

Local 222 Office Clerical Local Rider
Effective
April 1, 2008 to March 31, 2013

This Agreement is entered into by and between DHL EXPRESS (USA), INC. (hereinafter the "Company", "Employer" or "DHL"), the Teamsters DHL National Negotiating Committee ("TDHLNNC"), and LOCAL UNION NO. 222, affiliated with THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (hereinafter "Union"). 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 Office Clerical 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 office clerical employees represented by the Union and approved in writing by TDHLNNC 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 office clerical employees represented by the Union.

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.

ARTICLE 21. SIDE LETTERS

All side letters and past practices relating to the economic terms addressed in the National Agreement, the Office Clerical Operational Supplement, and this Local Rider shall no longer be in effect.

ARTICLE 22. TEMPORARY WORK DISRUPTIONS

Temporary disruption of work beyond the control of the Employer and other disruptions caused by fires, floods, or other Acts of God, or unavailability of fuel due to fuel shortages or strikes at terminals shall break the weekly guarantees during the period of such disruptions. Available work during such period of disruption shall be offered in seniority order. At the time such temporary disruptions are terminated, bid employees shall then be returned to their respective bid start times provided the affected employee had eight (8) hours off duty prior to the start of his bid start time. In the event a bid employee had not had eight (8) hours off duty prior to the resumption of his bid, he shall be returned to his bid shift the next following bid day.

Disputes as to the Employer's inability to continue operations due to reasons provided herein shall be subject to the grievance procedure.

ARTICLE 23. MEAL PERIOD AND COFFEE BREAKS

Section 1. Meal Period

Meal periods shall be established by the Employer of either thirty (30) minutes or one (1) hour, but not both, and shall not be changed except by mutual agreement. No employee shall be compelled to take more than one continuous meal periods during his shift nor compelled to take any part of such continuous hour before he has been on duty four (4) hours or after he has been on duty six (6) hours.

Section 2. Coffee Breaks

All employees shall be granted a fifteen (15) minute coffee break approximately halfway through the first half of their shift, and a fifteen (15) minute coffee break approximately halfway through the second half of their shift. Such coffee break shall be taken without loss of pay and the employee shall not be required to make up such time. Time spent by the employee walking from his assigned work area to the coffee break area is included in the fifteen (15) minute coffee break period and time spent returning to his assigned work is excluded from the fifteen (15) minute coffee break period.

In the event an employee is worked on an early call in basis of two (2) hours or more, such employee shall be granted a fifteen (15) minute coffee break at the beginning of their normal start time.

In addition, an employee who is required to work overtime continuous to their regular scheduled shift shall receive a fifteen (15) minute coffee break at the tenth (10th) hour provided the need to work overtime will continue beyond two (2) hours.

ARTICLE 24. LEAVE OF ABSENCE

Section 1. Sick Leave

Part-time employees on the seniority list on the date of ratification of this Agreement and all full-time employees shall be entitled to five (5) days of sick leave. Sick leave will be paid on the first (1st) day of sickness.

Section 2. Personal Leave of Absence

(a) For just reason, the Employer shall grant an employee a personal leave of absence for a period not to exceed three (3) weeks. This request will be submitted to the Employer, if possible thirty (30) days prior to the start of the leave. Granting of such requests shall be made with due consideration to the number of employees requesting such personal leave, and shall be granted unless the granting of the requested leave would adversely affect the Employer's operations. The Employer will give an answer to employee's requests for a personal leave of absence within five (5) working days after receipt of the request. Personal leave(s) granted shall be limited to one (1) per employee during the term of the agreement, unless mutually agreed otherwise. All such personal leave requests shall be in writing with a copy to the Local Union.

(b) An employee desiring a leave of absence for personal reasons for a period in excess of three (3) weeks must secure prior written approval from both the Local Union and the Employer. The initial period of such leave shall not exceed a period of ninety (90) days, but may be extended for like periods upon written approval of the Employer, the Local Union. During the period of such leave the employee shall not engage in gainful employment in the same industry unless mutually agreed to between the Employer and the Local Union.

