SUMMARY OF TENTATIVE LOCAL 986 OFFICE CLERICAL LOCAL RIDER

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, and LOCAL UNION 986, which is an affiliate of THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (hereinafter "Union" or "Local 986"). 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 Clerical Operational Supplement, hereinafter referred to as the "Operational Supplement", for the period commencing April 1, 201308 through March 31, 20173. This Local Rider shall not become effective unless and until it is ratified by the Employer's Clerical employees represented by Local 986 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 986.

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. UNION SECURITY [NO CHANGE]

ARTICLE 22. HOLIDAYS [NO CHANGE]

ARTICLE 23. VACATIONS [NO CHANGE]

ARTICLE 24. SICK LEAVE

- 1. Employees who have attained full time seniority as of the prior 2003 ratification date shall continue to receive ten (10) paid sick days per year at the employee's regular rate of pay. Employees hired or promoted on or after such date shall receive five (5) paid sick days per year at the employee's regular rate of pay, subject to the following conditions:
 - a. At the employee's option, the Company will pay five (5) of the next year's ten (10) sick days on the second pay period in December of each year. Management will make this option available no later than December 1st. If this option is elected, five (5) unpaid days remain

on the book for attendance purposes only, not to be counted as unexcused absences nor accumulated.

b. A part-time employee promoted to full-time will continue under the part-time sick time provisions until what would have been his/her next part-time anniversary date had he remained part-time. Immediately following this date, the employee will receive additional unpaid sick days prorated at ten twelfths (10/12) for every month remaining until his first full-time anniversary date rounded to the nearest whole number.

On the employee's first anniversary date as a full-time employee he/she will be credited with paid sick time as provided in Section 1 above and there after will continue under full-time sick time provisions

- 2. Each employee has the option to accumulate unused sick leave in a Sick Leave Bank from one year to the next with the maximum accumulation not to exceed thirty (30) days or two hundred and forty (240) hours annually.
- 3. Upon request all unused sick leave, regardless of when accrued, but not to exceed a maximum of fifteen (15) days, will be paid out on an annual basis on the second pay period following the employee's anniversary date of employment. Such payment shall be made at the straight time rate of pay in effect on the anniversary date.
- 4. When an employee is receiving Workmen's Compensation payments or State Disability benefits, the employee may choose to supplement the employee's Compensation Disability benefits to the equivalent of the normal weekly straight time pay for up to forty (40) hours from the employee's accumulated sick leave bank. Only this supplemented pay shall be subtracted from the employee's total accumulated sick leave.
- Time taken off the job for the purpose of medical or dental appointments for their dependents will be charged against an employee's sick leave and a doctor's note will be required.
- 6. Upon lay-off, the Company shall pay the employee one hundred percent (100%) of all his/her unused sick leave. Upon voluntary resignation, the Company shall pay the employee fifty percent (50%) of all his/her unused sick leave.
- 7. If an employee calls in sick, their shift may be replaced depending on available coverage. If the employee will be

more than two (2) hours late after their scheduled start time, the employee will not be allowed to report to work except when it is for those reasons specified in Section 5, above. The employee will be paid sick pay for the day if the employee has sick leave available. If the employee has no sick leave available, they will be charged an unexcused absence.

- 8. If an employee with unused sick leave leaves work early more than twice in a rolling thirty (30) calendar day period, the third and/or subsequent early departures will be unexcused and without pay, except for those reasons specified in Section 5, above.
- 9. Sick leave will be payable in rounded up hourly increments or for full days of absence. Rounded up sick leave will not be considered time worked for the purpose of computing overtime. Sick leave taken for the purpose of medical or dental appointments for you or your dependents for which a doctor's note is provided will not be rounded up.
- 10. <u>Early Outs:</u> When the Company determines that it does not need all of its employees for any day or part thereof, it shall offer the employee in the operation affected the opportunity to take time off, on a seniority basis. Any time off accepted will not be charged against the employee's sick time, will be excused and will be without pay.
- 11. An employee may take an additional 5 days off with the option of using sick leave bank or non-paid time.

ARTICLE 25. SENIORITY [NO CHANGE]

ARTICLE 26. QUALIFICATIONS, TRAINING, AND TRIAL/PROBATIONARY PERIODS [NO CHANGE]

ARTICLE 27. JOB BIDDING [NO CHANGE]

ARTICLE 28. HOURS OF WORK, OVERTIME, MINIMUM DAY, SHIFT DIFFERENTIAL, COFFEE BREAKS, JURY DUTY AND PAY DAYS [NO CHANGE]

ARTICLE 29. CLERICAL SPLIT SHIFTS [NO CHANGE]

ARTICLE 30. PART-TIME EMPLOYEES [NO CHANGE]

ARTICLE 31. APPENDICES [NO CHANGE]

ARTICLE 32. DURATION [NO CHANGE]

APPENDIX "A"JOB CLASSIFICATION AND WAGE RATES

See National Economic Settlement

APPENDIX "B1" HEALTH AND WELFARE See National Francomic Settlemen

See National Economic Settlement

APPENDIX "B2" - ECONOMICS HEALTH AND WELFARE See National Economic Settlement

APPENDIX "C" – ECONOMICS DENTAL AND PRESCRIPTION DRUG PLANS [NO CHANGE]

APPENDIX "D"
PENSION WITH PEER
See National Economic Settlement

APPENDIX "E"
DEATH BENEFIT PLAN [NO CHANGE]

APPENDIX "F" PREFERENTIAL FLIGHTS
[NO CHANGE]

APPENDIX "G"
DHL EXPRESS WORK RULES
ADMINISTRATIVE PROCEDURES AND WORK
RULES SIDE LETTER
[NO CHANGE]