

TEAMSTERS LOCAL 961
CLERICAL LOCAL RIDER

Effective
April 1, 2008 to March 31, 2013

PREAMBLE

This Agreement is entered into by and between DHL EXPRESS (USA), INC. (hereinafter the "Company", "Employer" or "DHL"), the TEAMSTERS DHL NATIONAL NEGOTIATING COMMITTEE, representing Local Unions affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, and LOCAL UNION 961, AFFILIATED WITH THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (hereinafter "Union" or "Local 961"). 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 Clerical employees represented by Local 961 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 Clerical employees represented by Local 961.

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. EXPANSION OF OPERATIONS

A. The parties agree that newly-established terminals and consolidation of terminals which are controlled and utilized as part of a current operation will be covered by this Agreement. In connection with this section, and in recognition of the applicable requirements this Agreement, the following locations, all of which have historically been operated as subsegments of the Denver operation, will be regarded as Denver spin-offs should new facilities be opened there: Grand Junction, Glenwood Springs, Aspen, Vail, Rifle, Steamboat Springs, Dillon, and Castle Rock.

B. The following locations, not having historically been operated as subsegments of the Denver operation, will not be regarded as Denver spin-offs should future facilities be opened there: Pueblo, Canon City, Gunnison, Trinidad, Limon, La Junta, Alamosa, Burlington, Buena Vista, and Monument.

ARTICLE 22. PROBATIONARY EMPLOYEES

A new employee shall work under the provisions of this Agreement but shall be employed on a forty-five (45) calendar day trial basis with the Employer, during which period he/she may be discharged without recourse; provided, however, that the Employer may not

discharge or discipline for the purpose of evading this Agreement or discriminating against Union members.

ARTICLE 23. AIRPORT SECURITY

A. The parties recognize that there are special security regulations imposed by the airport facilities which form an integral part of the Employer's operations. Those regulations are applied to the Employer and its employees as well as all other airport users. Employees are required to comply with such regulations in order to perform their jobs, and the Employer shall make such regulations known to the employees affected.

B. The Employer will cover the cost of special airport identification at the standard cost as applied to all applicants for such identification. However, should an employee lose such identification, any replacement cost, above the standard cost, will be borne by the employee involved.

C. In the event that an employee, as a result of his/her own actions which are contrary to Airport regulations, loses the privilege to work on the airport property, such employee shall be placed on unpaid Leave of Absence until such time as his/her Airport operating privileges are restored, or until another job not requiring such privileges becomes available without disturbing the seniority of any other employee.

ARTICLE 24. SENIORITY AND LOCAL WORK RULES

Section 1. Seniority

A. Seniority rights shall prevail; provided however, that the senior employee is qualified to perform the duties of the position for which the person claims his/her seniority right.

B. There shall be one Master classification seniority list (defined as Office Clerical seniority within the Denver cluster): (Office Clerical), for purposes of layoff and recall and for bidding both at the time of the general bids and for bidding new and/or vacated positions.

Section 2. Layoff and Recall

A. In the event of a reduction in the work force within the classification the least senior employee within the affected classification shall be the first laid off and when recalling employees from layoff the last employee laid off shall be the first employee recalled. A laid off employee shall put in writing what terminals he/she chooses to work at on a replacement basis. Terminals chosen by the laid off employee and which need a replacement will make one (1) offer per day to that employee. Once an employee accepts work, he/she is obligated to fulfill said hours. The employee can work at only one (1) terminal per day.

B. A laid off employee shall be given a written notice of recall by certified mail addressed to his/her last known address on file with the Employer with a copy to the local Union. Such employee must respond to such notice within seven (7) days after the date of

the postmark and actually report to work within seven (7) additional days. If an employee fails to comply with these recall provisions, he/she shall lose all seniority rights unless otherwise agreed to in writing on a case by case basis by the Employer, the Local Union and the particular employee involved. The copy of the recall notice sent to the Local Union need not be sent by certified mail, and proof of mailing to the employee shall be sufficient to justify the loss of seniority if the employee fails to comply with these recall provisions.

C. When the work force at any terminal is reduced or a bid position is abolished resulting in a layoff, the affected employee shall be allowed to exercise his/her seniority to bump into any position within his/her classification within the Denver cluster which he/she has the seniority and qualification to hold, provided the employee shall receive the rate of pay for the position bumped into. The lowest seniority person at that terminal may bid out to another location if there is any junior employee within their classification at any other terminal. If there is no junior person in their classification any where in the Denver cluster, the employee will go on layoff.

D. In the event of a layoff, the Employer shall provide any affected employee (and any junior employee potentially affected by the resulting bump and roll process) with a list of junior employees by current bid shift(s). The Company shall also provide a copy of such lists to the Local Union 961 Business Agent and stewards at each station. No fewer than 48 hours after distribution of such lists, the Employer will establish and communicate assigned response times, individually set up for fifteen (15) minute intervals. At their designated time affected employees will communicate their bumping election to the Employer. Results will be posted the first working day following the conclusion of this process. Proxies may be given to the steward to be presented to management on behalf of an affected employee, if that employee knows that he/she will be unavailable during his/her assigned response time. Each employee is responsible for communicating his/her response at the assigned time. All bids will be effective the Monday following this process and will be final and binding pending any subsequently scheduled re-bid process.

