

SUMMARY OF TENTATIVE LOCAL 769 GATEWAY 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 ("TDHLNNC"), representing Local Unions affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, and LOCAL UNION 769, affiliated with THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (hereinafter "Union" or "Local 769"). 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 Gateway Operational Supplement, hereinafter referred to as the "Operational Supplement", for the period commencing April 1, 2013~~08~~, through March 31, 2017~~3~~. This Local Rider shall not become effective unless and until it is ratified by the Employer's Gateway employees represented by Local 769 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 Gateway employees represented by Local 769.

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 10. BARGAINING UNIT [NO CHANGE]

ARTICLE 11. STEWARDS [NO CHANGE]

ARTICLE 12. UNION VISITATION PRIVILEGES [NO CHANGE]

ARTICLE 13. SCOPE & ASSIGNMENT OF UNIT WORK [NO CHANGE]

ARTICLE 14. PART TIME EMPLOYEES

A. A regular part-time unit employee is an individual who is regularly scheduled to work a minimum of at least fifteen (15) up to a maximum of thirty-two (32) hours per week.

- B. The Employer may continue to employ part-time personnel, as defined above, to fulfill its operational needs, subject to the terms and conditions set forth in this Article.
- C. The regular work week for part-time employees shall consist of at least fifteen (15) hours (and may not exceed thirty-two (32) hours of work) within the Employer's payroll period (presently 12:01 AM Saturday through 12:00 PM Friday), Exceptions to the thirty-two (32) hour maximum may be made where a part-time employee is assigned to fill in a fulltime position vacancy (such as filling an opening between bid periods, filling in for absences, etc.). The regular work day for such part-time employees shall consist of at least four (4) consecutive hours, unless a shorter shift is mutually agreed by the Employer and the employee to accommodate an employee need or request.
- D. Unless specifically stated otherwise in this Agreement, no fringe benefits (insurance, vacations, holidays, personal time, other paid time off, leaves of absence, etc.) apply to any part-time employees covered by this Agreement. The only fringe benefits that part-time employees hired after the effective date of this Agreement shall be entitled to shift differential (Article 21, Section 3), tuition reimbursement (Article 18, Section 2) and pro-rated vacation benefits (Article 22). Part-time employees employed prior to the effective ratification date of this Agreement are referred to as "Incumbent Part-Time Employees." "Incumbent Part-Time Employees" includes both those employees working as part-time employees as of the ratification date of this Agreement, but also any full-time employee employed as of the ratification date of this Agreement who subsequently converts to part-time status.
- E. At all times during the life of this Agreement, the Employer may hire and retain in its employment within the unit as many ~~part~~-time employees as it deems appropriate to fulfill its operational needs, provided that part-time employees shall comprise no more than fifty percent (50%) of the ~~fulltime~~-workforce (including full-timers on split shifts and part-timers) in any given week, not counting any part-time employees filling in for full-time vacancies.

If the Company fails to maintain at least seventy-six (76) full-time positions, the percentage of part-time employees will not exceed fifty percent (50%) of the full-time work force (including full-time split shifts). If the Company establishes and maintains at least

eighty (80) full-time positions, the percentage of part-time employees may increase up to sixty percent (60%) of the workforce (including full-timers, on split shifts and part-timers).

- F. **Part-Time Upgrades To Full-Time Positions-** Job bidding for part-timers in general, as well as for those part-time employees seeking to bid into full-time positions, is addressed in the Job Bidding & Filling of Vacancies Article of this Agreement (Article 17).

ARTICLE 15. USE OF AND PERFORMANCE OF BARGAINING UNIT WORK BY PERSONNEL OTHER THAN REGULAR EMPLOYEES

Section 1. Performance of Unit Work by Supervisors/Management Personnel

Supervisors/management personnel may continue to perform unit work, as operational conditions require, in the following circumstances:

- (a) in emergency situations;
- (b) where available personnel are not capable, qualified or do not have the expertise of performing the required work;
- (c) training of employees in the proper performance of their work duties;
- (d) protection of the property of the Employer or its customers;
- (e) to ensure the safety of employees;
- (f) in moving containers on the ramp or in the warehouse, and/or in sorting to assure service commitments and to meet time constraints, provided such work is not performed on a regular basis;
- (g) escorting non-DHL vehicles and/or personnel;
- (h) audit and review reports and paperwork (e.g., such as inventory control reports and related scanning); and/or
- (i) in handling a package(s) at the express request of governmental officials involved in law enforcement, Customs or Homeland Security investigations/enforcement activities.

