the feminine in all cases where such construction would so apply.

ARTICLE 23. SENIORITY RIGHTS

Section 1. Seniority

There shall be one seniority list for full-time and part-time master board drivers, and a separate seniority list for part-time employees defined in Article 11 Section 1 of the PUD Operational Supplement. When an employee moves from one seniority list to another separate seniority list, then their seniority date of layoff, rehire and bidding shall be the date that they transferred to the new position. All other benefits to apply as per company seniority.

The Employer shall post a seniority roster at least once each six (6) months and shall mail same to the Local Union at least once each six (6) months.

Section 2. Seniority Application

(a) Seniority shall be granted any employee who has completed ten (10) training days and forty-five (45) working days. The employee's seniority date shall be their first date of hire.

(b) Terminal Seniority. Terminal seniority shall prevail for all purposes, including but not limited to holidays, daily overtime, sixth and seventh day work, replacement of absenteeism and vacation scheduling. Master seniority shall continue to apply in cases of layoff, recall and the annual route and station bid.

In the event an employee is not worked in their rightful position of seniority, they shall be compensated for the amount of time that was paid to the employee who has worked in their stead.

In the event an employee is not worked in their rightful position of seniority and is later worked in a position where they earn less money than they would have earned if they had been correctly worked, they shall receive the difference in pay.

In the event a bid area is eliminated and is absorbed by other bid areas, the affected drivers shall in seniority order select amongst these affected bid areas. The last affected driver shall have the option of displacing the least senior full-time bid driver or dovetailing into the part-time list.

Section 3. Layoff

In case of layoff, pre-seniority part-time employees shall first be laid off. Should a further layoff become necessary, the last employee on the seniority list shall be the first employee laid off and the layoffs shall continue in that order, provided that such remaining employees are qualified to do the work of the employee with lesser seniority. Seniority shall be broken by more than one (1) year layoff. Any regular employee permanently laid off due to lack of work shall receive one week's notice before such layoff. If not so notified, employee shall receive one (1) week's pay.

In the event any full-time employee is on layoff, they will have preference to work before a pre-seniority part-time employee or part-time employee is worked.

Section 4. Recall

In the event of recall, the employees are to be returned to employment in the reverse order in which they were laid off. In calling the employees back, except in case of temporary employment, the employee shall be given ten (10) days' written notice of recall to their last known address. The employee must respond to such notice within five (5) days after receipt thereof, and actually report to work within seven (7) days. The Employer may utilize pre-seniority part-time employees until such time as a recalled employee reports to work. In the event the employee fails to comply with the above procedure, they shall have lost all seniority rights.

Section 5. Bidding

A. A driver laid off at one terminal will have the right to exercise their master seniority to bid into other terminal(s) on the next available shift. Should an opening subsequently occur in their original terminal, they can again exercise their seniority to bid back into their original terminal, on a one-time basis. It is understood that any driver subject to these

provisions must exercise this right at the first available opening. Drivers failing to do so will be unable to bid to that Center until the annual bid.

B. There will be an annual bid for all driver/dockworkers within the district the first year of the contract. Routes and start times will be posted for bid by seniority by February 1st of each year. All bidding shall be completed by the end of the second full week of February and will be effective beginning the third week of February. Employees not bidding in accordance with the annual bid schedule shall lose their selection position and shall slot in, selecting from the remaining bids as soon as their selection is made. The Company may be allowed additional bids by mutual agreements between the Company and the Union.

C. If one or more district facilities are split, all employees at the facility shall have the right to bid into jobs at the new facility and be dovetailed into the facility's seniority roster.

Movement between the facilities at the annual bid shall be limited to the top six (6) seniority employees from the master seniority list desiring to change facilities. The rest of the annual bid will be limited to the seniority lists at the respective facilities.

D. The Company shall post the following as full time bids:

Upon ratification, 80% of employees on the master seniority list.

E. The Company may utilize not more than 15% of the number of annual full-time bids as a split-shift position.

F. In the event that a permanent opening occurs on a bid route through retirement, resignation, permanent disability, termination or the addition of a new route, the Company will post that bid route to be filled by the senior qualified person on the master seniority list. The subsequent opening created by the move of the successful bidder will be offered to the unbid part-time employees at the terminal with the vacancy in seniority order.

G. In the event a bid area is eliminated completely, the affected driver shall have the right to bump any less senior bid driver from their bid area and that bumping procedure shall continue for an additional three (3) bumps within the affected station. The last affected driver shall have the option of displacing the least senior full-time bid driver or dovetailing into the part-time list.