Section 3. Posting of Seniority Lists

A list of employees arranged in the order of their classification seniority shall be posted in a conspicuous place at each terminal location. Such lists shall be kept current and copies shall be made available to the Union upon request. Protest to any employee's seniority date or position on such list must be made in writing to the Employer within thirty (30) days after such seniority date or position first appears, and if no protests are timely made, the dates and positions as posted shall be deemed correct. Any such protest which is timely made may be submitted to the grievance procedure.

Section 4. Bidding

A. The Employer shall conduct semi annual general bids, which shall be posted January 15, and July 15, of each year and successful bidders shall be awarded their bids each respective 1st Monday in February and in August. Bid sheets shall be posted at each covered terminal and each bid position available at each terminal shall include the respective start times and work week. Bids will designate a general job description (by title and primary duties) and any special requirements. Prior to posting, all proposed bids must be reviewed

with the Local Union 961 Business Agent and Stewards at each station. Part-time employees may bid more than one part-time shift, only if such bidding does not result in the layoff of a less senior employee.

B. When the semi-annual bid is conducted, it will be accomplished by assigned bid times, individually set up for fifteen (15) minute intervals. Each employee shall bid for their desired work shift at his/her assigned time. The assigned times will be posted on the first working day after January 1st and July 1st prior to the posting of the bids on January 15 and July 15th. Proxies may be given to the steward to be presented to Management on the Bidders behalf, if that employee knows in advance that he/she will be unavailable during his/her assigned window. Each employee is responsible for making his/her bid at the appropriate time. If an employee misses his/her bid window, the Employer may move on to the next assigned employee bid time. A 'tardy bidder' who has not given a proxy to the steward and who did not contact the employer during his/her assigned bid window, may bid into any job still available when he/she contacts the employer. Once the semi-annual bid is complete, the Company will not change bids without seventy-two (72) hour notification to the Union as to the reason necessitating the change.

C. Employees may bid on any position, for which they are currently qualified. (Example: Class A Driving bid, PM Clerical Shift, requiring Hazardous material inspection etc). Selection of bids will be made on seniority basis, among qualified employees.

D. In the event that a bid requiring specific qualifications is not filled or remains open after all eligible employees have bid, employees not presently qualified for the bid position, may, in seniority order, bid on the open position, subject to the following in i and ii.

i. Successful bidders shall be given a minimum of 30 days probationary period in which to satisfy the requirements of the awarded position. The Union and Company may agree to extend the probationary period for subsequent thirty (30) calendar day periods, but no longer than 90 days in total.

ii. An employee who fails to meet the requirements necessary to hold down the bid, shall be allowed to bump into any open position in his/her classification that his/her seniority and qualifications will allow.

E. The company will have a minimum of two (2) Office Clerical employees, who are Haz Inspector Trained, at each covered clerical location and three (3) Dock Shuttle employees at the DVR facility, Astar Haz Trained.

F. The company will provide the required recurrent training for individuals who hold current certifications in Weight and Balance and Hazardous Materials Inspection, subject to the provisions of Article 5 of this Local Rider.

G. If any present job position is vacated by retirement, resignation, or termination or an additional bid shift is created (meaning additional employee is needed) at any covered terminal, such position shall be immediately posted and any employee within the job

classification at all terminals shall be afforded the opportunity to bid. The successful bidder shall be informed of his award at the close of the bid, and the bid shall be effective a minimum of seven (7) days following the date the position was posted. The position vacated by that successful bidder will be filled internally at that facility.

H. In the event an existing bid is modified by anyone of the following, that bid shall be considered a new position and shall be posted and filled from within the Denver Cluster. Employees shall have the ability to exercise master seniority where a re-bid in a station would cause a reduction in their hours. Any resulting bump and roll will be accomplished by assigned bid times, individually set up for fifteen (15) minute intervals. Each employee shall bid for their desired work shift at his/her assigned time. The assigned times will be posted by the Employer following any modification of an existing bid. Proxies may be given to the steward to be presented to Management on the Bidders behalf, if that employee knows in advance that he/she will be unavailable during his/her assigned window. Each employee is responsible for making his/her bid at the appropriate time. All bids will be effective the Monday following this process and will be final and binding pending any subsequently scheduled re-bid process.

1. Bid shift start time is changed by one and a half (1 1/2) hours or more.
2. The daily bid guarantee is either increased or decreased.
3. The scheduled work week and days off are changed.
4. A work week consisting of eight (8) consecutive hour days is modified to provide for split eight (8) hour days.
5. A work week consisting of split eight (8) hour days is changed to provide eight (8) consecutive hour days.
6. The combining of two part-time positions into a full-time position.

