## LETTER OF UNDERSTANDING

DHL Express (USA), Inc. and TDHLNNC agree as follows with regard to the bargaining unit covered by the National Master DHL Agreement:

- Due to the COVID-19 pandemic, the Company may be experiencing significant and extraordinary fluctuations in work in various stations. This letter of understanding is designed and intended to help minimize the hardship on bargaining unit employees resulting from a potential drop in work volumes;
- 2. Where a location experiences a significant drop in volume as a result of the COVID-19 pandemic, the Company, in an effort to avoid laying off employees, shall relax the rules pertaining to vacation use. In this regard, the Company shall allow employees to use their additional accrued vacation time, including vacation time already bid for weeks outside of the period covered by this LOU. Employees seeking to use their vacation time under this LOU will be permitted to do so in full week increments in terminal seniority order in order to reduce the number of employees working in any given week at a station. In exchange, the Union agrees that the Company shall not be required to backfill any additional vacations granted under this MOU. The Company and the Local Union shall meet to work out any procedures necessary to implement this Letter of Understanding.
- The use of vacation time by the employee under this LOU is voluntary on the part of the employee.
- 4. The Company will post a sheet at each work station to determine how many employees are interested in taking their vacations. If more employees sign up than there are vacation slots, the available extra vacation slots shall be taken in seniority order. Nothing in this LOU shall be seen to interfere with vacations that have previously been scheduled during the period of time covered by this LOU, nor shall this LOU be construed to increase any employee's vacation eligibility. The Company

and the Local Unions shall agree upon a process for re-bidding vacation weeks that become available in subsequent months as a result of an employee exercising his or her seniority to take an additional vacation week offered pursuant to this LOU, with the caveat that current vacation bids for the months of April, May and June cannot be substituted for vacation outside of that period. It is understood that an employee shall be eligible for work in his or her seniority order spot following the completion of the involved vacation period.

- 5. If after a seeking volunteers to take additional vacation, the Company still needs to layoff in any location, any employee whose seniority would subject him or her to layoff shall be entitled to take all unused accrued PTO including vacation, sick and floaters if the employee chooses to do so before being subject to layoff. The Company shall also indicate on any layoff notice that such "layoff is a direct result of a loss of work volume attributable to the COVID-19 pandemic" and shall not challenge any employee's unemployment compensation.
- This LOU shall remain in effect until June 26, 2020 at which point either party may terminate it on seven (7) days' notice.

For DHL Express, Inc.

Date: 4 14 20

For TDHLNNC

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