H. Full-time split shifts shall be on a voluntary basis, and if not taken, shall be offered to the next employee on the seniority list. A part-time employee is defined as any employee scheduled to work less than forty (40) hours per week. Part-time driver/dockworkers may be utilized to replace full-time employees who are absent on a given day and to supplement the regular work force. Part-time employees may not be worked back-to-back. It is understood that the term "back-to-back" in the context of this Agreement means two part-time shifts worked without an intervening break period of at least one (1) hour. Part-time employees may be unscheduled and freely assigned. A pre-seniority part-time employee is defined as any

employee who has not gained seniority under Article ___, Section 2(a) of the Local 162 Driver Local Rider.

I. When one of the Portland stations has excess work, drivers may be dispatched from any other Portland station into the service area with excess work. Drivers so dispatched will work under the direction of the station needing help, but will clock in and out at their domicile station.

J. All unassigned employees at each station are designated as “available for call”. These employees will be called into their domicile station daily by the Company at designated times for possible assignment, and will make themselves available for call from their domicile until 10:00 am. Part-time employees who are scheduled will be assigned start times by seniority.

K. Part-time employees who are called to work the morning shift shall have the right to pass the work to a lower seniority employee if there is one. It is understood that if a part-time employee passes work and is not called for afternoon work, such employees shall waive their right to protest any work around.

L. The Company shall post the following lists in each station on Monday of the current work week. These lists shall remain posted until noon Friday of the current workweek and will take effect beginning on the Monday of the following week. The Company shall not change or alter these assignments after 12:00 noon Friday. Selection on these lists will be according to the following:

1. One list for part time employees to bid full time route replacement of five (5) consecutive days or longer.
2. One list for full time employees to sign up for earlier start times.
3. One list for part-time employees to bid shuttle runs by preference.
4. One list for part time employees to bid early ramp work.

M. A regular established starting time, as bid under B above, is defined as not varying by more than one (1) hour, and such variance shall not occur more than one (1) day per workweek as set forth on said bid.

ARTICLE 24. WORKING HOURS

Section 1. Shift Work

Any employee scheduled to start work at 4:00 p.m. or later shall receive fifteen (15) cents per hour for the entire shift including any hours overtime worked.

Section 2. Call Back Pay

Any full-time employee requiring to report back to work after more than one (1) hour's intermission after completion of their day's work or shift shall be guaranteed pay at the rate of

time and one-half (1½) for all additional hours worked with a minimum guarantee of four (4) hours per call back.

Section 3. Workday

The workday for regular full-time employees shall be eight (8) consecutive hours per day. Full-time employees shall take one (1) unpaid lunch period of not less than one-half (1/2) hour, and not more than one (1) hour. The amount of time for said lunch period shall be based on the operational needs of the Company. This lunch period shall be scheduled and completed between the fourth (4th) and sixth (6th) hour of work. Management shall not arbitrarily require employees to take a lunch period which would conflict with the provisions of this article or any other article in this Agreement. The workday for full-time split shift employees shall be eight (8) non-consecutive hours per day, consisting of two (2) work periods of not less than three (3) hours and separated by one (1) unpaid break not to exceed two (2) hours. The workday for part-time employees shall be four (4) consecutive hours per day. All employees shall be allowed a rest period approximately one-half way through the first half of his shift and another rest period half way through the second half of his shift, and when the rest period is taken shall be at the discretion of the employee so long as the operational needs of the Company are met. The time for said rest periods shall be paid for by the Employer and shall not exceed fifteen (15) minutes each.

Workweek. The scheduled workweek for all full-time employees, excluding pre-seniority part-time employees shall be five (5) consecutive days, Monday through Friday, or Tuesday through Saturday. There shall be no scheduled workweek for pre-seniority part-time employees.

Guarantee. A full-time employee (regular full-time or full-time split shift) called to work on a given day shall be guaranteed four (4) hours reporting pay, if not put to work, or eight (8) hours per day if put to work; a part-time employee called to work on a given day shall be guaranteed two (2) hours reporting pay, if not put to work, or four (4) hours per day if put to work; a pre-seniority part-time employee shall be guaranteed three (3) hours when put to work. In the case of an overtime day, any full-time employee scheduled to work shall be guaranteed four (4) hours reporting pay and any part-time employee scheduled to work shall be guaranteed two (2) hours reporting pay for that day, unless the employee is notified on the previous day not to report to work. There shall be no guaranteed workweek.