I. If new equipment or a new process is instituted or required, the company will provide proper training on company time.

J. The order of call set forth below is to be applied within the affected classification; provided however, employees shall be eligible to work over-time outside of his/her classification provided the employee has been previously qualified and had filed a written request of a desire to work this overtime. Opportunity to work overtime in another classification can not be offered until all employees within the affected classification have been offered the opportunity to accept this work as per Section 5 (b).

K. In the event work opportunities are not filled in accordance with the orders of call set forth below, the least senior qualified employee may be forced to work the hours required.

L. When a bid position is temporarily vacated for a period of fourteen (14) days or more because of illness, injury, or any other authorized leave of absence such temporary vacancy shall be posted as a temporary hold down bid within that facility. Any subsequent bid positions vacated due to this hold down bid will be filled using the Replacement Order of Call delineated in Section 5 (b) of this article.

M. When an employee domiciled at one terminal bids into a job opening at another terminal, he/she shall be dovetailed into the seniority list of the second terminal based on master classification seniority.

Section 5. Bid Shift Extensions and Replacement Shifts

A. The Employer may extend a bid shift by up to two (2) hours. Employees will be selected for bid shift extensions if they are on the clock when the need arises or if they are scheduled to work within 2 hours of the need on the basis of terminal seniority. Provided, however, the Employer shall not be required in any event to incur the expense of paying unnecessary straight time hours or overtime in order to satisfy the seniority requirement of this section. This extension may be prior to the bid shift, upon completion of the bid shift, or a combination of both. The affected employee shall be given reasonable advance notice when possible. When it can be reasonably determined that such extension will exceed two (2) hours, then it shall be offered in accordance with the order of call specified in Section 5 (b) below.

B. All supplemental hours or replacement hours needed daily will be offered on the following basis within classification at that facility.

1. Part-time employees, by seniority, who aren't scheduled to work over 40 hours that week or 8 hours that day.
2. Laid off Regular employees.
3. Replacement Casuals for known absences of more than one (1) day.
4. All employees, by seniority.
5. Casuals -Supplemental or Replacement.

With respect to the application of the order of call above, the following is intended to clarify this procedure as it applies to part-time employees: If the extra hours to be offered will take the part time employee beyond forty (40) hours and into a known overtime situation then those additional hours will be offered to a full-time senior person.

Example 1: Part-time employee is scheduled to work 37 hours and there is 8 additional hours available, since this will put the part-time employee into a known overtime situation it will be offered to the senior full time employee. If the part-time employee is senior to the full-time employee than the senior part-time employee will be offered the additional hours.

Example 2: If the part-time employee is scheduled to work 36 hours and there is 4 additional hours available, than those hours will be made available to the part-time employee. It is understood that if the 4 hours ends up being extended due to unforeseen conditions it will

not be considered a violation of the order of call. If the extension as mentioned above is deemed to be abused, than it will be subject to the grievance procedure.

Employees will not be allowed to clock out early as a means to qualify for overtime.

C. A part-time employee who accepts replacement hours under (b) above will work the hours of the employee being replaced. If the acceptance of those more desirable hours would force the employee to work overtime, the employee will relinquish their regular bid hours which will then be offered to other part-time employees at that facility in seniority order in accordance with the replacement order of call.

D. An employee called for supplemental work or replacement work must physically respond to a call and if there is no response, the Employer may go to the next senior employee on the seniority list. The Employer will use a third party verification, by a Bargaining Unit employee, whenever possible. Regarding any work being offered for the following day, every employee shall be afforded two (2) hours after their shift ends in which to physically respond to the call.

Section 6. Seniority Violation

In the event an employee is not worked in his rightful position of seniority he shall be compensated in the amount that was earned by the employee who was worked in his stead.

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

ARTICLE 25. PAY FOR TRAINING

The Company is required to have employees qualified in the inspection of Hazardous Materials shipments. The time for the technical training of the number of employees the Company requires for these duties, as well as those required for Aircraft Safety and Weight and Balance training, will be time paid by the Company. The Employer shall compensate the employee at their regular rate of pay for all classroom time training and testing. In any case, the employee's daily shift guarantee will be protected. Employees who have to travel, by their personal vehicle will be paid mileage from the regular place of work to where they train. Recurrent training on Hazardous Materials shall be provided to all employees who are currently trained as of the effective date of this contract.

ARTICLE 26. GENERAL PROVISIONS

Section 1. Cross Utilization

Where applicable, without disruption of bid shifts and work performed as part of their regular duties, the Company will in its discretion utilize bargaining unit members to perform dock work at the respective employee's assigned terminal. It is agreed that the Company's

utilization of bargaining unit members to perform such work will not establish a past practice.

Section 2. Parking/Use of Personal Auto

A. The Employer will provide adequate parking for all employees at no cost to the employee, on Company property.

B. The Employer shall not require any employee to use his personal automobile for Company business.

C. If an employee uses his own vehicle with the authorization and approval of the Company, he shall be compensated at the current rate per mile allowed by the Internal Revenue Service.