ARTICLE 25. VACATIONS

Section 1.

Part-time employees on the seniority list on the date of ratification of this Agreement and all full-time employees are eligible for vacations.

Eligible employees who have completed one (1) year of service shall receive one (1) week of vacation with pay.

Eligible employees who have completed two (2) years 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 seventh (7th) year of employment.

Eligible employees who have completed eight (8) years 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.

Eligible employees who have completed fifteen (15) years of service shall receive four (4) weeks vacation with pay for the fifteenth (15th) year. A like vacation shall be given upon completion of each year of service through the nineteenth (19th) year of employment.

Eligible employees who have completed twenty (20) years of service shall receive five (5) weeks vacation with pay for the twentieth (20th) year. A like vacation shall be given upon completion of each year of service through the twenty-ninth (29th) year of employment.

Eligible employees who have completed thirty (30) years of service shall receive six (6) weeks vacation with pay for the thirtieth (30th) year and each year of employment thereafter.

Section 2. Computation of Vacation Pay

Vacation pay for each week of vacation shall be computed on the basis of one-fifty-second (1/52nd) of the gross annual earnings of the employee during the twelve (12) month period immediately prior to his anniversary date. A detailed method of computation of an employee's vacation earnings must accompany the employee's

vacation check, including the amount of the gross earnings upon which vacation earnings were computed and the time period covering such gross earnings.

Section 3. Pro-rata Vacations

An eligible employee who has completed one (1) year of service or more and who quits or who is discharged before the completion of any following year of employment shall be entitled to a pro-rated vacation pay allowance upon severance of employment, computed upon the same formula he would have received had he completed such year of employment. Pro-rated vacation pay shall be paid with final check upon severance of employment. Laid off employees who are qualified to receive pro-rata vacation pay at the time of layoff shall have the option of collecting accumulated pro-rata vacation pay for the portion of the employment year worked at the end of thirty days following date of such layoff.

Where an employee has been on layoff status for more than six (6) months (180 days), he shall not be credited for a year of service in establishing weeks of vacation entitlement. However, such employee shall be entitled to a pro-rata vacation allowance based upon his earnings for the portions of the year worked. Original seniority date shall remain the same.

In the event the employee's pro-rata vacation pay is less than three hundred dollars (\$300.00) for each week of vacation entitlement because earnings during the vacation qualifying year were reduced due to a long term lay-off and/or illness or injury leave of absence, the employee may at his/her option, elect to work any full week of such earned vacation and such election shall not be considered a violation of any provision of the National Agreement or this Local Rider.

Transferred Employees

Employees transferred from a division under another supplemental agreement or another area agreement between the same Employer and the Union shall suffer no loss of vacation qualifying time, provided the employment is continuous. The employee shall be paid his vacation in accordance with the supplemental or area agreement under which he works the majority of such year.

Section 4. General Provisions

Time lost through sickness or injury, and time off on leave of absence granted by the Employer, is not to be deducted from the employee's accrued time for vacation benefits. All vacations earned must be taken by employees. An employee, after qualifying for such vacation and upon giving reasonable notice of not less than one (1) week, shall be given his vacation pay before starting his vacation.

The vacation period of each qualified employee shall be set with due regard to the desire, seniority and preference of employees, consistent with the efficient operation of the Employer's business.

In the case of the death of an employee who is qualified for vacation pay, all such pay due to the employee shall be paid to the employee's beneficiary.

Section 5. Vacation Schedule

Past practice shall prevail both as to the time of taking vacations and the number of employees entitled to be off on vacation at any time; provided, however, that a minimum of ten percent (10%) of each seniority list shall be permitted to go on vacation each week between May 1st and October 1st each year.