Delay. In the event the DHL aircraft is delayed more than two (2) hours from its currently scheduled arrival, the Company will have the right to back up start times and/or send employees home without a guarantee. The Company will make reasonable efforts to contact the employee one and one-half (1½) hours prior to their start time.

Section 4. Overtime

All hours compensated for by a particular employee in excess of eight (8) hours per day or forty (40) hours per week shall be overtime, paid for at time and one-half (1½) the regular straight-time rate of pay. Time and one-half (1½) the regular straight-time rate of pay shall be paid for all hours worked on the sixth (6th) consecutive day for all employees. Double time (2x) the regular straight-time rate of pay shall be paid for all hours worked on the seventh (7th)

consecutive day worked for all employees. Work performed on Sunday shall be paid at time and one-half (1½) unless such day is the seventh (7th) consecutive work day, in which case, the above double time (2x) rate would apply.

Section 5. Saturday Work

Saturday work will be first offered by seniority to those employees who have thirty-six (36) compensated hours or less in the current workweek, with a four (4) hour guarantee.

Section 6. Uniforms and Personal Grooming

Where uniforms or special working clothes are required by the Employer, the Employer shall furnish same. The Employer shall replace all clothing destroyed in an on-the-job wreck or an on-the-job fire. The Employer has the right to establish and maintain reasonable standards for wearing apparel and personal grooming.

ARTICLE 25. WAGE RATE

Section 1.

	4/1/2008	10/1/2008	4/1/2009	4/1/2010	4/1/2011	10/1/2011	4/1/2012	10/1/2012
Master Board								
Driver/Dock	\$22.62	\$22.97	\$23.37	\$23.82	\$24.22	\$24.67	\$25.12	\$25.62
Master Board								
Semi Driver	\$22.75	\$23.10	\$23.50	\$23.95	\$24.35	\$24.80	\$25.25	\$25.75

All new hires and present employees currently in progression on the master board shall be paid accordingly to the following schedule:

Hire	\$13.25
6 months	\$13.75
12 months	\$14.25
18 months	\$14.75
24 months	\$15.25
30 months	\$15.75
36 months	\$16.25
42 months	\$17.00
48 months	Current top rate

Section 2.

The wage progression for part-time employees hired after ratification on the separate seniority list for part-time employees defined in Article 11 Section 1 of the PUD Operational Supplement is as follows:

Hire	\$10.00
12 months	\$10.20
24 months	\$10.425
36 months	\$10.85

48 months \$11.325

ARTICLE 26. HEALTH & WELFARE

Section 1.

Effective April 1, 2008 (based on March 2008 hours), the Employer shall pay to the Oregon Teamsters Employers Trust the sum of \$1046.25 per month for Plans F-W, Dental 6, Vision 4, Supplemental Time Loss and Retirees 3, on behalf of each employee employed under this Agreement who will have been compensated by the Employer for not less than forty (40) hours during the previous calendar month. It shall be the duty of the Trustees of the Oregon Teamsters Employers Trust to prescribe insurance coverage and benefits for such amount of premium to cover employees under this Contract.

Section 2.

The Employer agrees that during the life of this agreement should the Trustees of the Health and Welfare, Dental, Vision and Retirees Plans determine during the life of the Agreement that it is necessary to increase the monthly premium rate in order to maintain the same schedule of benefits provided under Plans F-W, Dental 6, Vision 4, Supplemental Time Loss and Retirees 3, the Employer shall pay the increased monthly premium rate provided said increases do not exceed the one dollar (\$1.00) per hour per employee for each year of the contract as allocated between the health and welfare and pension plan by the Area Rider Co-Chairs. Any unused health and welfare amounts designated by the Area Rider Co-Chairs shall be utilized in order to off-set increased costs (if any) in successive plan years. Effective January 1, 2013 any unused allocated health and welfare amounts shall be designated for use by the pension plan.

In the event the amounts allocated by the Area Rider Co-Chairs are not sufficient to meet the amounts required to maintain the same schedule of benefits, or the amount exceeds the amount provided under Article 20 (i) of the PUD Operational Supplement, responsibility for such shortages shall be borne by the employees on a monthly, lump sum, pre tax basis. In the event of such an occurrence the Area Rider Co-Chairs shall meet to establish the specific amounts required and designate the specific pay period in which they are to be deducted.

Section 3.

