

JC-7 PICK UP AND DELIVERY REGIONAL SUPPLEMENT TENTATIVE AGREEMENT

PREAMBLE

This Agreement is supplemental to and becomes a part of the National Master DHL Agreement and is entered into by Joint Council No. 7 for and on behalf of LOCAL UNIONS 70, 2785, 287, 315, 490, 624, ~~665~~, 890, and 912 of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, and the undersigned on behalf of all their members who employ persons within the jurisdiction of the aforementioned Unions performing work covered by this Agreement and who have heretofore been party to or covered by a pickup and delivery agreement with any of the aforementioned Local Unions expiring on March 31, 2013. This Agreement shall be applicable to all work performed within the scope of this Agreement under the classifications defined and set forth herein. This Supplemental Agreement is supplemental to and becomes a part of the Master DHL Agreement, hereinafter referred to as the National Agreement for the period commencing ~~April 1, 2008~~ **April 1, 2013**. This Supplemental Agreement shall prevail over the provisions of the National Agreement and the Pick-Up and Delivery Operational Supplement with the exception of Article 4 Subcontracting and Work Preservation and Article 9 Scope and Assignment of Unit Work. Questions arising out of conflict between the two shall be submitted directly to the National Grievance Committee. ~~NOTE: Parties agree to the application of the Subcontracting provision in the Pick-Up and Delivery Operational Supplement with the exception that the bargaining unit will continue to perform the centralization and reconciliation of customer supplies and Section 5 of that Article does not apply.~~

ARTICLE 22. HIRING PROCEDURE

Section 1. License Requirements

No employee or applicant for employment shall be required to possess a CDL unless such license be required by law for the type of work actually performed by the employee, which shall be specified by DHL to the Local Hiring Hall. In any such case, a classification of the CDL higher than that imposed by law shall not be required.

It will be DHL's responsibility to provide physical examinations and drug screening for all regular seniority employees when those employees require such examinations to perform driving duties for which they are qualified for that employer.

Where necessary for performance of an employee's job duties, DHL agrees to pay the cost of all examinations

required by the United States Transportation Safety Administration, as well as for the time necessary to complete such examinations. If the employer requires (senior may, junior must) that an employee obtain a commercial driver's license or additional endorsements, the employee shall be required to pay for such CDL and endorsements, and the employer shall, upon completion of certification, pay that employee the one time sum of \$250.00. DHL shall not pay for the cost of renewal of the CDL and/or additional endorsements.

Section 2. Exclusive Hiring [NO CHANGE]

Section 3. Hiring Standard [NO CHANGE]

Section 4. Referral [NO CHANGE]

Section 5. Notification [NO CHANGE]

Section 6. [NO CHANGE]

Section 7. Hiring Hall Committee [NO CHANGE]

Section 8. Appeal and Arbitration [NO CHANGE]

Section 9. Posting [NO CHANGE]

Section 10. Layoff List

All DHL Stations in JC7 shall submit a list of laid-off employees who request to replace day to day absences at other stations. Employees from other stations shall be called in seniority order if the absences cannot be filled through the DHL preferred list at the appropriate hiring hall.

ARTICLE 23. SENIORITY AND LAY-OFFS

Section 1. Establishing Seniority [NO CHANGE]

Section 2. Application of Seniority

In a reduction of forces due to a slackness of work on a shift, the last employee hired, who is working on that shift, shall be the first employee laid off. Lay-offs shall be by classification (part-time/full- time). However, such employee shall be eligible to replace a less senior employee on any shift in the same classification when he has been off work for one regular shift. In no event shall an employee lose more than one day's work if a less senior employee is working. In changing shifts because of the above, a man must have eight (8) hours off before the

start of a shift in order to work. In returning, the last employee laid off shall be the first employee rehired until the list of laid off employees is exhausted. Seniority shall be considered broken by:

- (a) Discharge for just cause.
- (b) Voluntary quit or retirement.
- (c) Performing no work for more than five (5) years. ~~This five (5) year period does not begin to run until ratification of this agreement.~~

Leave of absence granted by the Employer, or temporary lay-off shall not interrupt the continuity of seniority.