Vacation schedules shall be posted for the purpose of vacation selection, by seniority, for the period of February 1st thru March 15th of each year, or by mutual agreement.

Employees shall be allowed to split earned vacation in full week increments, other than as herein provided, and the number of times an employee is allowed to split vacation time shall be restricted only by the amount of vacation the employee has accrued. In the event an employee elects to split accrued vacation, such employee shall not be allowed to exercise seniority for selection of vacation time beyond his first choice until such time as all other affected employees have had the opportunity to select their first choice and continuing in this manner until all split vacations have been selected, unless otherwise mutually agreed to. In addition employees may elect to schedule up to two (2) weeks of accrued vacation in increments of one (1) day, or a combination thereof, subject to the following:

(a) Employee must notify Employer at the time of the annual bid of his/her election to schedule either one (1) week or two (2) weeks of accrued vacation in incremental days.

(b) Employee must notify Employer prior to the date the employee elects to schedule the first day of such vacation in accordance with established Employer policies for receiving vacation pay on the payday prior to the start of a scheduled incremental vacation. Vacation payment for incremental vacation days shall be paid in full weekly amounts for each scheduled incremental week, unless otherwise mutually agreed to. The scheduling of the remaining days of this weeks accrued vacation shall be in accordance with established vacation scheduling procedures. The scheduling of incremental days shall be subject to the number of employees requesting such time off, including the number of employees who had previously scheduled a Personal Holiday. Granting of incremental vacation days shall be on a seniority basis and the number of employees allowed to schedule incremental days shall not be unreasonable.

(c) Where applicable, a guaranteed employee shall break his/her forty (40) hour guarantee during any week the employee schedules vacation under this provision and such employee shall not be eligible to claim premium day 'work on the sixth or seventh day of that work week but shall be allowed to work such days behind

premium day employees and ahead of supplemental casuals at the regular straight time rate of pay.

Section 6.

If an employee's paid vacation period accrues or is payable during a period in which he is 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 allocation vacation pay to past, present, or future weeks of unemployment.

Section 7. Absence Due to Illness or Injury

If an employee is out of work because of his proven illness or injury resulting in inability to work for a cumulative period of four (4) weeks or more as evidenced by a doctor's certificate filed with the Employer when returning to work, if required by the Employer, then the actual annual earnings for the vacation year involved shall be divided by fifty-two (52) less the number of weeks of proven illness or injury as outlined above, with a maximum reduction of thirty-eight (38) weeks. Any period of illness or injury less than one (1) week (seven (7) days) duration shall not be used to make up the four (4) weeks.

ARTICLE 26. HOLIDAYS

Section 1.

All employees who have been on the payroll of the Employer thirty (30) days shall receive pay for holidays named below regardless of which day of the week the holiday falls. All qualified full-time employees shall be paid for such holidays if no work is performed at the rate of eight (8) hours pay at the applicable hourly rate for his classification.

Part-time employees added to the seniority list after the ratification of this Agreement shall receive paid holidays pro-rated based on the average number of hours worked in the two (2) weeks before the holiday.

Section 2.

- New Year's Day
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- December 24
- Christmas Day
- Employee's Birthday
- Employee's Anniversary
- Two (2) Personal Holidays (see Note)

Section 3.

When any of the aforementioned holidays fall on Sunday excluding Christmas and/or Christmas Eve, the following Monday shall be considered the holiday for all employees covered by this Agreement. If a holiday falls during an employee's vacation, he shall receive pay for the holiday, in addition to his vacation pay. Any employee laid off or terminated fifteen (15) calendar days or less prior to any of the above mentioned holidays shall receive pay for that holiday at the time of lay-off or termination.

Section 4.

Employees who are serving their thirty (30) days probationary period are not entitled to holiday pay for holidays falling within such probationary period.

Section 5. Holiday Pay during Absence from Work.