The parties agree to accommodate the Union, the Employer, the employees and the Health & Welfare Trust in regards to qualified health maintenance organizations, if so determined by the Trustees.

Section 4. VEBA

It is agreed that should the Oregon Teamsters Employer Trust allow additional contributions on behalf of employees under provisions of relevant IRS statutes, the parties shall meet to negotiate a fair and equitable resolution to allow such contributions. It is understood that all contributions would come from payroll deductions from employees who would choose by majority vote to participate in this additional coverage.

ARTICLE 27. PENSION

Section 1.

The Employer shall pay into the Western Conference of Teamsters Pension Trust Fund on account of each member of the bargaining unit, for each hour for which compensation is paid (all compensable hours) up to a maximum of 2,080 hours per calendar year.

	Basic Rate		PEER-80		Total Rate
Current	\$4.59	+	\$0.76	=	\$5.35
Effective April 1, 2008 (on March 2008 hours)	\$4.85	+	\$0.80	=	\$5.65

Effective April 1, 2009, based on March 2009 hours and all months thereafter not to exceed 2,080 hours in a calendar year, the Employer shall increase the contribution to the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit by an amount as directed by the Area Rider Co-Chairs, but in no event shall the increase exceed \$1.00 per hour, per year, for all health and welfare and pension benefits contained herein.

Effective April 1, 2010, based on March 2010 hours and all months thereafter not to exceed 2,080 hours in a calendar year, the Employer shall increase the contribution to the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit by an amount as directed by the Area Rider Co-Chairs, but in no event shall the increase exceed \$1.00 per hour, per year, for all health and welfare and pension benefits contained herein..

Effective April 1, 2011, based on March 2011 hours and all months thereafter not to exceed 2,080 hours in a calendar year, the Employer shall increase the contribution to the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit by an amount as directed by the Area Rider Co-Chairs, but in no event shall the increase exceed \$1.00 per hour, per year, for all health and welfare and pension benefits contained herein.

Effective April 1, 2012, based on March 2012 hours and all months thereafter not to exceed 2,080 hours in a calendar year, the Employer shall increase the contribution to the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit by an amount as directed by the Area Rider Co-Chairs, but in no event shall the increase exceed \$1.00 per hour, per year, for all health and welfare and pension benefits contained herein.

Section 2.

The contributions required to provide the "Program For Enhanced Early Retirement" are not taken into consideration for benefit accrual purposes under the Plan. The additional contribution for the PEER-80 must at all times be 16.5% of the basic contribution and cannot be decreased or discontinued at any time.

Section 3.

The total amount due each month shall be remitted in a lump sum not later than ten (10) days after the last business day of the month. If Employer fails to make contributions as required,

such shall be deemed a breach and the Union, without liability therefore, may implement any economic action deemed expedient and such shall not be a violation of this Agreement.

Section 4.

Employer agrees to execute all necessary Trust forms and abide by the rules established by the Trustees to facilitate accurate determination of hours, contributions and collections. Upon Union request, the Employer shall furnish a copy of pension transmittals.

Section 5.

In addition to the above contributions, any increases applied to the DNA shall also apply to the Local 162 Driver Local Rider simultaneously.

For probationary employees hired on or after the ratification of this agreement, the Employer shall pay an hourly contribution rate of \$0.10 including \$0.01 for PEER/80, during the probationary period defined in Article ___ of the Local 162 Driver Local Rider, but in no case for a period longer than the first ninety (90) calendar days from an employees first date of hire. If and when this period is completed, the full standard contribution rate shall apply. Contributions shall be calculated on the same basis as described above.

Section 6. Payments During Periods of Absence:

If an employee is absent because of illness or off the job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of (1) month after contributions for active employment ceases. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than twelve (12) months beginning with the first month after contribution for active employment ceases.

ARTICLE 28. VACATIONS

Section 1. Eligibility for Vacation

(a) Part-time employees hired on or before the date of ratification of this Agreement and full-time employees who have completed one (1) year of service or more shall receive one (1) week of vacation with pay.

(b) Part-time employees hired on or before the date of ratification of this Agreement and full-time employees who have completed two (2) years or more of service shall receive two (2) weeks' vacation with pay. A like vacation shall be given upon completion of each year of service through the sixth (6th) year of employment.

(c) Part-time employees hired on or before the date of ratification of this Agreement and full-time employees who have completed seven (7) years or more of service shall receive three (3) weeks' vacation with pay. A like vacation shall be given upon completion of each year of service through the fourteenth (14th) year of employment.