Verbal notification of the performance of unit work, as aforesaid (with the exception of item i)), shall be provided to the steward.

A successful grievance claiming that a supervisor/manager has performed bargaining unit work in a circumstance other than those outlined above, will entitle the most senior employee in the classification on that shift a penalty pay of double time for one hour.

Section 2. Performance of Unit Work by Subcontractors [NO CHANGE]

Section 3. Performance of Unit Work by Temporary Workers

Temporary workers retained through a temp agency are not covered by this Agreement and have no rights hereunder. Casual employees are covered by this Agreement, but only to

the extent provided in this Section. Casual employees shall be paid at an hourly rate of pay of eleven dollars and seventy-five cents (\$11.75) per hour. Casual employees shall not receive any other benefits under this Agreement, including. But not limited to health and welfare coverage and contributions, pension coverage and contributions, paid time off or any other benefits provided for in this Agreement. Casual employees and temporary workers (hereinafter referred to collectively as "casual/temporary workers") may be employed at the discretion of the Employer to perform bargaining unit work, but in no event may such casual/temporary workers exceed ~~ten~~ **twenty** percent (~~120~~ **20**%) of the **actual hours worked by the full-time work force in any given monthweek. (This percentage will revert back to twenty percent (20%) if the reduction in available part-time percentages is reduced pursuant to Section 14.E., above). This can increase an additional ten percent (10%) during the peak period between the week after Thanksgiving and the week before Christmas.** No casual/temporary worker may work more than thirty (30) hours in any given week, except when casual/temporary workers are utilized to fill in for vacancies (such as for vacations, on the job injuries, illness, other leaves of absence, vacancies created by employment separation pending the hiring of new employees, etc.).

Section 4. Rerouting Work [NO CHANGE]

ARTICLE 16. WORK DAY, WORK WEEK SCHEDULING

Section I. Regular Work Week [NO CHANGE]

Section 2. Meal Period [NO CHANGE]

Section 3. Shifts

- A. In accordance with the operational needs of the business, the Employer may also establish split shifts, consisting of two (2) segments of not less than three (3) hours. Full-time split shifts shall not apply to any full-time employees employed as of December 4, 2005, or to any employees who were designated as "red-circled full-time straight shift employees" under the predecessor Agreement. Furthermore, at no time may full-time split shifts comprise more than ten percent (10%) of the full-time bid positions.
- B. Regularly scheduled days off for an employee shall be assigned by management within the seven (7) calendar day payroll period in accordance with the operational requirements of the business and full-time employees shall have at least two (2) consecutive calendar days off, unless otherwise agreed by ~~an employee~~ **the Union** and the Company.
- C. Emergencies arising from acts of God or labor disturbances shall be reason to cancel scheduled work hours without pay until such time as emergency conditions subside.

- D. 1. When operational need arises, employees released early from work may use available vacation to supplement hours. The Company will initially request volunteers to be released early from work, but reserves the right to release employees (other than full-time employees entitled to a forty (40) hour guarantee) if volunteers are insufficient to satisfy operational needs. The opportunity to be released early will first be offered to full-time employees in seniority order, then to part-time employees in seniority order, then to casual employees and finally to temporary workers.
2. Employees with a regular weekly schedule of forty (40) hours, who volunteer to be released early from work, shall forfeit the remaining regularly scheduled hours for that day, and may use available vacation to replace such hours.
- E. Notwithstanding the foregoing, start times for unit employees within any of the contractual departments may be changed by the Employer by one (1) hour (no more, no less) per day based on operational need (i.e., late arriving planes, etc.). The Employer shall notify the shop steward or alternate for that shift, or if such a steward is unavailable, then any unit employee, who shall endeavor to contact the affected employees) by last known telephone number provided by the employee(s) to notify him/her of any change in start time. The shop steward or alternate or unit employee shall keep a log of the dates and times of all such calls to the affected employee(s). It is an employee's responsibility to provide the Employer with any change of telephone number.