Section 3. Preferential Flights

Any preferential flights and corporate discounts that are available to all DHL employees will be offered to any Bargaining Unit Employee who requests such preferential flights and discounts.

Section 4. Maternity Leave

Pregnancy shall be treated as any other illness and maternity leave of absence shall be granted accordingly. At such time as the employee's physician feels that continued active employment is no longer indicated, the Employer will grant a leave of absence. An employee failing to return from a maternity leave within three (3) months following the date the pregnancy was terminated, shall forfeit her seniority and shall be removed from the seniority list, unless the employee's doctor certifies that the employee is medically unable to perform her regular duties.

ARTICLE 27. WORK WEEK AND GUARANTEES

Section 1. Work Day, Work Week

A. Full time employees shall be guaranteed five (5) consecutive eight (8) hour days, or four (4) consecutive ten (10) hour days per week, based on the bid shift. Emphasis shall be placed on maximizing the four (4) ten (10) hour day shifts wherever operationally possible. Part-time Office Clerical employees will be guaranteed a minimum work week totaling no less than twenty (20) hours per week, made up of segments of not less than four (4) hours each to be scheduled on no more than five (5) days. Part-time shifts may be scheduled with non-consecutive work days. Part-time shifts will have a minimum of two (2) consecutive days off in a bid work week. All bid shifts will include Saturday, Sunday or both as a day off. Employees holding bid jobs totaling eight (8) hours or less per day will be paid overtime for any hours worked in excess of eight (8) hours. Employees holding bid jobs totaling more than eight (8) hours per day will be paid overtime for any hours worked in excess of their bid shift.

B. Any Part-time employee who is consistently worked more than thirty (30) minutes over the minimum shift guaranteed in his/her bid shift over a forty-five (45) day period (excluding the months of November and December) shall have his/her shift adjusted by adding an hour to the shift. Such adjustment will be made without posting the shift for bid. The next general bid will reflect any such adjustments made between semi annual general bids, unless the reason for the adjustment was of a temporary nature and no longer exists. The phrase "consistently worked" is understood to mean in excess of 75 % of the days worked in the forty- five (45) day period. Regular employees holding two (2) part-time shifts totaling eight (8) scheduled hours per day are excluded from this application.

C. The Union shall have the right to file a grievance against the Employer should it consistently insist that employees work more than ten (10) hours in a day.

Section 2. Holiday Week Guarantees

In any week in which a paid holiday falls the guaranteed work week shall be thirty-two (32) hours for full-time employees and all hours worked in excess of thirty-two (32) hours, excluding the holiday in such week, shall be paid at the rate of one and one-half (1-1/2) times the regular rate, providing the holiday falls within the scheduled work week. Overtime shall not be pyramided.

Holidays falling outside the regularly scheduled work week shall be paid in addition to the forty (40) hour guarantee. Where two (2) holidays fall in one (1) week, the above (figure thirty-two (32)), shall be changed to twenty-four (24) wherever it appears. This Section applies only in areas where a guaranteed work week exists.

Section 3. Rest Periods

All employees shall be granted a fifteen (15) minute rest period approximately half-way through the first half of their shift, and a fifteen (15) minute rest period approximately half-way through the second half of their shift. If the company extends the shift of an employee more than one (1) hour beyond its scheduled quit time, then that employee shall be entitled to a five (5) minute rest period, which shall be taken as near as possible to that regularly scheduled quit time. When the lunch period is forty (40) minutes, rest period will be ten (10) minutes and for any other lunch period rest periods will be fifteen (15) minutes. Such rest period shall be taken without loss of pay and the employee shall not be required to make up such time.

ARTICLE 28. PART-TIME AND CASUAL EMPLOYEES

Section 1. Part-Time

A. The Employer and Union recognize the desirability of providing regular full-time employment opportunities consisting of consecutive eight (8) hour work days. It is also, however, recognized by the parties that the nature and operating requirements of the

Employer's air freight business may not provide the opportunity to develop all positions in this manner.

B. Accordingly, prior to the ratification of this Agreement the Employer and the Local Union shall jointly review the staffing requirement, as dictated by the Employers operating needs, for the purpose of developing the maximum number of consecutive eight (8) hour or ten (10) hour per day, full-time jobs that are practicable.

C. The Union and the Employer will meet to review staffing requirements thirty (30) days prior to the posting of the bids or by request of either party to determine the practicality of adding further full time (either straight or split shift) positions or part time positions.

D. The Employer will maximize full time positions and full time non split positions consistent with the operational needs of the Company.

Section 2. Casual Employees

Definition of Casual Employee:

A. A casual employee is an individual who is not on the regular seniority list and who is not serving a probationary period. A casual may be either a replacement casual or a supplemental casual as hereinafter provided. All casual employees shall specify in writing the terminal(s) in which the employee chooses to work. Once an employee accepts work he/she is obligated to fulfill said hours. The employee can only work at one (1) terminal per day.