(d) Part-time employees hired on or before the date of ratification of this Agreement and full-time employees who have completed fifteen (15) years or more of service shall receive four (4) weeks' vacation with pay. A like vacation shall be given upon completion of each year of service through the nineteenth (19th) year of employment.

(e) Part-time employees hired on or before the date of ratification of this Agreement and full-time employees who have completed twenty (20) years or more of service shall receive five (5) weeks' vacation with pay.

(f) Part-time employees hired on or before the date of ratification of this Agreement and full-time employees shall be paid 1/52nd of the previous years gross annual earnings with a minimum of forty (40) straight-time hours, whichever is greater for each week of vacation.

Section 2. Pro Rata Vacation

Part-time employees hired on or before the date of ratification of this Agreement and full-time employees who quit or are terminated for any reason after nine (9) months shall receive pro rata vacation pay.

Section 3. Holiday During Vacation

If an employee's vacation period includes a holiday as specified in Article __ of the Local 162 Driver Local Rider, they shall receive the specified holiday pay in addition to their vacation pay.

Section 4. Unemployment Compensation

If an employee's paid vacation period accrues or is payable during a period in which they are otherwise entitled to unemployment compensation, the employee's right to and payment for such vacation shall be deferred until after termination of the unemployment benefit period. The Employer waives the privilege of allocating vacation pay to past, present or future weeks of unemployment.

Section 5. Vacation Scheduling

A vacation roster shall be posted no later than February 1st of each calendar year and shall remain posted until the workday following April 1st. The principle of seniority shall apply in vacation selections within this time. Any week left available after April 1st shall be on a first come, first serve basis. The vacation selection year shall be from April 1st to the end of March.

Section 6.

Vacation pay for part-time employees employed on or before the date of ratification of this Agreement will be on a pro-rated basis, calculated by averaging the number of hours worked per week from the previous year. The number of weeks earned is the same as the full-time schedule. All part time employees hired on or before the date of ratification of this Agreement with 1500 or more compensated hours during the previous year shall be paid in accordance with section 1(f) above.

Section 7.

During the peak period, (Thanksgiving through Christmas), the Company will allow the following number of employees off for vacation.

3 weeks prior to Christmas	-	3 employees per station
2 weeks prior to Christmas	-	2 employees per station
1 week prior to Christmas	-	1 employee per station
The week of Christmas	-	1 employee per station

Section 8.

It is understood that during the months of January through November, the Company need not allow more than ten percent (10%) of the seniority employees off at each station at any one time for vacation only. This breaks down as follows:

0 -15 Drivers = 1 Driver Off	56-65 Drivers = 6 Driver Off
16-25 Drivers = 2 Drivers Off	66-75 Drivers = 7 Drivers Off
26-35 Drivers = 3 Drivers Off	76-85 Drivers = 8 Drivers Off
36-45 Drivers = 4 Drivers Off	86-95 Drivers = 9 Drivers Off
46-55 Drivers = 5 Drivers Off	96-105 Drivers = 10 Drivers Off and so forth

ARTICLE 29. HOLIDAYS

Section 1.

The following shall be considered as holidays under this Agreement, unless changed by state or federal laws:

New Year's Day (January 1st)	Four Optional Holidays
Memorial Day	Employee's Choice:
Fourth of July	(i.e., Martin Luther King, Jr Day,
Labor Day	President's Day, Columbus Day)
Thanksgiving Day	
Christmas Day	
*Employee's Birthday	

*Employee's Birthday may be observed on another day to be determined at management discretion.

Section 2.

All full-time and split-shift employees with seniority shall be paid for eight (8) hours on each of the above days, the applicable straight-time rate when such employees do not work, except due to bona fide illness or injury or by mutual consent. Employees required to work on the following holidays shall receive pay at the rate of double time for all time worked in addition to the regular pay for the paid holiday, with a minimum of four (4) hours per call. (New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, Christmas Day). Employees required to work on

the following holidays shall receive pay at the rate of straight-time for all time worked in addition to the regular pay for the paid holiday, with a minimum of four (4) hours per call ~ (Four Optional Holidays and Employee's Choice, noted above).

Section 3.

An employee with seniority who has worked within fifteen (15) days prior to a holiday shall be entitled to the aforementioned holidays.

Section 4.

Employees who are serving their probationary period are not entitled to holiday pay for holidays falling within such probationary period.

Section 5.

Resignation shall terminate all subsequent holiday benefits.