Regular employees are entitled to holiday pay if the holiday falls within the first thirty (30) days of absence due to illness or non-occupational injury, or due to a death in the employee's immediate family, or within the first six (6) months of absence due to occupational injury. Employees are not entitled to holiday pay if the holiday falls within the period of permissible absence under Article 24 ("Leave of Absence") of this Local Rider.

Section 6.

If any work is performed by such employee on New Year's Day; Memorial Day; Fourth of July; Labor Day; Thanksgiving; Christmas Day; the Employee's Birthday; the Employee's Anniversary Date; the Employee's Personal Holidays; or any day celebrated in lieu thereof, he shall receive eight (8) hours pay at two (2) times the regular rate for work performed in addition to holiday pay.

If worked over eight (8) hours he shall be paid at one and one-half (1½) times the double time rate for such time. Such eight (8) hours is to be used in computing weekly overtime.

If any work is performed by such employee on December 24th or the Day after Thanksgiving Day celebrated in lieu thereof, he shall receive eight (8) hours pay at the regular rate of pay for work performed in addition to holiday pay. If worked over eight (8) hours he shall be paid at one and one-half (1½) times the regular rate of pay for such time.

Such eight (8) hours is to be used in computing weekly overtime. No employee shall be called on the above-named holidays for less than a full day.

In the event an employee has not worked on his birthday, anniversary date or personal holiday, his position shall be filled in the same manner as any other replacement absentee.

When the Employer elects to perform work on New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, the employee's birthday, the

Employee's Anniversary Date, the Employee's Personal Holiday, or any day celebrated in lieu thereof, such work opportunity shall be offered to the appropriate employees, on a seniority basis, and if not filled in this manner, the Employer shall have the right to force employees, beginning with the most junior employee and continuing in this manner until all work opportunities are filled.

When the Employer elects to perform work on December 24th, or the day after Thanksgiving, such work opportunity shall be offered on a seniority basis to those employees whose regular workweek includes such holidays as a scheduled workday, including non-guaranteed employees, provided such holiday would not be a sixth (6th) or seventh (7th) day worked, and if not filled in this manner shall then be filled as any other replacement absentee.

However, where the employee's birthday and/or anniversary date is observed on a premium day, the employee may claim the premium day work at the applicable rate of pay in accordance with his seniority and shall be paid eight (8) hours holiday pay in addition for his birthday and/or anniversary day.

Note: Personal Holiday

The following rules are applicable to the paid Personal Holiday days:

- (a) An employee may choose any day of his preference for his Personal Holidays by giving the Employer at least fifteen (15) calendar day's written notice prior to the day chosen.
- (b) The Employer will grant the employee the day of his choice as his Personal Holidays, unless an excessive number of employees have chosen the same day and granting all the requests would effect the Employer's operation. In that event, the Employer may deny the request for the day chosen and the employee may request an alternate date. This provision shall also be applicable to the scheduling of back-to-back individual holidays by line drivers as provided herein above.

ARTICLE 27. WAGES

(1) The following wage rates for full-time employees shall take effect on the dates shown:

| | <u>4/1/08</u> | <u>10/1/08</u> | <u>4/1/09</u> | <u>4/1/10</u> | <u>4/1/11</u> | <u>10/1/11</u> | <u>4/1/12</u> | <u>10/1/12</u> |
|--------------------|---------------|----------------|---------------|---------------|---------------|----------------|---------------|----------------|
| Group I | \$22.08 | \$ 22.43 | \$ 22.83 | \$ 23.28 | \$ 23.68 | \$ 24.13 | \$ 24.58 | \$ 25.08 |
| OS&D Tracing Clerk | \$22.18 | \$ 22.53 | \$ 22.93 | \$ 23.38 | \$ 23.78 | \$ 24.23 | \$ 24.68 | \$ 25.18 |
| Group II | \$22.45 | \$ 22.80 | \$ 23.20 | \$ 23.65 | \$ 24.05 | \$ 24.50 | \$ 24.95 | \$ 25.45 |
| Group III | \$22.75 | \$ 23.10 | \$ 23.50 | \$ 23.95 | \$ 24.35 | \$ 24.80 | \$ 25.25 | \$ 25.75 |

Group I includes Cashier, Interline Clerk, Billing Clerk.