Section 3. Notice of Lay-Off or Reassignment [NO CHANGE]

Section 4. Rehire Procedure [NO CHANGE]

Section 5. Filling All Positions [NO CHANGE]

Section 6. Integrated Seniority [NO CHANGE]

Section 7. Bidding [NO CHANGE]

Section 8. Seniority List [NO CHANGE]

**ARTICLE 24. DISCHARGE OR SUSPENSION
[NO CHANGE]**

ARTICLE 25. DISCRIMINATION [NO CHANGE]

**ARTICLE 26. GRIEVANCE PROCEDURE
[NO CHANGE]**

ARTICLE 27. LEAVE OF ABSENCE [NO CHANGE]

ARTICLE 28. WORK JURISDICTION

Section 1. [NO CHANGE]

Section 2. Work at Premises of Shippers and Consignees

- (a) Loading or unloading by hand of trucks, trailers, vans, or any other type of equipment used as a truck, trailer or van, shall be performed only by persons employed under this Supplemental Agreement and, in particular, employees of any company not party to this Supplemental Agreement shall not load, unload by hand, or enter any such equipment for that purpose. The only exceptions to this paragraph are:

- (1) Delayed process loading or unloading shall be permitted provided DHL notifies the shop steward and local union. Notification to the Local Union shall be by fax. If DHL violates the above requirements, the Company shall be liable for pay to the appropriate bargaining unit employees.

- (b) DHL shall determine whether or not in addition to the driver, any extra helpers will be used to perform the aforementioned loading or unloading by hand. Any such extra helper must be hired and employed under this Supplemental Agreement.

- (c) Except as provided in Section (d) hereof, where pallets are used, persons not covered by this Supplemental Agreement may bring the pallet only as far as the lip of the truck; the lip being that part of the truck bed level where freight is loaded or unloaded. Nothing contained herein shall restrict the customer company in using whatever means it selects to bring or take such freight only as far as the lip of truck.

- (d) Loading or unloading with mechanical equipment onto or into trucks, trailers, or vans, or equipment used as trucks, trailers, or vans, may be performed by such employees as DHL and the consignee or shipper may agree. In no case may hand loading or unloading inside the truck be performed by employees other than those working under the jurisdiction of this Agreement, except as provided in Section 2 (a), (1), of this

- (e) When two or more drivers represented by the same Teamsters Local are sent to a shipper or consignee within the confines of that Local's geographical area, each driver may assist in the unloading or loading of the freight.

- (f) DHL cannot send an extra man from one Local Union covered by this Agreement into the jurisdiction of another Joint Council 7 Local Union covered by this Agreement to assist a driver from the first Local Union, but must employ casual help in the local area where the loading or unloading is being performed if such casual help is needed. **“However, when a driver from one Local Union goes into the jurisdiction of another Joint Council 7 Local Union covered by this Agreement, the driver may be required to load and unload his or her vehicle.”**

- (g) When the operation involves the use of a pallet roller, pallet jack, four-wheel cart, or similar equipment by an employee of the shipper or consignee, the freight shall be loaded into the truck or unloaded off the truck only by employees covered by this Supplemental Agreement.

ARTICLE 29. OPERATING REQUIREMENTS

Section 1. Traffic Citations [NO CHANGE]

Section 2. Purchase of Equipment

DHL shall not sell or transfer directly or indirectly to an employee covered by this Agreement, any truck, tractor, van,

trailer or other equipment and no individual presently employed under this Agreement by DHL shall acquire any proprietary interest in any such equipment.

Section 3. Safe Equipment

The Employer shall not require employees to take out on the streets or highways any vehicle that is not in a safe operating condition, including, but not limited to, equipment which is acknowledged as overweight or not equipped with the safety appliances prescribed by law. It shall not be a violation of this Agreement or basis for discipline where employees refuse to operate such equipment unless such refusal is unjustified.

It shall also not be a violation of this Agreement or considered an unjustified refusal where employees refuse to operate a vehicle when such operation constitutes a violation of any federal rules, regulations, standards, or orders applicable to commercial motor vehicle safety or health, or because of the employee's reasonable apprehension of serious injury to himself/herself or the public due to the unsafe condition of such equipment. The unsafe conditions causing the employee's apprehension of injury must be of such nature that a reasonable person, under the circumstances then confronting the employee, would conclude that there is a bona fide danger of an accident, injury, or serious impairment of health, resulting from the unsafe condition. In order to qualify for protection under this provision, the employee must have sought from the Employer, and have been unable to obtain, correction of the unsafe condition.

All equipment which is refused because it is not mechanically sound or properly equipped shall be appropriately tagged so that it cannot be used by other employees until the maintenance department has adjusted the complaint. After such equipment is repaired, the Employer shall place on such equipment an "ok" in a conspicuous place so the employee can see the same.

ARTICLE 30. GENERAL PROVISIONS

Section 1. Rest Periods [NO CHANGE]

Section 2. Disputed Claims [NO CHANGE]

Section 3. Money Receipt

Add: If an Employee deems it unsafe to collect cash, the Employee may refuse to accept the cash payment.