Section 6.

Regular employees are entitled to holiday pay if the holiday falls within the first thirty (30) calendar days of absence due to illness or non-occupational injury, or within sixty (60) calendar days of absence due to an occupational injury. This does not apply to employees taking leave of absence for full-time employment with the Union. If during a leave of absence due to sickness or injury an employee becomes gainfully employed, the Employer will be relieved of responsibility for holiday pay.

Section 7. Part-Time Employees

In order to receive holiday pay, part-time employees have to work within the three (3) week period prior to the holiday. Part-time employees if worked over twenty (20) hours per week average for those three (3) weeks preceding the holiday will receive eight (8) hours pay; if twenty (20) hours or less per week, such employee will receive four (4) hour's pay. Part-time employees hired after the date of ratification of this Agreement shall receive paid holidays prorated based on the average number of hours worked in the two weeks before the holiday.

Section 8.

If the employee chooses to take time off for an optional personal holiday, then the employee shall give thirty (30) days notice to the Company. The selected day shall not be changed by the Company or the employee. Seniority selection shall prevail in the selection of the day to be taken. No optional personal holidays will be granted the week prior to Christmas.

During the remainder of the peak period, optional floating holidays may be granted upon employee request at each station in addition to those employees on vacation; however, in no case will the combination of employees granted vacation or a floating holiday on any given day exceed by more than one (1) the number of employees specified in Section 8.

It is understood that during the months of January through November, the Company need not allow more than ten percent (10%) plus one (1), of the seniority employees off at each station at any one time for vacation and floating holidays.

ARTICLE 30. FUNERAL LEAVE

In the event of a death in the immediate family (father, mother, father-in-law, mother-in-law, wife, husband, brother, sister, son, daughter, grandparents, grandchildren, step-parents, step-children, sister-in-law, and brother-in-law), a part-time employee employed on or before the date of ratification of this Agreement and any full-time employee with seniority shall be entitled to be paid for three (3) days of funeral leave; the compensable day or days must fall on a regularly scheduled workday or days. If there is a five (5) day lapse between death and funeral, then another day may be taken instead of the day before the funeral. Compensation of funeral leave pay for part-time employees will be based on hours scheduled.

ARTICLE 31. SICK LEAVE

Section 1.

(a) This Agreement shall provide for six (6) days sick leave in each year of the Contract for part-time employees hired on or before the date of ratification of this Agreement and full-time employees.

(b) Effective the date of ratification, eligible employees shall accumulate sick leave at the rate of one-half (1/2) day per month.

(c) Sick leave shall be taken only for the purpose of a bona fide illness, injury or under the provisions of applicable law.

Section 2. Sick Leave Bank

At the employee's option, any unused sick leave shall be accumulated into a bank not to exceed 240 hours to be used for future illness or injury of that employee. Employees must notify the Company prior to July 15th of each year whether or not they will be banking their unused sick leave. Employees choosing not to bank unused sick leave will be paid at the applicable hourly rate on the next pay period following July 31st of each contract year. Employees having 240 hours in their bank will automatically be paid for all unused sick leave on the next pay period following July 31st of each contract year.

Section 3. Payment Upon Retirement

Employees who retire from the Company under the pension plan to which the Company contributes, shall be paid for all unused sick pay in the Sick Leave Bank upon retirement.

Section 4.

(a) Sick leave pay for eligible employees will be eight (8) hours straight-time pay for full-time and full-time split shift employees at the applicable hourly rate in effect at the time of the sick leave.

(b) It is understood and agreed between the signatory parties to this Agreement, that the following shall apply with regard to the part-time seniority employees, who work more than and less than fifteen hundred (1500) hours per contract year.

1) Sick leave taken by eligible part-time employees working less than fifteen hundred (1500) hours during a contract year will be paid at four (4) hours at the applicable hourly rate in effect at the time of the sick leave. Sick leave not taken each contract year will be paid at four (4) hours straight-time on the next following pay period at the applicable classification rate.

2) Sick leave taken by eligible part-time employees working more than fifteen hundred (1500) hours during a contract year will be paid at eight (8) hours at the applicable hourly rate in effect at the time of the sick leave. Sick leave not taken each contract year will be paid at eight (8) hours straight-time on the next following pay period at the applicable classification rate.

2(a). Full-time Employees hired during the course of this Agreement shall accumulate sick leave under the same provisions as Section 1, with a pro-rata for employees hired prior to August 1, 1999. Part-time employees hired after the date of ratification of this Agreement shall not receive sick leave.