F. The Employer may vary the scheduled start time by two (2) hours one (1) day per week.

Section 4. Break Periods [NO CHANGE]

ARTICLE 17. JOB BIDDING & FILLING OF VACANCIES

- A. Within sixty (60) calendar days after the ratification of this Agreement, the Employer shall determine the number and type of regular full-time and part-time work week and work day shifts, their starting and ending times and the number of employees required to staff each shift for each Department and shall post the vacancies for bid.
- B. There will be two general bids each year, one normally conducted in November for work schedules to become effective on or about December 26, and another conducted in June for work schedules to become effective on or about July 1. All general bids shall be posted for a period of fourteen (14) days. In addition, the Employer, after prior notice and consultation with the Union, may schedule additional bids for legitimate operational needs (e.g., significant sustained changes in volume, changes in aircraft schedules, etc.). Vacations that were previously scheduled and approved will not be disrupted as a result of a subsequent bid.

Fourteen (14) days prior to the posting of the bid, the Employer will provide the Union with a summary of the hours worked by part-time employees since the last bid. At the Union's request, the Employer will meet with the Union to discuss the staffing in the bid and any suggestions by the Union to increase full-time positions. If the Union is not satisfied with the resulting proposed bid, the Union's President, or his designee, and the Employer's head of labor relations, or his designee, will meet and further discuss the proposed bid and the opportunity to increase full-time positions. These discussions will not delay the implementation of the bid.

- C. An employee must possess the qualifications to perform a particular job, as established within the Company's sole discretion, to successfully bid the position. Those with departmental seniority shall bid first in accordance with the seniority provisions set forth in Article 18 ("Seniority, Layoff and Recall") of this Agreement. All other full-time employees shall then bid in seniority order. After all full-time employees have bid, part-time employees shall bid in seniority order.
- D. To fill any work shift posted as part of the job bid which is not bid by any qualified employee, the Company shall fill the position with employees who have not bid on a shift, and then shall fill any remaining openings with a new hire (full- or part-time) or casual or temporary worker.
- E. When a new regular full-time straight-shift position becomes available, or an existing regular full-time straight-shift position becomes permanently vacant and the next General Bid will not take effect within forty-five (45) days of when the position is created or vacated, then such position shall be subject to bid from among the full-time employees who have less seniority than the individual who vacated the position. The Employer may temporarily fill such vacancy with a casual/temp or part-time employee for fourteen (14) days pending the completion of the bid process. The vacancy will first be offered to employees within the same department who have Departmental Seniority. If no one within the department who has Departmental Seniority bids on the vacancy, it will be offered on a Unit-wide seniority basis to employees within the unit who have less unit seniority than the employee who vacated the position. Any position vacated by the successful bidder will, in turn, be filled in the same manner. The remaining vacancy created by such second move shall be filled by the Employer with a new hire, a part-time employee or a casual/temp until the next General Bid.

**ARTICLE 18. SENIORITY, LAYOFF AND RECALL
[NO CHANGE]**

**ARTICLE 19. ATTENDANCE AND APPEARANCE
POLICIES [NO CHANGE]**

ARTICLE 20. DISCIPLINE AND DISCHARGE

Section 1. Discipline

It is recognized that certain serious or multiple acts of misconduct may result in immediate termination including the terms set forth in Article 8 the Gateway Operational Supplement (“Discipline & Discharge”) and the following:

- Physical damage to aircraft in excess of twenty thousand dollars (\$20,000) or which renders the aircraft non-airworthy caused by negligence of the employee;
- Committing any error in the Load Position Verification process, discovered after an aircraft has taken off;
- Failure or refusal, upon reasonable request, to submit to a search of person, property, locker or employee vehicle (located on Company premises) in connection with an investigation by management/supervisory personnel or security agents;
- Serious misconduct;
- Revocation or suspension of a drivers license required for the employee to perform their duties for ninety (90) or more calendar days (during which time the employee shall be suspended without pay);
- Revocation or suspension of Miami International Airport and US Customs and Border Protection identification badge for ninety (90) or more calendar days (during which time the employee shall be suspended without pay). **(This period will be reduced to thirty (30) if the employee allows the revocation or suspension to occur or the employee is not making reasonable efforts to regain his badge).**