Section 4. Maintenance of Sanitary Facilities
[NO CHANGE]

Section 5. Telephone Calls [NO CHANGE]

Section 6. Time Clocks [NO CHANGE]

Section 7. Company Meetings [NO CHANGE]

Section 8. Inspection Privileges [NO CHANGE]

Section 9. Physical Examination and Drug Screening
[NO CHANGE]

ARTICLE 31. LEASING AND INDEPENDENT CONTRACTORS [NO CHANGE]

ARTICLE 32. HEALTH & WELFARE AND PENSION DELINQUENTS [NO CHANGE]

ARTICLE 33. HOURLY RATES, STARTING TIME-SHIFTS OVERTIME, SHIFT DIFFERENTIALS, WORKING HOURS, HEALTH AND WELFARE, AND SPECIAL FUND

Section 1. General Wage Increases Full-Time
[AS MODIFIED BY THE TERMS OF THE NATIONAL ECONOMIC TA]

Section 2 [NO CHANGE]

Section 3. Combination Work [NO CHANGE]

Section 4. Premiums on Hazardous Cargo
[NO CHANGE]

Section 5. Hostlers [NO CHANGE]

Section 6. Starting-Time Shifts

(a) There shall be a maximum of six (6) starting times; four (4) shall be between 4 a.m. and 10 a.m., one of which shall be 8:00a.m., and two (2) shall be between the hours of 12:00 pm and 3 pm. Starting times can be on the half-hour on both straight time and overtime and shall be applicable seven (7) days per week, except as provided in subsection (c) and Section 9 below. All starting times shall be bid in accordance with Article 23, Section 7.

All early starts for full-time employees will be at a minimum of one **half** (+1/2) hour.

(b) Drivers assigned to regular runs will start and finish at the same terminal.

(c) Daily guarantees will apply.

If the Joint Council 7 Negotiating Committee and the Employer by mutual agreement may establish additional starting times to meet the Employers operational needs.

Section 7. (as to full-time employees) [NO CHANGE]

Section 8. Rotation-Saturday, Sunday, Holidays
[NO CHANGE]

Section 9. JC 7-Full-time Employees [NO CHANGE]

Section 10. Part-Time Employees

- A. The part-time provisions in the Pick-Up and Delivery Operational Supplement shall apply except the 40-hour guarantee included in the Pick-Up and Delivery Operational Supplement or if inconsistent with the following provisions that shall apply to part time employees.

A.M. Loader/Dock

Three (3) start times between 4 A.M. and 7 A.M. every half hour seven (7) days a week. An additional start time on Saturday may be between 4 A.M. and 10 A.M. on the hour or half hour. No part time drivers on weekends or holidays, unless full-time employees have been offered and refused the work.

P.M. Loaders/Dock

Three (3) start times between 2 P.M. and 6 P.M. every half hour seven (7) days a week. One hundred percent (100%) of all full-time employees covered by this Local Rider as of the date of ratification will be red-circled by name. The employer shall not utilize part-time p.m. drivers at a station while any red-circled employee assigned to that station is on layoff. The number of part time employees allowed to drive will not exceed 15% of routes scheduled to be run on the given day at that facility. No part time drivers on weekends or holidays, unless full-time employees have been offered and refused the work.

All Part Time Employees

Monday through Friday work week.

Saturday, Sunday and Holidays paid at time and one half (1 1/2) of hourly rate. Saturday, Sunday and holiday premium work shall be rotated.

Part-time employees shall be paid overtime for all hours worked in excess of five (5) hours in any one day at the rate of time and one-half (1 1/2) the regular hourly rate.

Part time employees may convert to drivers on a daily basis, by seniority, provided that all full time employees have been offered work. If a part time employee works as a full time driver they shall receive the appropriate drivers wage for that day. The full time 8-hour guarantee includes the time spent doing part time work.

When filling full time positions, part time employees shall be offered these full time positions by seniority. The part time employees will remain on the part time seniority list for the first thirty (30) working days as a fulltime employee. After the thirty first (31st) working day, the employee shall be placed on the full time seniority list. The employee awarded said bid would be

a new full time employee for all purposes except they shall retain their Company seniority for the purposes of fringe benefits and any wage progression. They shall be placed at the bottom of the appropriate full time seniority list.

Any employees working thirty (30) days in any ninety (90) day period shall be placed on the part time seniority roster, except during the period of October 31st through December 31st.

Full-time employees on lay-off for more than four (4) consecutive days may bump up to two more junior part-time employees and fill the part time shift(s). Employees will perform such work at their current rate of pay. A laid off full-time employee will be permitted to return to a full-time status (active or on layoff) upon five (5) days notice to the Employer.

