

LOCAL 355 PICK-UP AND DELIVERY SIDE LETTER TENTATIVE AGREEMENT

For the Period of
~~April 1, 2017~~
Through
~~March 31, 2022~~

The following proposals utilize strikethrough formatting to show language from the current Agreement that the Parties agree to remove and underlined to show language the Parties agree to add.

ARTICLE 23. SCOPE AND ASSIGNMENT OF UNIT WORK

[No Chang - TA]

ARTICLE 24. JOB BIDDING AND FILLING OF VACANCIES [TA]

Section .1. General Bid — Full-Time Couriers/Driven.

[No Change - TA]

Section 2. — Split Shifts

~~Split shift driver/warehousemen employees are those people with a guaranteed shift of eight hours split into two (2) periods by an unpaid break not to exceed four (4) hours. A split shift will be scheduled for no less than three (3) hours or more than five (5) hours in each period. The Company will change two (2) split shift employees to full time (8 consecutive hours) each year of the contract.~~

ARTICLE 25. USE OF AND PERFORMANCE OF BARGAINING UNIT WORK BY PERSONNEL OTHER THAN FULL-TIME SENIORITY EMPLOYEES

[No Change - TA]

ARTICLE 26. HOURS OF WORK, WORK DAY, WORK WEEK, OVERTIME, AND SCHEDULING [TA]

Eight (8) or Ten (10) consecutive hours shall constitute a basic work day in any one twenty-four (24) hour period. Forty (40) hours, five (5) consecutive days (Monday through Saturday), or four (4) consecutive or non-consecutive ten (10) hour days (Monday through Saturday) shall constitute a basic work week, No more than sixty percent (60%) of the bid routes shall be 4x10 shifts. (The Company can increase that percentage to 75% provided that it maintains at least thirteen (13) 5x8 shifts.)

New limited Full-Time driving bids covering weekends:

Pursuant to Article 14 of the Pick Up and Delivery Operational Supplement Effective [March 6, 2018](#) ~~on the date of Ratification of the new agreement~~, the Company can use up to 10% (partial fractions shall be rounded down if less than or equal to .500 and up if more than .500) of the full-time bidded positions for Sunday work, however such bids shall be for either four (4) by ten (10) (consecutive or non-consecutive) or five (5) - 8 hour consecutive days and require two (2) consecutive days off. (These are referred to as “weekend bidded positions” and include a Sunday scheduled day. For example, a five (5) by eight (8) shift with either Thursday-Monday work and Tuesday-Wednesday off or a four (4) by ten (10) shift with Tuesday, Wednesday and Friday off.) Only additional full-time bidded positions above the number of red-circled bidded full-time positions in place as of the date of ratification on a station by station basis created through growth

can be used to make up the 10%. Furthermore, if the total number of full-time non-Sunday bidded positions drops below the red-circled number of bidded full-time positions at a station (“red-circled by number”), the Company shall be prohibited from using any of the weekend bidded positions at that station.

In the event the employer increases the number of full-time non-Sunday bidded positions by 5% (from ~~March 6, 2018~~ ~~the date of ratification~~) at any location and maintains that level for more than .30 consecutive days, and so long as it is maintained, it may add an additional 5% (total 15% partial fractions shall be rounded down if less than or equal to 300 and up if more than .500) to the number of full-time weekend bidded positions.

If any full-timer working a bid covering a weekend day is not available on his normal weekend shift, the Saturday shift shall first be offered to regular non-Sunday full time employees who were guaranteed 40 straight time hours work opportunity but who did not avail themselves of such opportunity and were not compensated, provided that such employee notifies management of his/her desire to work as a Saturday replacement employee by noon on Friday. Next the Company shall offer replacement opportunities to non-scheduled employees by strict seniority.

Any weekend work above and beyond the regular bids shall be offered in seniority order to regular drivers at applicable overtime rates.

