

SUMMARY OF TENTATIVE PHILADELPHIA, PENNSYLVANIA & VICINITY DHL EXPRESS OFFICE CLERICAL LOCAL RIDER

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 NOS. 407, ~~326,~~ and 500, affiliated with THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (hereinafter "Union"). This Area Supplement 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~~13~~ through March 31, 201~~37~~. This Area Supplement shall not become effective unless and until it is ratified by the Employer's office clerical employees represented by the Unions 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).

(TA change in dates per the National Economic Settlement)

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

The terms set forth in this Area Supplement 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. VACATIONS [NO CHANGE]

ARTICLE 22. UNION SHOP [NO CHANGE]

ARTICLE 23. JOB CLASSIFICATION [NO CHANGE]

ARTICLE 24. ABSENCE [NO CHANGE]

ARTICLE 25. SENIORITY RIGHTS

Section 1. [NO CHANGE]

Section 2. [NO CHANGE]

Section 3.

~~A. The following provision applies to Local 107 and 326 only. Bids will be posted for shift and starting time preference (in each department if more than one). Bids will be posted for two (2) weeks prior to the effective date, which shall be the first full week in January, May, and September of each contract year. Employer agrees to recognize seniority in each Local Union 107 or Local Union 326 terminal or department for making promotions and granting overtime. Any vacancy occurring due to illness or leave of absence in excess of thirty (30) days shall be subject to bid by seniority. Whatever bid becomes available as a result of the bid to fill the vacancy, may be filled by a casual.~~

~~B. The following provision applies to Local 500 only. Annual bids will be posted for shift, starting time and departments in each terminal. Bids will be posted for two (2) weeks and then once completed the Company will give the employees one (1) week before the effective date. Employer agrees to recognized seniority in each terminal or department for making promotions and granting overtime.~~

To fill vacancies and in making promotions, Employer agrees to post notice of such position for one (1) week. Employees shall have the right to bid into the posted position and shall be awarded to the most senior employee electing to bid into the position based on qualifications outlined by the Employer.

The employee who successfully bids into the vacancy or the promotion shall be given a fair trial period not to exceed sixty (60) days at the then current rate of the job bid into. If it is determined that the employee if not qualified for the new position, or if the employee desires, he shall be returned to the position vacated by him. The general nature of the required minimum satisfactory performance shall be stated in advance.

Section 4. [NO CHANGE]

**ARTICLE 26. MERGERS, CONSOLIDATIONS,
ABSORPTIONS [NO CHANGE]**

ARTICLE 27. PAY PERIOD

All employees covered by this ~~Area Supplement~~ **Local Rider** shall be paid in full each week. Not more than one (1) week's pay shall be held on any employee. The Union and Employer may by mutual agreement provide for semi-monthly pay periods. Each employee shall be provided with an itemized statement of gross earnings and an itemized statement of all

deductions made for any purpose. All other employees shall be paid at the end of their working period provided that a responsible person is on duty and in no event later than twenty-four (24) hours after work period.

ARTICLE 28. HOLIDAYS

Section 1.

All regular full-time employees shall not be required to work and shall be paid eight (8) hours pay at the straight time hourly rate for the following holidays. Part-time employees on the seniority list on the date of ratification of this Agreement shall receive holiday pay on a pro rata basis. Part-time employees added to the seniority list after the date of 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.

New Year's Eve	New Year's Day
Good Friday	Decoration Day
Fourth of July	Labor Day
Thanksgiving Day	Christmas Eve
Christmas Day	Employee's Birthday

(7) Personal Holidays

Personal Holidays shall be selected by mutual agreement between the employee and the Employer. Employees will give three (3) days written notice of request. The Employer will reply within twenty-four (24) hours provided the employee gives notice at the beginning of the shift. If more than one employee requests the same day, the senior employee who submits requests will be given the day. During the first (1st) year of employment, an employee hired on or after 5/1/86 shall accrue personal days off on the basis of one (1) personal day earned for every two (2) months employment until the next anniversary date of this ~~Area Supplement~~ **Local Rider**.

Section 2. [NO CHANGE]

Section 3.

If a holiday falls on Sunday and is celebrated on Monday, Monday shall be considered as the holiday. If one of the holidays recognized in this Article falls on a Saturday any employee eligible for holiday pay shall receive a regular day's pay at straight time rates for such holiday when not worked. If an employee's birthday falls on the sixth (6th) or seventh (7th) day, at his option, he may celebrate it on the preceding or following scheduled workday provided he or she has given the Employer forty-eight (48) hours advance notice of their option. It is understood that the employee will not be required to work on his birthday holiday and that the Employer is not required to allow the employee to work on his birthday holiday where it decides it doesn't need the employee. **In the event that two employees share a common birthday, the senior employee may elect to observe his or her personal holiday on the date of his or her choice. The junior employee must observe the personal holiday on his or her actual birthday if available, or, if unavailable, the day of his or her choice. Such employees must provide thirty (30) days advance notice to management.**

Section 4. [NO CHANGE]

Section 5. [NO CHANGE]

Section 6. [NO CHANGE]

Section 7. [NO CHANGE]

Section 8. [NO CHANGE]

ARTICLE 29. SHIFTS [NO CHANGE]

ARTICLE 30. WORK DAY AND WORK WEEK

Section 1. [NO CHANGE]

Section 2. [NO CHANGE]

Section 3.