The warning notice(s) as provided herein shall not remain in effect to support further progressive disciplinary action for a period of more than six (6) months, provided there is no intervening misconduct within that six (6) month period. All warning notices, discharges, suspensions or other disciplinary action shall be confirmed in writing to the employee and Union. Any employee may request an investigation as to his/her discharge or suspension, and should the Company determine as a result of such investigation that such discharge or suspension was not for just cause, the Company shall eliminate or reduce the disciplinary action, up to and including reinstatement.

Appeal from a discharge, suspension or written warning notice must be taken within five (5) calendar days.

Section 2. Investigatory Interviews of Unit Employees by Management and Supervision

A. In the event an employee is required to attend an investigatory interview with a supervisor or other management official which he/she reasonably believes will result in discipline action, any readily available

Local 769 steward employed at the Employer’s Miami Gateway facility may be present and participate at such investigatory interview, if requested by the employee, under the following conditions:

1. The shop steward may represent the employee, including consult with the employee, assist him/her in presenting or clarifying facts and/or otherwise submit evidence or suggest further witnesses to interview.
 2. Although the shop steward may represent the employee, he/she may not interfere with the Employer’s interview of the employees, such as preventing the employee from answering relevant questions. In this regard, it is expressly understood and agreed that the Employer has no obligation to bargain with the shop steward during such interview, and that the employee shall answer personally all relevant and material questions posed to him/her by the Employer.
 3. Should no steward be available, the employee shall be afforded the opportunity to telephone the Union’s Business Representative who, in turn, may attend the investigatory interview in place of the absent steward or, in lieu thereof, the Union Representative shall designate another bargaining unit employee as an official Union representative. The Employer shall have no right to designate the designee for the Union Representative. It is understood and agreed, that if no steward is available and the Business Agent is unreachable by telephone, or the Business Representative or steward refuse to participate in the interview, or if the Business Representative refuses to designate an available employee to serve as the affected employee’s representative, the right to representation shall be waived and the Employer may proceed with the interview in the absence of the steward and/or Business Representative.
 4. The principal purpose of an investigatory interview is to enable the Company to conduct a just and thorough investigation of the incident in question, at the earliest possible stage, thereby ensuring proper and timely disciplinary action or exoneration. Under no circumstances will it be used to violate Weingarten rights of the employees.
- B. In connection with alleged violations of Article 23 of the National Agreement (“Special Licenses and Drug /Alcohol Testing”), nothing herein contained shall prevent or preclude the Employer from declining to question the employee altogether and simply directing such employee to proceed immediately for alcohol/drug testing. In the absence of prior, express written authorization from the Employer’s Miami Gateway Manager, or designee, a steward may not accompany the employee to the designated collection site and/or be physically present in

the same room as the employee during the actual administration of the alcohol/drug testing procedures.

C. The Employer must issue all discipline within ten (10) calendar days of knowledge, unless the employee is placed under investigation. The Employer has ten (10) days from the date of knowledge to notify the employee in writing, copy to the Local Union, that he is being placed under investigation. The Employer must complete the investigation within thirty (30) days after placing the matter under investigation. The Employer may extend the thirty (30) day period for cause, and notify the respective Local Union in writing of such extension. However, the time period that an employee is on leave does not count towards the ten (10) or thirty (30) day periods.

Section 3. Polygraph Test [NO CHANGE]

ARTICLE 21. WAGES & COMPENSATION
See National Economic Settlement

WITH THE FOLLOWING ADDITIONAL CHANGE:

[ALL CURRENT EMPLOYEES WILL BE MOVED TO THE WAGE RATE MATCHING THEIR SENIORITY ON OR BEFORE JULY 1, 2015.]