Section 5.

Sick leave will be paid to eligible employees beginning on the first (1st) working day of absence due to sickness or accident. In the event the employee is hospitalized, payment of sick leave will commence upon the first day of hospitalization. A doctor's release may be requested.

Section 6.

Worker's Compensation loss of working time as a result of an accident or injury as recognized by the Worker's Compensation Board suffered during the course of employment, may be subject to sick leave benefits in accordance with the above, to the extent of the difference between disability benefits paid by Worker's Compensation and the employee's regular pay for an eight (8) hour day and/or a forty (40) hour week. The injured employee shall receive sick leave benefits on the first (1st) day of absence under this provision up to their accumulated sick leave bank.

Section 7.

In addition to sick leave, each seniority employee (part-time employee hired on or before the date of ratification of this Agreement or full time employee) is entitled to five (5) days per year for hospitalization only. There shall be no cash out nor accumulation of hospital leave if unused, and the employee must be admitted on an inpatient basis to be eligible for the benefit.

ARTICLE 32. JURY DUTY

When a part-time employee hired on or before the date of ratification of this Agreement or a full-time employee and who is covered by this Agreement is called upon for jury service in any municipal, county, state or federal court, they shall advise the Employer upon receipt of such call, and if taken from work for such service, shall be reimbursed as provided herein for any loss of wages while actually performing such service; provided they exhibit to the Employer their properly endorsed check and permits the Employer to copy the check or voucher they received for such service. The amount they received for such service from the amount they should have received at their regular day's rate during the regular working days, eight (8) straight-time hours per day for full-time or split shift, and four (4) hours for eligible part-time employees per day, they missed while performing such service. To be entitled to such reimbursement, the employee who reports for jury duty and is excused must report immediately by telephone to their supervisor to determine if work is available for them. An employee on night shift shall be considered on day shift for purposes of this provision.

ARTICLE 33. 401(K) PLAN

Effective August 1, 2003, the Employer agrees to participate in the Teamsters National 401(K) Plan, a plan intended to conform to the requirements of Internal Revenue Code Section 401(K) for certain tax exempt, employee contributory plans. The Employer's obligations to the plan created by this Agreement are limited to:

1. The timely execution of the Plan's Subscriber Agreement;
2. The timely payment of that portion of their wages employees elect to pay into the Plan.

ARTICLE 34. FLIGHT BENEFITS

Section 1.

When the Company has flight benefits available to their employees, those benefits shall be made available to the employees covered by this Agreement.

Section 2.

The employees who use those benefits shall follow all rules and restrictions, including, but not limited to rules concerning Dress Code, amount of luggage, behavior and conduct as well as seating assignments, all as outlined by the providing airline. Any failure to abide by such rules may result in disallowance of the benefit by the carrier granting the benefit.

Section 3.

The removal of an employee from participation in a carrier's flight benefit program for violation of the carrier's rules shall not be subject to the grievance procedure.

ARTICLE 35. ATTENDANCE

Section 1. Absenteeism

It is recognized by Local 162 and DHL Express that having employees at their jobs and working every day is a fundamental factor in providing service to our customers and assuring the efficient operation of the Company.

The following policy shall act as a means to ensure that each employee executes his responsibility relative to good attendance.

A 9-month rolling cycle will be used to measure absenteeism occurrences. No such absenteeism occurrence will remain in effect for a period of more than nine (9) months.

Drivers must contact a Company representative at least one (1) hour prior to the start of their first shift each day of absence. Employees will be given specific phone numbers for sick calls. The Company shall have a representative on duty to receive such calls.

A progressive scale will be used to determine the appropriate level of discipline required. This scale is listed by number of individual absenteeism occurrences within the 9-month rolling cycle mentioned above. A self-explanatory scale for each instance of absenteeism occurrence is listed below.

1 st occurrence:	Verbal Notification
2 nd occurrence:	Verbal Notification
3 rd occurrence:	Verbal Notification
4 th occurrence:	Written Counseling
5 th occurrence:	Warning Letter
6 th occurrence:	1-Day Suspension
7 th occurrence:	3-Day Suspension
8 th occurrence:	Termination

Section 2. Tardiness

A 9-month rolling cycle will be used to measure tardy occurrences. No such tardy occurrences will remain in effect for a period of more than nine (9) months.

Records of all tardy occurrences will be obtained from the electronic daily time card review (TMS). The actual punch time for each driver is recorded electronically and will be reviewed by station management.