The Employer agrees to maintain a minimum of three (3) full-time positions covered by this Local Rider for the duration of this Agreement.

ARTICLE 31. HEALTH AND WELFARE AND LIFE INSURANCE

[FOLLOWING AS MODIFIED BY THE TERMS OF THE NATIONAL ECONOMIC TA]

The provisions of Article 31 will apply to full-time employees and/or Red-Circled Part-Time Positions and/or Employees. The Employer will make the necessary contributions so that the employee will remain in the Health and Welfare and Pension Plan under the National Master DHL Agreement and Office Clerical Operational Supplement.

Section 1.

Effective ~~April 1, 2008~~, **August 1, 2013** the Employer will contribute the current rate

\$ ~~5.8975~~ per hour to the Health and Welfare Fund in the manner described in the Sections below. **See National Economic Settlement**

Section 2.

On August 1st of each year of the contract, the Employer shall contribute additional **\$1.00** per hour to be divided between pension and health and welfare as directed by the Area Supplemental co-chairs.

Section 3. [NO CHANGE]

Section 4. [NO CHANGE]

Section 6. **5** [NO CHANGE]

Section 7. **6** [NO CHANGE]

Section 8. ~~7~~ [NO CHANGE]

Section 9. ~~8~~ [NO CHANGE]

Section 10. ~~9~~ [NO CHANGE]

Section 11. ~~10~~ [NO CHANGE]

Section 14. ~~11~~ [NO CHANGE]

ARTICLE 32. PENSION

[FOLLOWING AS MODIFIED BY THE TERMS OF THE NATIONAL ECONOMIC TA]

The provisions of Article 32 apply to full-time employees and/or Red-Circled Part-Time Positions and/or Employees. The Employer will make the necessary contributions so that the employee will remain in the Health and Welfare and Pension Plan under the National Master DHL Agreement and Office Clerical Operational Supplement.

Section 1.

Effective ~~April 1, 2008~~, **August 1, 2013** the Employer will contribute the current rate \$ ~~6.525~~ per hour to the Teamsters Pension Trust Fund of Philadelphia, Pennsylvania and Vicinity (hereinafter referred to as the "Pension Fund") in the manner described in the Sections below. See National Economic Settlement

Section 2.

On August 1st of each year of the contract, the Employer shall contribute an additional one-dollar **(\$1.00)** per hour to be divided between pension and health and welfare as directed by the Area Supplemental co-chairs.

Section 3. [NO CHANGE]

Section 4. [NO CHANGE]

Section 5. [NO CHANGE]

Section 6. [NO CHANGE]

Section 7. [NO CHANGE]

Section 8. [NO CHANGE]

Section 9. [NO CHANGE]

Section 10. [NO CHANGE]

ARTICLE 33. CHECK-OFF DEDUCTIONS

Section 1.

Upon receipt if written authorization from employees, Employer agrees to deduct from the wages of employees, their voluntary contributions to the ~~appropriate~~ Teamsters Local

Union ~~407, 326, or~~ 500 Political Action Committee, or any other political action fund designated by the Local Unions. Employer will make these deductions on a weekly basis and forward the amounts deducted once each month to the location designated by the Local Union.

Section 2.

Credit Union: The Employer agrees to deduct on a weekly basis, from the base wage rate for the Credit Unions designated by the Union, which shall include the, an amount specified by any employee who is working under this ~~Area Supplement~~ **Local Rider**, and who has signed and delivered to the Employer the proper legal authorization for such deductions. An individual may withdraw from the Credit Union deduction program at any time. It is further provided that Credit Union deductions will only be made in the weeks the employee has sufficient monies earned, recognized the Union dues shall have first priority. Payments shall be forwarded to the appropriate Credit Union once a month within ten (10) days after the final deduction is made each month.

ARTICLE 34. FLIGHT PRIVILEGES

If the Company offers flight privileges to employees (other than senior executives), then those privileges shall be made available to employees covered by this ~~Area Supplement~~ **Local Rider**. The employees who use those privileges shall follow all of the Company's and the carrier's rules and restrictions, including dress, amount of luggage, behavior and conduct as well as seating assignments. Any employee who violates this policy shall have his/her flight privileges revoked. The revocation of flight privileges is not subject to the grievance procedure.