Part timers scheduled for work shall be guaranteed three (3) hours of work.

Current part time employees will be offered the opportunity for a full time position. Those part time employees who do not accept a full time position will be red-circled and will continue to receive the same wage and fringe benefits they currently enjoy.

No back to back or split shifts except as set forth in this Section 10.

In the event that the Employer creates multiple part-time classifications, part time employees will be allowed to utilize seniority to bid into a desired classification.

The Company will continue to maintain one (1) full time dock/driver position at the ~~Sunnyvale, San Jose, Oakland~~ **Fremont** and San Francisco facilities for such period of time it is operating in those facilities.

If a part time employee makes any delivery he shall be entitled to an eight (8) hour guarantee for the day.

The Company shall provide stewards daily a list of part-time drivers and all routes run that day.

ARTICLE 34. SICK LEAVE

This Article applies to part-time employees on the seniority list on the date of ratification of this Agreement and all full-time employees.

Section 1.

Effective April 1, 1982, all employees shall receive eleven (11) days of sick leave with pay each year commencing with the first day of illness, provided however to receive sick leave pay for the first day of illness, notice of intended

absence shall be given to DHL at least one (1) hour before starting time and provided DHL has a representative available to receive such notice. Employees shall be eligible for sick leave on a prorated basis after four (4) months of service with DHL retroactive to the date of employment. Employees shall accumulate a maximum of eleven (11) days of unused sick leave per year, not to exceed twenty (20) days of such paid sick leave.

Employees hired after date of ratification of the 1985-88 Agreement shall receive ~~six~~nine (6~~9~~9) days of sick leave each year, effective April 1, 1991. Such employees shall be entitled to accrue and use sick leave in accordance with conditions contained in this Article. Sick leave pay is payable for days falling within the work week only. The parties agree that discipline for absenteeism will be applied in an equal manner. Two-tiered sick leave does not automatically warrant two-tiered discipline. **TA**

Section 2. [NO CHANGE]

Section 3. [NO CHANGE]

Section 4. [NO CHANGE]

Section 5. [NO CHANGE]

Letter of Understanding [NO CHANGE]

ARTICLE 35. HOLIDAYS

Section 1.

The following days shall be observed:

New Year's Day; ~~President's Day~~; Memorial Day; Fourth of July; Labor Day; Thanksgiving Day; Day after Thanksgiving; Day before Christmas; Christmas Day; Employee's Birthday; Employee's Anniversary Date; Personal Holiday (see Note).

Employees qualifying for holiday pay shall receive eight (8) hours straight time pay even though no work is performed, regardless of the day of the week on which the holiday may fall. If any one of the above mentioned paid holidays falls on Sunday, the following Monday shall be observed as a holiday. Holidays are paid for at straight time if no work is performed.

Any employee who reports for work and is put to work thirteen (13) days in the calendar month shall be entitled to any paid holiday which occurs during that month. Paid holidays, paid vacation and sick leave shall be counted as days worked for the purpose of this Section.

Holiday pay shall be based on the highest classification of pay earned by the employee for thirteen (13) days or more in the calendar month in which the holiday falls.

NOTE: **Personal Holiday**

The following rules are applicable to the additional paid Personal Holiday effective April 1, 1980:

- (a) An employee may choose any day of his/her preference for his/her personal holiday by giving the Employer at least ~~15~~ten (10) calendar days written notice prior to the day chosen. **TA**
- (b) DHL will grant the employee the day of his/her choice as his/her personal holiday, unless an excessive number of employees have chosen the same day and granting all the requests would affect DHL's operation. In that event DHL may deny the request for the day chosen and the employee may request an alternate date.
- (c) An Employee off due to illness or on the job injury shall have the right to carry over his/her personal holiday (floater).

New part-time employees shall receive paid holidays prorated based on the average number of hours worked in the two weeks before the holiday. They will not receive any vacation or paid sick days.

Section 2. [NO CHANGE]

ARTICLE 36. VACATIONS-Full-Time Employees [NO CHANGE]

ARTICLE 37. PENSIONS

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

The first pension increase in 2013 will be effective January 1, 2014. The employer is obligated to pay \$1.00 per hour for each employee each year of the contract for Health and Welfare and Pension. The Health and Welfare obligation is to be paid first, with the balance of the money going to pension. If the Health and Welfare costs increase and exceed \$1.00 per hour for each employee of each year, then maintenance of benefits will apply with no additional increase to pension for that year. The pension contributions in each Local Union will vary due to the diversion of new pension contributions to cover the cost of Retiree Health and Welfare benefits.