Furthermore, employees on the full-time seniority list (including those holding open full-time positions) as of ~~March 6, 2018~~ ~~the date of ratification~~ shall not be required to work on weekend bidded position. However, to the extent that the Company adds additional non-Sunday bidded positions above the number of red circled full-time positions in order to offer non-Sunday bids to a red-circled employee(s), such additional positions(s) shall be an open position(s) notwithstanding any restriction regarding the percentage of such positions set forth in the Supplement or any Local Rider or Supplement. Also, part-time employees on the seniority list as of ~~March 6, 2018~~ ~~the date of ratification~~ shall not be required to accept a full-time weekend bid and may opt instead to remain in an available part-time position. Further, except during the period of Thanksgiving through Christmas, no employees on either the full-time or part-time seniority list as of the date of ratification will be forced to work a weekend shift.

All work performed by employees in excess of eight (8) hours in any one day (or ten (10) hours for employees working a 4x10 schedule) or in excess of forty (40) hours in any one work week shall be considered overtime and shall be paid for at the rate of one and one-half (1 1/2) times the normal straight time rate of pay. When an unassigned driver bidding a five (5) day schedule covers a daily absence for a 4x10 driver, he shall be entitled to overtime after eight (8) hours. When such a driver covers at entire week of vacation for a 4x10 driver, the 4x10 overtime provisions shall apply.

Overtime shall be paid at, the rate of double time (2x) for all hours worked in excess of twelve (12) hours in any one (1) day. ~~for employees working a 4x10 schedule.~~

Part-time employees shall be paid overtime for all hours worked in excess of five (5) hours in any one day and ~~thirty two~~ ~~twenty-five~~ (25~~32~~) in any one week at the rate of time and one-half (1 1/2) the regular hourly rate.

Each employee shall receive a lunch period of thirty (30) minutes between the third (3rd) and fifth (5th) hour of work.

Whenever any regular employee is ordered to report for work and does report at the time specified, he shall be guaranteed not less than eight (8) hours (or ten (10) hours for employees working a 4x10 schedule) earning opportunity on each date that he so reports, providing, however, that this guarantee shall not apply when the facility must close as a result of an act of God.

Emergency lay off: The Employer must notify employees as soon as possible of an emergency closing, but no later than their start time. Any employee at the station at their start time not notified of the closing is guaranteed four (4) hours. All available work will be offered in seniority order. If worked the employee is guaranteed eight (8) hours.

Whenever a part-time employee is ordered to report for work and does report at the time specified, he shall be guaranteed not less than four (4) hours earning opportunity on each day that he so reports, providing, however, that this guarantee shall not apply when the facility must close as a result of an act of God.

All work performed on the seventh (7th) consecutive work day (sixth (6th) consecutive work day for an employee working a 4x10 schedule) shall be paid for at two (2) times the normal straight time rate of pay for all hours worked, and the eight (8) hour (or ten (10) hour for employees working a 4x10 schedule) daily guarantee shall apply.

No employee covered by this Local Rider shall be required to work more than ten (10) hours in any one (1) shift once returned to the terminal, absent operational necessity occurring during peak season.

If there are insufficient cover drivers to handle a shift, the Company will first offer the shift to a red-circled laid off driver who has already qualified for a guaranteed forty hours that work week, and then in order of seniority to the 4x10 drivers off that day prior to the use of any other employee who is not regularly scheduled, except for weekend work as described above.

ARTICLE 27. ELIGIBILITY REQUIREMENTS FOR HOLIDAY PAY

[No Change - TA]

ARTICLE 28. DISCIPLINE AND DISCHARGE

[No Change - TA]

ARTICLE 29. JURY DUTY

[No Change - TA]

ARTICLE 30. FUNERAL LEAVE [TA]

Part-time employees ~~employed on or before the date of June 6, 2008~~ and all full-time employees shall receive three (3) days at no loss of pay in case of death of immediate family; spouse, mother, father, sister, brother, children, mother-in-law or father-in-law, grandfather, grandmother, spouses grandfather or grandmother. Funeral leave is, exclusive of Saturdays, Sundays, and holidays when not regular work days. The Company reserves the right to require satisfactory proof of death.

ARTICLE 31. HOLIDAYS [TA]

The following days of the year shall be considered paid holidays. If any of these days falls on a Sunday, the holiday shall be celebrated on Monday.