Casuals shall not have seniority status, and Casuals shall not be discriminated against for future employment.

B. Replacement casuals may be utilized to replace a position open more than one (1) day due to illness, vacation or other absence, as delineated by the Order of Call in Article 4, Section 5 (b). When such an absence continues beyond thirty (30) consecutive days, a replacement casual shall not thereafter be used to fill such absence, unless the Employer and the Local Union mutually agree otherwise.

C. Supplemental casuals may be used to supplement the regular work force, as delineated by the Order of Call in Article 3, Section 5 (b). However, supplemental casuals shall not be used to deprive regular employees of premium day work or overtime days, or part time employees of additional work opportunity, or to defeat the intent of developing full-time positions as set forth in Section 1, above.

D. Casual employees may be used in any classification of work covered by this Agreement and shall receive a guarantee of three (3) hours per day worked, and if the employee works more than three (3) hours, then he/she shall be paid for all actual hours worked on that day. Casual employees will not be utilized in a particular classification when any regular employee in that classification is on layoff status unless all laid-off employees who have expressed a preference for work at that location have been offered work. The Union shall be notified of the employment of casuals on the day of employment. Casuals

shall not be worked on a "back to back" or overlap basis. If the Employer abuses this section through the excessive use of casuals to avoid payment of fringe benefits, it shall be considered a dispute to be handled through the grievance procedure.

E. When the Employer utilizes eight (8) hour supplemental casuals (or the equivalent thereof) at one location thirty (30) or more days in a sixty (60) consecutive day period, the Employer shall add one (1) regular employee to that regular seniority list, giving first preference to the casuals who have been used the longest.

F. A monthly list of all extra (e.g., laid-off) casual (supplemental or replacement) and/or probationary employees used during the month shall be submitted to the Local Union by the tenth (10) day of the following month. Such list shall show:

1. the employee's name, address and social security number.
2. the dates worked.
3. the classification of work performed each date, and the hours worked.
4. the name, if applicable, of the employee replaced.

This list shall be compiled on a daily basis and shall be available for inspection by a Union representative and/or job steward. Any alleged violations of this Article may be grieved by the Local Union.

ARTICLE 29. MEAL PERIODS

Meal periods shall be scheduled to begin and end between one hour before and one hour after the middle of the shift; i.e., an employee who starts at 8 a.m. will be scheduled to start and end his meal period between 11 a.m. and 1 p.m. The lunch period will be forty (40) minutes of which ten (10) minutes will be paid. However, the Company reserves the unilateral right to change the lunch period in length, not to exceed one hour or be less than thirty (30) minutes, of which none of the time will be paid.

ARTICLE 30. SICK LEAVE

A. For part-time employees hired on or before the Ratification Date of this Agreement, and full-time employees, sick leave is earned at the rate of six (6) days per contract year, up to a maximum of 48 hours per year. Unused sick days may be accumulated up to a maximum of 30 days, (240 hours). All or any hours so accumulated may be utilized at any time for bona fide illness or injury (requires Doctor's statement). Any employee who was on the Seniority list at the beginning and the end of the contract year may cash out any unused sick time at contract anniversary date at the straight time wage rate for the prior contract year. Sick time shall be paid on a daily basis, calculated on the average daily hours worked over the past year for part-timers, and the bid day for full-time employees, all at the employee's current hourly rate. Employees are expected to schedule their own doctor and dental appointments during non- scheduled working hours.

B. Sick leave cashed out April 1 of any contract year shall be paid out on the first pay period thereafter, based on the employees bid shift guarantee and straight time wage rate for the prior contract year, as will accumulated sick leave over the maximum of 30 days. Sick leave will be paid to eligible employees beginning on the first working day of absence due to sickness or accident. Each regular employee with one year or more of seniority shall receive six (6) days of hospital leave each year and may accumulate up to a maximum of twelve (12) days of hospital leave. If an employee is hospitalized or requires treatment as an out-patient, and is so authorized by the hospital and doctor, then hospital leave may be utilized. Any employee using accumulated hospital leave for out-patient care shall turn in to the company written evidence from the hospital and doctor proving that such care was authorized and rendered by the hospital and doctor.

C. When an employee is receiving workmen's compensation payments or state disability benefits the Employer may supplement the employee's normal weekly straight time pay for their normal bid shift from the employee's accumulated sick leave. Only this supplemented pay shall be subtracted from the employee's total accumulated sick leave.

ARTICLE 31. FUNERAL LEAVE

In the event of the death of a member of an employee's "immediate family," a regular employee shall be entitled up to a maximum of two additional unpaid days of leave if the funeral is out of state. Employees taking leave must attend the funeral and present proof on demand.

Bereavement Leave shall only be available to part-time employees employed on or before the date of ratification of this Agreement or full-time employees.

