SUMMARY OF TENTATIVE LOCAL 769 CLERICAL GATEWAY LOCAL RIDER

PREAMBLE

This Agreement is entered into by and between DHL EXPRESS (USA), INC. thereinafter the "Company", "Employer" or "DHL"), the TEAMSTERS DHL NATIONAL NEGOTIATING COMMITTEE ("TDHLNNC"), representing INTERNATIONAL affiliated with Local Unions the BROTHERHOOD OF TEAMSTERS, and LOCAL UNION 769, with THE **INTERNATIONAL** affiliated 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, 201308, through March 31, 20173. 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).

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 AND 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 full-time 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, the Union, 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 thirtyen percent (310%) of the fulltime workforce (including fulltimers on split shifts) in any given week, not counting any part-time employees filling in for full-time vacancies. (In calculating the number of allowable part-time employees, partial numbers are rounded up. For example, if there are twelveeleven 121 full-time employees, 310% equals 3.31.2 employees, which is rounded up to 42 allowable part-time employees.)
- F. <u>Part-Time Upgrades To Full-Time Positions</u> 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 [NO CHANGE]

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 twelve dollars (\$12.00) 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 this Agreement. Casual employees and temporary workers (hereinafter referred to collectively as "casual/temporary workers") may he employed at the discretion of the Employer to perform bargaining unit work, but in no event may such casual/temporary workers exceed ten percent (10%) of the full time work force in any given week. No casual/temporary worker may work more than forty (40) hours in any given week, except when causal/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.). (In calculating the number of allowable temporary workers, partial numbers are rounded up. For example, if there are twelve 12 full time employees, 10% equals 1.2 employees, which is rounded up to 2 allowable temporary employees.)

The Company agrees to discontinue the use of temporary or casual employees within one hundred and eighty (180) days of ratification of this Agreement.

Section 4. Rerouting Work [NO CHANGE]

Section 5. Transfer of Work

A. In the event the Employer opens a new facility outside the jurisdiction of this Agreement or should the Employer transfer work presently performed or hereafter assigned to the bargaining unit to another or new operation of the Employer, which transfer would result in layoffs of employees covered by this Agreement, the Employer will, at least thirty (30) days prior to any such transfer, notify the Union and offer employees the opportunities (for any available jobs at the new location) by seniority, senior employees first, to transfer to the new operation that results from the transfer of work.

- B. The Company may not, as a result of such work transfer layoff any full-time employee on the seniority date as of the date of ratification (red-circled employees) prior to 8/1/2010. The Company also may not, as a result of such work transfer layoff more than three (3) red-circled full time employees during the remainder of the term of this collective bargaining agreement. Further, in the event that such a transfer results in a layoff prior to October 1, 2010, the restrictions on temporary workers will take effect on that date. The Company is under no obligation to replace employees who leave through regular attrition, but attrition numbers will count against any work transfer reductions.
- C. If an Employee accepts a transfer, he will retain his seniority for the purpose of fringe benefits and vacation pay only, provided that this shall not be construed to require the violation of any contractual obligation (in the event there is a labor agreement in place at the new operation) at the transferred location. An employee shall retain his seniority standing at the original terminal for a period of eighteen (18) months in the event the new operation changes locations or terminates and reverts back to the original operation.
- D. If the employee declines to accept a job opportunity at the new operation he shall receive a lump sum payment of twenty five thousand dollars (\$25,000.00) in exchange for a general employment release agreement on a form to be provided. (This will be limited to one week of pay for each week of employment for employees hired after the date of ratification).
- E. By agreeing to this Transfer of Work provision, the Union clearly and unambiguously waives its right to bargain over the decision and effects of the Employer's future possible transfer of work.

ARTICLE 16. WORK DAY, WORK WEEK, SCHEDULING [NO CHANGE]

ARTICLE 17.JOB BIDDING & FILLING OF VACANCIES [NO CHANGE]

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:

- gross negligence;
- 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 [NO CHANGE]

Section 3. Polygraph Test [NO CHANGE]

ARTICLE 21 WAGES & COMPENSATION See National Economic Settlement

ARTICLE 22. VACATIONS [NO CHANGE]

ARTICLE 23. HOLIDAYS

Section 1. Designated Holidays

There are six (6) designated holidays for non-probationary full-time employees and Incumbent Part-Time unit employees. These holidays are:

New Years Day Memorial Day Independence Day Labor Day Thanksgiving Day Christmas Day

Each of the foregoing holidays shall be observed on the calendar day on which it falls.

Employees will work the designated holiday when it falls on a regularly scheduled duty day. If the Employer needs fewer individuals than those scheduled to work for a particular shift(s) on a designated holiday, after taking into account previously approved time off, then the Employer shall solicit volunteers to take the day off, starting with the most senior employee assigned to the particular shift which is over stalled for the day. If there are insufficient volunteers, employees shall be assigned the day off in reverse seniority order.

In order to be entitled to holiday pay, an employee must work his/her regularly scheduled work day immediately preceding the recognized holiday and his/her regularly scheduled work day immediately following the holiday, in addition to the holiday when scheduled as part of the duty shift, unless such absences are due to scheduled vacations or floating holidays, or are otherwise expressly excused in writing by the Company.

If a designated holiday is observed during an employee's scheduled vacation or day off, eligible employees shall be given alternate time off. The alternate holiday must be taken within ninety (90) calendar days and may be scheduled by the Company or be paid to the employee. If it is to be scheduled by the Company, notification will be provided as soon as practicable, but no later than sixty (60) days prior to the holiday.

Holiday pay shall not be provided to any employee who, on the day the designated holiday is observed, or on the employee's regularly scheduled day immediately before or after the holiday is observed, is (1) on sick leave, (2) on FMLA leave, (3) on unpaid leave of absence, (4) on layoff, or (5) is not otherwise actively working for the Company (e.g., on the job injury leave).

All qualified full-time and Incumbent Part-Time unit employees shall receive holiday pay for such holidays at their straight-time hourly rate. Such holiday pay shall he equal to the employee's regularly scheduled weekly hours of duty divided by five (5), but in no event more than eight (8) hours of holiday pay, regardless of the schedule worked. Employees who are normally scheduled to work more than eight hours a day (for example, for ten (10) hour days per week) may be given the opportunity to offset lost hours with vacation time, or to make up the hours lost during the same work week. If employees work on a designated holiday, they will be paid one and one-half (1½) times their straight-time hourly rate for all hours worked, in addition to holiday pay for which they are eligible.

Section 2. Floating Holidays [NO CHANGE]

ARTICLE 24. HEALTH AND WELFARE See National Economic Settlement

All eligible non probationary full and incumbent part time employees will be eligible participate in the National Employee Health Plan. The employer agreed to make the following monthly contributions for each active, non-probationary full and incumbent part time employee:

5/1110-	10/30/10-	\$515.00
11/1110-	10/30711 -	\$566.50
11/1/11-	10/30/12-	\$623.15
1111/12-	3/1/13 -	685.47.

During the open enrollment period each year, employees may opt to participate in the DHL health insurance instead of the National Employee Health Plan on the same terms that all other DHL non-union hourly employees participate. The conditions for enrolling in the DHL insurance plan will be governed by the plan documents applicable to similarly situated DHL employees. An employee opting to participate in the DHL health insurance plan will not be eligible to participate in the National Employee Health Plan.

ARTICLE 25. RETIREMENT PLANS

<u>See National Economic Settlement</u>

ARTICLE 26. LEAVES OF ABSENCE [NO CHANGE]

ARTICLE 27. MISCELLANEOUS [NO CHANGE]

ARTICLE 28. TERMINATION [NO CHANGE]