Section 1. Wage Rates [NO CHANGE] EXCEPT AS NOTED BELOW
See National Economic Settlement

B. Effective January, 1, 2010, the following wage progression shall apply to all Operations & Control Center employees employed as of that date. Each such existing employee will enter the wage progression at the closest hourly rate to their current rate.

| | | |
|-----------|--------|---------------------------|
| Effective | 1/1/10 | \$1200 bonus |
| | Y2 | \$.35 added to their rate |
| | Y3 | \$1400 bonus |
| | Y4 | \$.35 added to their rate |
| | Y5 | \$1500 bonus |

C. Effective January 1, 2010, the following wage progression shall apply to all Mechanics employed as of that date. Each such existing employee will enter the wage progression at the closest hourly rate to their current rate.

| | | |
|-----------|--------|---------------------------|
| Effective | 1/1/10 | \$1200 bonus |
| | Y2 | \$.35 added to their rate |
| | Y3 | \$1400 bonus |
| | Y4 | \$.35 added to their rate |
| | Y5 | \$1500 bonus |

D. All employees hired after January 1, 2010 shall be compensated in accordance with the following new-hire progression: [NO CHANGE]

Section 2. Lead Differential [NO CHANGE]

Section 3. Shift Differential [NO CHANGE]

Section 4. Overtime [NO CHANGE]

Section 5. Call Back Pay [NO CHANGE]

Section 6. Verification Pay

An employee performing aircraft load verification on a given shift will be paid a \$5.00 bonus. In order to ensure the competency of the entire workgroup, on Tuesdays the work may be performed by employees regardless of seniority.

ARTICLE 22. VACATIONS [NO CHANGE]

ARTICLE 23. HOLIDAYS [NO CHANGE]

ARTICLE 24. HEALTH AND WELFARE
See National Economic Settlement

ARTICLE 25. RETIREMENT PLANS

~~Upon ratification of this Local Rider, all eligible non-probationary regular full-time and Incumbent Part Time employees (hired prior to December 4, 2005) will continue their current ability to participate in the DHL pension and 401(k) plans, on the same basis as they are generally offered to non-represented non-exempt employees of the Employer, for the term of this Agreement. On January 1, 2010 all employees will no longer participate in DHL pension and 401(k) plans, and the Company will continue begin participation in the Western Conference of Teamsters Pension Fund **Southern States Savings and Retirement Plan**, at contribution rates of one dollar (\$1.00) per hour for every hour worked by non-probationary employees, up to a maximum of one hundred seventy-three (173) hours per month, and ten cents (\$.10) per hour for every hour worked by probationary employees up to a maximum of one hundred seventy-three (173) hours per month. **Effective April 1, 2016, the Company will pay an additional one dollar (\$1.00) per hour for every hour worked by non-probationary employees, up to a maximum of one hundred seventy-three (173) hours per month, and ten cents (10¢) per hour for every hour worked by probationary employees up to a maximum of one hundred seventy-three (173) hours per month.**~~

ARTICLE 26. SAFETY EQUIPMENT [NO CHANGE]

ARTICLE 27. LEAVES OF ABSENCE

Section 1. Sick Leave [NO CHANGE]

Section 2. Jury Duty [NO CHANGE]

Section 3. Bereavement Leave

Non-probationary regular full-time employees shall be granted up to five (5) days of paid leave at regular

straight-time rates of pay as compensation for actual work days lost due to the death of a member of the employee's "immediate family," as defined in the National Agreement, if the employee is required to travel over 100 miles to attend an out-of-town funeral service.

ARTICLE 28. MISCELLANEOUS

Section 1. Flight Benefits [NO CHANGE]

**Section 2. DHL Tuition Reimbursement Program
[NO CHANGE]**

Section 3. Employee Discount Programs [NO CHANGE]

Section 4. Workers' Compensation Doctor'

The Company agrees that the October 13, 2011 MOU regarding workers' comp doctor's visits will remain in effect through the term of the new collective bargaining agreement.

ARTICLE 29. DURATION [NO CHANGE]

December 3, 2005 Seniority Bridge Letter [NO CHANGE]