ARTICLE 32. HOLIDAYS

A. All regular employees who have been on the payroll of the Employer at least forty-five (45) days shall receive pay for holidays named below regardless of which day of the week the holiday falls. Each eligible employee shall be paid for the holidays set forth below, based on his/her bid shift guarantee, and/or in accordance with subsection (g) below: New Year's Day; Memorial Day; Fourth of July; Labor Day; Thanksgiving Day; December 24th, Christmas Day; and Day after Thanksgiving; Employee's Birthday; Employee's Anniversary; and two (2) Personal Holidays.

B. If work is required on a holiday, then it shall be offered to the employees within that classification by seniority. If the employee accepts such holiday work, then he/she shall be guaranteed four (4) hours work for that day, and be paid at the double time rate for all hours worked, in addition to regular holiday pay. If he/she accepts such work, he/she may request a future day off with pay, subject to management approval. Holiday pay for time not worked shall be used in computing weekly overtime.

C. When one of the recognized holidays falls within an employee's vacation period, the employee at his option shall receive an extra day's vacation or pay in lieu thereof. This day or days may be taken at the beginning or end of the vacation period.

D. When any of the above holidays (except the birthday and anniversary) falls on an employee's first regularly scheduled day off the employee shall be paid the applicable daily guarantee for the bid shift. When any of the above holidays falls on an employee's second regularly scheduled day off, the following day will be recognized as the holiday. If there is work to be performed on the day that a holiday is celebrated in lieu thereof, then that work shall be offered to qualified employees who can perform that work on straight time, before it is offered to any employee on premium time.

E. When covering absences for birthday and anniversary holidays the employee observing such holiday will be given the first opportunity to perform such work and shall be paid at his regular rate of pay for such time worked in addition to receiving his holiday pay. If the regular employee declines to work, the Company may fill the vacancy in accordance with the Order of Call delineated in Article 4 Section 5(b). When the birthday or anniversary date falls on any of an employee's regularly scheduled days off, the employee shall be paid the applicable hourly rate for his/her bid shift. If an eligible employee's birthday or anniversary falls on a regular work day the employee will give the Company at least three (3) days notice prior to the beginning of the week in which the holiday falls, of the day which the employee intends to observe as the holiday. In the event two or more employees elect to observe the same day seniority shall prevail.

F. Any employee laid off or terminated fifteen (15) days or less prior to any of the above mentioned holidays shall receive pay for that holiday at the time of layoff or termination. Employees who are serving their forty-five (45) day probationary period are not entitled to holiday pay for holidays falling within such probationary period. 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 months of absence due to occupational injury.

G. Any part-time employee hired on or after the date of ratification of this Agreement shall be paid pro-rated holiday pay based on the hours worked the two weeks prior to the holiday.

ARTICLE 33. VACATIONS

Section 1. Vacations

Part-time employees hired on or before the Ratification Date of this Agreement and full-time employees who have completed one (1) year of service shall receive two (2) weeks vacation with pay. Such employees who have completed five (5) years or more of service shall receive three (3) weeks vacation with pay. Such employees who have completed fifteen (15) years or more of service shall receive four (4) weeks vacation with pay. Such employees

who have completed twenty (20) years or more of service shall receive five (5) weeks vacation with pay.

Section 2. Computation of Vacation Pay

Vacation pay shall be computed on the basis of 1/52nd of the straight time hours paid to the employee in his/her preceding anniversary year, for each week of eligibility.

Section 3. Pro-Rata Vacations

An employee who quits, or who is discharged before the completion of any full year of employment shall be entitled to a pro-rata vacation pay allowance upon severance of employment, computed upon the same formula he would have received had he completed such year of employment; provided, however, that upon termination of employment for any reason the terminated employee shall not be entitled to such pro-rata vacation pay until after he has completed the first four (4) months of employment. Pro-rata vacation shall be paid with final check upon severance of employment.

Laid off employees, who are qualified to receive pro-rata vacation at the time of layoff, shall have the option of collecting accumulated pro-rata vacation pay for the proportion of employment year worked at the end of thirty (30) days following the date of such layoff. Layoff status of more than thirty (30) days duration shall not be counted in qualification for future vacation benefits should such laid off employee later be recalled and returned to work.

Should such laid off employee, however, be recalled and returned to work within one hundred and twenty (120) days of such layoff, all time accumulated prior to date of layoff shall be used in establishing qualifications for future vacation benefits.

Transferred Employees. Employees transferred from a division under another Supplement or Local Rider 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 Supplement or Local Rider under which he works the majority of such year.

Section 4. General Provisions

Time lost through sickness or injury, is not to be deducted from the employee's accrued time for vacation benefits. All vacation 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 case of death of an employee who is qualified for the vacation pay all such pay due to the employee shall be paid to the employee's beneficiary.

Section 5. Vacation Bidding

A. Employees shall be entitled to take vacation in accordance with the procedures specified in subparagraph (b) below, provided that a minimum of 50% of the total number of employees by classification shall be permitted to go on vacation between May 1st and October 1st of each year.