At least 60 days before any unit-wide wage increase is to become effective as scheduled under this Agreement, the Union may provide written notice to the Employer that such unit-wide wage increase shall instead be irrevocably paid as additional contributions to the Western Conference of Teamsters Pension Trust.

ARTICLE 38. TEAMSTERS SUPPLEMENTAL BENEFIT TRUST FUND [AS MODIFIED BY THE TERMS OF THE NATIONAL ECONOMIC TA]

ARTICLE 39. MISCELLANEOUS PROVISIONS

Section 1. Pay Periods [NO CHANGE]

Section 2. Uniforms [NO CHANGE]

Section 3. Protective Clothing [NO CHANGE]

Section 4. Incapacitated Drivers [NO CHANGE]

Section 5. Funeral Leave

This Section 5 applies to part-time employees on the seniority list on the date of ratification of this Agreement and all full-time employees.

In the event of a death in the family, a regular employee shall be entitled to a maximum of three (3) days off with pay to attend the funeral or memorial/celebration of life service, subject to the following provisions:

- (a) The relatives designated shall include father, mother, wife, husband, brother, sister, daughter, son, brothers and sisters having one (1) parent in common, and those relationships generally called Steps providing persons in such relationships have lived or have been raised in the family home and have continued an active family relationship.
- (b) To be eligible for ~~funeral~~ the leave, the employee must attend, or make a bona fide effort to attend the funeral or memorial/celebration of life service.
- (c) Pay for compensable ~~funeral~~ leave under this section shall be for eight (8) hours at the straight-time hourly rate.
- (d) ~~Funeral~~ The leave is not compensable when the employee is on leave of absence, vacation, bona fide layoff or for days falling outside the employee's regular week.
- (e) When it is necessary to travel in excess of 350 miles to attend a qualifying funeral or memorial/celebration of life service, the day following the funeral may be included as one (1) of the three (3) days paid ~~funeral~~ leave and in addition the employee is eligible for one (1) additional day of non paid leave.

Section 6. Company Rules [NO CHANGE]

Section 7. Customer Supplies

The Employer may centralize the consolidation and reconciliation of customer supplies at a location outside of the jurisdiction covered by this agreement. However, to the extent that these functions are returned to the jurisdiction, they will be returned to the bargaining unit employees. Further, the pick-up and delivery or other driving of the supplies within the jurisdiction remains bargaining unit work.

ARTICLE 40 [NO CHANGE]

ARTICLE 41. HEALTH AND WELFARE COVERING LOCALS 70,490

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

The first pension increase in 2013 will be effective January 1, 2014. The employer is obligated to pay \$1.00 per hour for each employee each year of the contract for Health and Welfare and Pension. The Health and Welfare obligation is to be paid first, with the balance of the money going to pension. If the Health and Welfare costs increase and exceed \$1.00 per hour for each employee of each year, then maintenance of benefits will apply with no additional increase to pension for that year. The pension contributions in each Local Union will vary due to the diversion of new pension contributions to cover the cost of Retiree Health and Welfare benefits.

ARTICLE 42. TERMINATION CLAUSE

The terms of this Joint Council No. 7 Supplemental Agreement shall be adhered to when there is conflicting language with the National Agreement. This Supplemental Agreement shall prevail over the provisions of the National Agreement and the Pick-Up and Delivery Operational Supplement with the exception of Article 4 Subcontracting and Work Preservation and Article 9 Scope and Assignment of Unit Work.

~~NOTE: Parties agree to the application of the Subcontracting provision in the Pick-Up and Delivery Operational Supplement with the exception that the bargaining unit will continue to perform the centralization and reconciliation of customer supplies and Section 5 of that Article does not apply.~~

LOCAL 2785 SIDE LETTER

Notwithstanding the provision set forth in Article 37 requiring the Local Unions to follow the allocation for the \$1.00 per hour per year pension and health and welfare contribution increase by the Western Area Supplemental Negotiating Committee, Local 2785~~85~~ shall have the right to allocate the \$1.00 between the pension, health and welfare and supplemental benefit trust. Local 2785~~85~~ will provide notice to the Company of the allocation at the same time that the Company receives notification from the other JC 7 Local Unions of the Western States allocation.

In additional to the pension and health and welfare increases set forth in the National Economic TA, the Company agrees to additional pension contribution for employees covered by the Local 2785 pension and health and welfare plans:

January 1, 2014 - \$0.15

January 1, 2015 - \$0.15

January 1, 2016 - \$0.15

January 1, 2017 - \$0.15