Group II includes Payroll Clerk.

Group III includes Rate Clerk.

- (2) The new hire rates for full-time employees shall be two dollars and forty cents (\$2.40) less than the current rate applicable to the classification of work for which the employee is being hired. New hire rates shall be increased in forty cent (40¢) increments every three (3) months until the contract rate for the classification is achieved.
- (3) The following wage rates for part-time employees on the seniority list on the date of ratification of this Agreement shall take effect on the dates shown:

| | <u>4/1/08</u> | <u>4/1/09</u> | <u>4/1/10</u> | <u>4/1/11</u> | <u>4/1/12</u> |
|--------------------|---------------|---------------|---------------|---------------|---------------|
| Group I | \$22.08 | \$ 22.28 | \$ 22.51 | \$ 22.93 | \$ 23.41 |
| OS&D Tracing Clerk | \$22.18 | \$ 22.38 | \$ 22.61 | \$ 23.03 | \$ 23.51 |
| Group II | \$22.45 | \$ 22.65 | \$ 22.88 | \$ 23.30 | \$ 23.78 |
| Group III | \$22.75 | \$ 22.95 | \$ 23.18 | \$ 23.60 | \$ 24.08 |

- (4) If a new part-time employee is required by law or trust agreement/rules to have Health and Welfare and/or Pension benefits, the following applies:

| | |
|------------|----------|
| Start Rate | \$10.00 |
| 12 mos | \$10.20 |
| 24 mos | \$10.425 |
| 36 mos | \$10.85 |
| 48 mos | \$11.325 |

If a new part-time employee is not required to have Health and Welfare and/or Pension benefits, the following applies:

| | |
|------------|----------|
| Start Rate | \$12.00 |
| 12 mos | \$12.20 |
| 24 mos | \$12.425 |
| 36 mos | \$12.85 |
| 48 mos | \$13.325 |

ARTICLE 28. HEALTH AND WELFARE

In accordance with the Office Clerical Operational Supplement, the Company will continue to participate in the current health plans and will contribute up to one dollar (\$1.00) per hour per year per covered employee to be divided between health and welfare and pension as decided by the Area Co-Chairs.

[Language to be inserted]

ARTICLE 29. PENSION

In accordance with the Office Clerical Operational Supplement, the Company will continue to participate in the current pension plans and will contribute up to one dollar (\$1.00) per hour per year per covered employee to be divided between health and welfare and pension as decided by the Area Co-Chairs.

[Language to be inserted]

ARTICLE 30. 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. 222, affiliated with the International Brotherhood of Teamsters

BY _____
TITLE

BY _____
TITLE

**SIDE LETTER REGARDING PRESERVATION OF CURRENT
PART-TIME CLERICAL EMPLOYEES (RED-CIRCLING
CURRENT PART-TIME CLERICAL EMPLOYEES)**

The Company agrees to red-circle those part-time clerical employees on the seniority list on the date of ratification of this Agreement.

In order to preserve work opportunity for these red-circled part-time employees, the parties agree to continue the present full-time to part-time ratio in the three (3) stations where applicable, with the understanding that the Company will not hire additional part-time employees until in compliance with the ratio set forth in Article 10, Section 2 of the Office Clerical Operational Supplement (“Use of and Performance of Bargaining Unit Work by Personnel Other Than Full-Time Seniority Employees – Part-Time Employees”). Any full-time positions to be replaced or added will be first offered to the red-circled part-time employees. This side-letter will not foreclose the Company from the use of casuals in accordance with the Office Clerical Operational Supplement.

The term of this side letter 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. 222, affiliated
with the International Brotherhood of Teamsters

BY _____
TITLE

BY _____
TITLE