B. Vacation lists will be posted between February 1st and March 1st and remain posted for 15 days. Employees will bid vacations in Company seniority order. Any employee who does not make his/her selection in proper turn prior to the end of the 15 days will thereafter make his/her selection from the vacation periods remaining, after all other employees have made their selections, by submitting to the Employer a minimum of 15 calendar days written notice of their request prior to the first day of the week chosen. A senior employee will not be permitted to take a vacation period already assigned to a junior employee after the 15 day vacation bidding period. Provided however, vacation bidding shall be closed from Thanksgiving to Christmas, due to business volume subject to the following exception: at all facilities the company shall permit one employee per classification at a time to take up to three (3) non-consecutive days of vacation, until five (5) working days prior to Christmas.

Employees with four (4) weeks of vacation entitlement or more shall be permitted to split the second week of vacation, as well as the first week thereof. To request a vacation increment of less than one (1) week an employee must submit a written request at least three (3) working days (excluding Saturday, Sunday, and Holidays) before the first day of the week chosen.

C. An employee on sickness or on-the-job injury leave at the time of his scheduled vacation period will be considered on vacation concurrent with the leave period, and shall receive his vacation pay as if he were actually on vacation. However, the employee may reschedule his vacation period in lieu of the above by notifying the Company prior to the date of his scheduled vacation.

D. An employee's vacation dates may be adjusted to correspond with the employee's new days off if the employee's days off are changed after the vacation list has been posted.

Section 6. Unemployment Compensation Deferral

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

ARTICLE 34. PENSION

In accordance with the 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 35. HEALTH AND WELFARE

In accordance with the 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 36. MISCELLANEOUS

Section 1. Services Not Provided

In the event the Employer, party to this Agreement, may require the services of employees coming under the jurisdiction of this Agreement in a manner and under conditions not provided for in this Agreement, then and in such instances, the Local Union and the Employer shall negotiate such matters for such specific purposes.

Section 2. Payroll Deduction

The Employer agrees upon request to make regular payroll deductions and remissions to either White Crown or Group Health Credit Union, according to the written authorization of the employee.

Section 3. Claim Checks

The Employer shall furnish claim checks which will be completed by the employee when claiming time other than hours regularly scheduled per held bid position or by the Employer when authorizing a change to regular scheduled bid hours. A copy of all claim checks will be provided to the employee and a copy will be kept in the Hours Claim Check Log where it will serve as a weekly summary. Pay time recorded by TMS will be modified to reflect all authorized claim checks. Any modification made that does not reflect the Hours Claim Check Log may be referred to the grievance procedure for resolution.

ARTICLE 37. CAUSE FOR DISCHARGE AND SUSPENSION

In addition to the provisions of the applicable Operational Supplement, the following shall be reason for suspension or discharge without warning notice being given: Striking an aircraft while operating Company owned, leased rented or borrowed equipment, except when equipment failure is a contributing factor.

The parties agree that the disciplinary and attendance procedures and other applicable work rules set forth in the attached side letter will apply.

ARTICLE 38. 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. 961 affiliated
with the International Brotherhood of Teamsters

BY _____

BY _____

APPENDIX "A" Wage Rates

	4/1/2008	10/1/2008	4/1/2009	4/1/2010	4/1/2011	10/1/2011	4/1/2012	10/1/2012	
Ops Agent	\$21.83	\$22.18	\$ 22.53	\$22.93	\$23.38	\$23.78	\$ 24.23	\$ 24.68	\$ 25.18
Casual	\$12.00	\$ 12.00	\$ 12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00

New Hire Rates

Full-time new hire rates will be based on percentage of rates above.

Progression:

Months of service from Hire Date

0-12 months	70%
12-24 months	75%
24-36 months	80%
36-48 months	85%

At 48 months, employees go to 100% of rate in effect as of that date. Applies to all full-time employees in current progression as well as future full-time hires.

Rates of pay for part-time employees hired after April 1, 2008 shall be as follows.

- (a) If the new part-time employee is required by law or trust agreement to have health and welfare and pension benefit contributions, the following wage progression applies:

New Hire	\$10.00/hour
After 12 months	\$10.20/hour
After 24 months	\$10.425/hour
After 36 months	\$10.85/hour
After 48 months	\$11.325/hour

- (b) If the new part-time employee is not required to have health and welfare and pension benefit contributions, the following wage progression applies:

New Hire	\$12.00/hour
After 12 months	\$12.20/hour
After 24 months	\$12.425/hour
After 36 months	\$12.85/hour
After 48 months	\$13.325/hour

Any employee who works a scheduled full-time split shift position shall receive a split-shift differential of \$.25 per hour for all hours worked.

All other positions starting on or after 1500 hours or before 0500 hours shall receive a shift differential of \$.25 per hour for all hours worked.

Any employee working as a Lead Agent shall receive a Lead Agent premium of one dollar (\$1.00) per hour paid up to a maximum of 40 hours per week.