A tardy occurrence shall be charged for a late punch in time based on the daily time card review, i.e., if a shift begins at 0700 and an employee punches in after 0700, then this employee is considered tardy.

A progressive scale will be used to determine the appropriate level of discipline required. This scale is listed by number of individual tardy occurrences within the 9-month rolling cycle mentioned above. A self-explanatory scale for each tardy occurrence is listed below.

1 st occurrence:	Verbal Notification
2 nd occurrence:	Verbal Notification
3 rd occurrence:	Verbal Notification
4 th occurrence:	Written Counseling
5 th occurrence:	Warning Letter
6 th occurrence:	1-Day Suspension
7 th occurrence:	3-Day Suspension
8 th occurrence:	Termination

Section 3. No-Call No-Show

A No-Call No-Show is defined as: Any absence without notifying the company one (1) hour after the start of his shift.

A nine (9) month rolling cycle will be used to measure No-Call No-Show occurrences. No such occurrences will remain in effect for a period of more than nine (9) months.

1 st occurrence:	Warning Letter
2 nd occurrence:	3-day Suspension
3 rd occurrence:	Termination

ARTICLE 36. NOTIFICATION TO THE UNION

Within seven (7) days from the date of hiring of a new employee, the Employer will give to the Union in writing the following information: (1) name, home address, telephone number of the newly hired employee; (2) date employee was hired. Upon request from the Local Union the Employer shall update this list on an annual basis by furnishing the employee's address of record and telephone number, if available.

ARTICLE 37. EXAMINATIONS

All costs of any employee examination(s) required by any governmental act, regulation or agency shall be paid by the Company and employee(s) shall be compensated at straight time for all time thereby consumed.

This Section does not apply to examinations for drivers or chauffeurs licenses nor to necessary examinations before first qualifying for employment. If the Company requires that employees obtain a commercial drivers license or additional endorsements, the Company shall be required to pay for such endorsements. In addition, because of equipment utilized by DHL Express, and freight that is handled, additional endorsements for air brakes and hazardous materials will be required of all employees.

The Company will execute and pay for all identification, documents proof of citizenship or any other means, including time spent, required by the Company and/or the Company's customer(s) to ensure that the employee shall have access to any job location he/she is being dispatched to.

ARTICLE 38. PAYROLL

Section 1. Pay

Employees, whether paid by cash, check, draft or voucher shall receive itemized statement of all earnings and deductions, i.e., regular hours, overtime hours, holidays, vacations, mileage (if any) subsistence, layover, taxes, FICA, etc.

Upon termination, all monies due shall be paid on the first following pay day.

All employees covered by this agreement shall be paid in full by the next following week. The pay period shall be Monday through Sunday.

Not more than seven days shall be held on an employee's paycheck. Each payday shall be on the Thursday following the end of the pay period.

All employees covered by this Agreement shall be paid for all time spent in service of the Employer. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work and registers in and until the employee is effectively released from duty.

The Employer will not allow employees to work prior to their start time without appropriate compensation.

Wages for properly selected vacations, in all instances, will be paid to the employees no later than the workday prior to their vacation. If the employee does not receive his/her vacation check, the Employer will make all reasonable efforts to provide the check the following day including delivery by Saturday or Express delivery.

The Company will continue their endeavor to work toward a solution of taxing all checks at the employee's regular withholding tax rate.

Section 2. Time Cards

A weekly time card report shall be distributed to each employee on Monday of each week and shall contain information regarding for each day:

- Scanned in
- Start time
- Lunch
- Scanned out
- Straight time hours
- Overtime hours

In the event an employee's regular payroll check or draft is not available by the close of the normal business hours on the employee's regular payday, upon request of the employee, the Employer shall issue drafts whenever possible.

In the event of a payroll shortage equal to or greater than a full days pay, the Employer shall issue a draft upon request of the employee. Such draft shall be available by the end of the business day follow the day the shortage was due.

Failure to comply shall subject the Employer to pay liquidated damages in the amount of eight (8) hours pay for each day of delay.

ARTICLE 39. DURATION

The term of this Local Rider is subject to and controlled by all of the provisions of Article 28 of the National Agreement ("Duration") between the parties hereto.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this _____ day of _____.

COMPANY

UNION

TEAMSTERS LOCAL UNION NO. 162 affiliated
with the International Brotherhood of
Teamsters

BY _____

BY _____

TITLE

TITLE