ARTICLE 35. WAGES - LOCAL AREA OPERATIONS

See National Economic Settlement

Section 1. See National Economic Settlement

The following increases for full-time employees who have completed the new-hire progression shall take effect on the dates shown:

Effective April 1, 2008	35 cents per hour
Effective October 1, 2008	35 cents per hour
Effective April 1, 2009	40 cents per hour
Effective April 1, 2010	45 cents per hour
Effective April 1, 2011	40 cents per hour
Effective October 1, 2011	45 cents per hour
Effective April 1, 2012	45 cents per hour
Effective October 1, 2012	50 cents per hour

The following increases for part-time employees on the seniority list on the date of ratification of this Area Supplement who have completed the new-hire progression shall take effect on the dates shown:

Effective April 1, 2008	35 cents per hour
Effective April 1, 2009	20 cents per hour
Effective April 1, 2010	22.5 cents per hour

~~Effective April 1, 2011 — 42.5 cents per hour~~
~~Effective April 1, 2012 — 47.5 cents per hour~~

d. Unprovoked assault on his employer or his employer's representative during working hours.

Rates of pay for part-time employees hired after the date of ratification of this Area Supplement shall be as follows.

~~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~~

The above-listed wage increases do not include any cost of living allowance provided for in Article 21, Section 2 (“Wages – COLA”) of the DHL – Teamsters National Agreement, which shall be calculated according to that article and section each year and added to the then-effective wage rates as appropriate.

Section 2.

Any full-time employee hired on or after the ratification date of this Area Supplement and full-time and part-time employees still in progression, shall receive a starting rate of three dollars and fifty cents (\$3.50) below scale, with a one dollar (\$1.00) per hour increase after twelve (12) months, a one dollar (\$1.00) per hour increase after twenty-four (24) months, and a one dollar, fifty cent (\$1.50) increase after thirty-six (36) months.

Section 3.

Casual employees shall receive eighty-five percent (85%) of the above-listed wage increases by classification, which shall take effect on the dates shown above.

ARTICLE 36. 401K PLAN [NO CHANGE]

ARTICLE 37. MISCELLANEOUS

- Part-timers shall receive a ten (10) minute break.
- Casuals may work on holidays after the seniority list is called twice (2x).
- Overtime bids (other than holidays) must be posted for twenty-four (24) hours.
- On holdovers, the most senior employee stays, regardless of quit time. Junior employees may holdover until senior employee’s quit time.
- Cardinal infractions for this ~~Area Supplement~~ **Local Rider** are:
 - a. Calling an unauthorized strike or walk-out.
 - b. Drunkenness, drinking during working hours (including lunch time) or being under the influence of liquor or drugs during working hours (including lunch time).
 - c. Proven theft or dishonesty:

ARTICLE 38 . DURATION

The term of this ~~Area Supplement~~ **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. 500, affiliated with the
International Brotherhood of
Teamsters

MUTUAL UNDERSTANDING ON BEHALF OF CLERICAL EMPLOYEES

Provided they give forty-eight (48) hours notice, all full-time employees shall be entitled to take (2) contractual paid personal paid holidays in ½ day increments upon approval of the Employer. Violations of this Understanding shall be subject to the grievance procedure as outlined in the Collective Bargaining Agreement.

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 _____
[NO CHANGE]

MUTUAL UNDERSTANDING REGARDING TEAMSTERS LOCAL 500 SEVERANCE FUND

~~APPLICABLE ONLY TO EMPLOYEES REPRESENTED BY TEAMSTERS LOCAL UNION 500~~

1. The Employer shall contribute into the Teamsters Local 500 Severance Pay Trust Fund (hereinafter referred to as the “Severance Fund”) in the manner described in Section 2 below.
2. Employees represented by Local 500 will vote each year, 51% prevailing, as to whether, and if so how much of their wages are to be deferred to the severance trust fund plan. The Employer must be notified a minimum of thirty days in advance of the selection.
3. The contributions referred to herein shall cover all employees represented by Local 500 covered by this Agreement.

4. The Trustees of the Severance Fund shall have the right to require the Employer to make available to the Trustees or their duly accredited representatives all time cards, payroll records, social security records, withholding tax records, and state and/or municipal wage and income tax records for any or all employees represented by Local 500 covered by this Agreement.
5. Failure on the part of the Employer to contribute as specified hereinabove shall make it liable for all claims, plus all arrears in payment, plus ten (10%) percent as liquidated damages.
6. If a regularly scheduled employee represented by Local 500 is injured on the job, the Employer shall continue to contribute into the Severance Fund until such employee returns to work. However, during any period of such on-the-job injury, such contributions shall not be paid for a period of more than six (6) months.
7. For each regular full-time employee represented by Local 500, such contribution shall not exceed eight (8) hours per day or forty (40) hours per week.
8. For each part-time employee represented by Local 500, such contribution shall be made on a pro rata basis calculated on the basis of the relationship between the number of hours such employees work per week and forty hours.

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 _____.