APPENDIX "B" Letters of Understanding No. 1

1. Standard interpretation of the week's vacation is that the first day of vacation in a week is the first day that a person is scheduled to work, and that week of vacation goes through to the following week of the first day scheduled to work.
2. On the question of working premium days while on vacation, this cannot be done as a person cannot work while on vacation. As an example, a person on Monday-Friday work week may bid premium work prior to going on vacation, but not when they come back at the tail-end of the vacation.
3. With regard to the use of FOCUS by Non-Bargaining Unit employees, it is understood that DHL employees and/or employees of affiliated Driver Owners shall be allowed to use FOCUS and all its associated functions so as to allow them to freely perform their job functions efficiently and maximize their own productivity, so long as by so doing they will not directly displace any Bargaining Unit employees, or take over work currently performed by the Bargaining Unit. Any dispute arising under this section will be reviewed by a Sub-Committee of two (2) persons named by the Union and two (2) persons named by the Company. If the dispute is not resolved by the Sub-Committee, it may be submitted to the grievance procedure.
4. Ramp snow removal may be provided by an outside professional vendor as needed.
5. The "DIM" machine and its appurtenant parts will be moved by, set up by, and taken down by Bargaining Unit members. Data gathered by the DIM machine will be downloaded to Orion by Bargaining Unit members.

APPENDIX “C” SIDE LETTER: ATTENDANCE AND WORK RULES

ATTENDANCE

As a means to ensure that each employee executes their responsibility relative to good attendance, the following guidelines have been established to ensure the administration of this policy is equitable and consistent among those it affects:

This no-fault attendance policy shall be administered in accordance with the following 10 point system using a rolling twelve (12) month period:

- 1 Point
- 2 Points
- 3 Points
- 4 Points
- 5 Points
- 6 Points
- 7 Points = Verbal Warning
- 8 Points = Warning Letter
- 9 Points = Three Day Suspension without pay
- 10 Points = Discharge

Any discipline applied under this policy must be on a progressive basis. After twelve months, any occurrence resulting in points shall roll off and the employee’s point total shall be reduced accordingly. Points shall be calculated under this policy on the following basis:

- Sick Occurrence = 1 Point
- Sick Occurrence when employee fails to provide at least one hour advance written notice in the manner established by the Employer = additional ½ point.
- Late or leave early (up to 60 minutes) = ½ point
- Late or leave early (in excess of 60 minutes) = 1 point
- Pattern Offense = additional ½ point

A Sick Occurrence = A single day of absence or consecutive days of absence for the same reason. A Pattern Offense = When an employee is absent on the first or last day of his or her regularly scheduled workweek more than twice, any subsequent such occurrence during the rolling twelve month period shall be considered a pattern offense. If a split shift employee, or part time employee that elects to work two four hour shifts, calls in sick for one of his or her shifts, or part of his or her split shift, this will count as only one occurrence.

Exclusions: Authorized FMLA absences shall not count as an occurrence.

WORK RULES

Violations of the following work rules will not be permitted and violations thereof shall subject employees to discipline pursuant to principles and procedures set forth in Article 17, “Discipline and Discharge” of the applicable Operational Supplement :

1. Proven Carelessness or neglectful performance of duties.

2. Gross Insubordination
3. Tampering with the Company's or a co-worker's property.
4. Dressing and grooming standards must be maintained to DHL standards so as not to be considered offensive or a source of embarrassment to the employee, customer or the Company.
5. Compliance with all DOT regulations.
6. When signing for the freight at the airlines you must properly count the pieces and note shortages and/or damage on the airbill. You must sign your name legibly, record the date, time and pieces received with a circle around the pieces.
7. Any activity unrelated to the movement of freight, including loitering, deliberate sabotage, ball playing, card playing, horseplay, opening of shipments, graffiti, etc. is forbidden.
8. Each employee must clock out for lunch and clock in when their lunch period is completed.
9. All DHL motorized and non-motorized equipment is to be operated in a safe and economical manner.

Further, in addition to those "Cardinal Offenses" established by the applicable Operational Supplement, the following shall apply to this Local Rider:

1. The possession of controlled substances either while on duty or on Company property. Drunkenness or being under the influence of alcohol or illegal drugs during working hours.
2. Unprovoked assault on management or management's representatives during working hours or on Company property.
3. Proven Theft.
4. Striking an aircraft with a piece of Company owned, leased, rented or borrowed equipment.

The Employer may establish such reasonable rules as it deems necessary or desirable to supplement the rules set forth in this Side Letter, provided that such rules are not in conflict with this Side Letter or Local Rider. A copy of all such rules shall be provided to the Union prior to implementation. If a work rule has not been enforced in the past, it shall be mandatory that the Company give advance notice in writing to all employees, and the Union, that said rule shall be enforced and the effective date of enforcement before any employee may be disciplined for violating said previously unenforced rule.

Any disputes concerning this provision shall be subject to the grievance procedure.