- | | |
|---------------------------|--|
| New Year's Day | Thanksgiving Day |
| Memorial Day | Friday after Thanksgiving |
| Fourth of July | Christmas Day |
| Labor Day | Martin Luther King Day |
| Personal Holiday (6 days) | |

Personal Holidays can be taken on seventy-two (72) hours, notice to the Employer and shall be during the twenty-four (24) hour period beginning with the normal starting time of the employee's regularly scheduled shift. The Company agrees to permit 5% of each shift, rounded up, to be on personal holiday at any one time except the period from the week after Thanksgiving through Christmas Day when the allowance will be 5%. AM shifts are defined as those shifts starting before noon and PM shifts are defined as those shifts starting afternoon. The Company will block out a period from Memorial Day to Labor Day for the granting of an additional Personal Day per shift at both the BWI and the TWN facilities.

All regular employees affected by this Agreement shall be permitted to observe the above holidays with pay of eight (8) hours for each holiday (or ten (10) hours for employees working a 4x10 schedule), regardless of the day of week in which the holiday occurs. Any unused personal holidays will be paid to the employee by the end of the January in the subsequent calendar year.

When casual employees have worked not less than three (3) days in any one holiday week, they shall be permitted to observe the holiday occurring with pay.

Whenever a holiday occurs in a work week, overtime shall be paid for after thirty-two (32) hours (or thirty (30) hours for employees working a 4x10 schedule) of straight time have been worked during such work week.

All work performed on holidays (12:01 A.M. to 12:00 midnight) shall be paid for at one and one-half (1 1/2) times the normal straight time rate of pay for all hours worked (the 8 hour guarantee shall apply), plus holiday pay as applicable.

New employees hired during the contract year will accrue personal Holidays according to the following agouti schedule:

- | | | |
|----------|--------|-----|
| JAN 1 - | MAY 15 | (6) |
| MAY 16 - | AUG 15 | (3) |
| AUG 15 - | DEC 31 | (1) |

Holiday pay for part-time employees hired after June 6, 2008 will be on a pro-rated basis, calculated by averaging the number of hours worked per week from the previous two (2) weeks.

ARTICLE 32. VACATIONS

[No Change - TA]

ARTICLE 33. SICK LEAVE [TA]

Effective January 1st and each January 1st thereafter, part-time employees employed on or before the date of June 6, 2008 and all full-time employees shall be entitled to six (6) days sick leave, up to a maximum of ~~thirty-six (36)~~seventy-two days. At the end of each year, the Company agrees to notify employees, (in writing) the total of unused sick days (if any) they are carrying, over to the following year. Once an employee receives written notice from the Company, they may elect to be paid off for unused sick days, up to a maximum of six (6) days.

Sick days are to be used for bonafide illnesses or injuries, and are not to be based as personal days.

New full-time employees shall receive 'a pro rata portion of sick days during their first contract year, based on the date they become full-time. For those hired between January 1 - March 1 (6 days), March 2 - May 1 (5 days), May 2 - July 1 (4 days), July 2 - September 1 (3 days), September 2 - November 1 (2 ciao), November 2 - December 31 (1 day).

ARTICLE 34. WAGES

The following full-time hourly rates shall apply:

	4/1/ 1722	4/1/ 1823	4/1/ 1924	4/1/ 2025	4/1/21
FT					
Drivers	\$ 28.89 <u>35.39*</u>	\$ 29.89 <u>36.64</u>	\$ 30.89 <u>37.64</u>	\$ 31.89 <u>38.64</u>	\$ 32.89

* Inclusive of COLA

For full-time employees hired after 11/16/03, they are subject to the full-time progression, which is:

Start	70% of FT Rate
After 6 months	75% of FT Rate
After 12 Months	80% of FT Rate
After 18 months	90% of PT Rate
After 24 months	100% of FT Rate

The following increases shall apply for existing part-time employees out of progression:

Effective 4/1/ 1722	\$ 0.50 <u>1.58*</u>
Effective 4/1/ 1823	\$ 0.50 <u>0.63</u>
Effective 4/1/ 1924	\$0.50
Effective 4/1/ 2025	\$0.50
Effective 4/1/21	\$0.50

* Inclusive of COLA

Rates of pay for part-time employees shall be as follows.

Part-time Driving Rate	
Start Rate	\$ 192 1.00
12 mos	\$ 201.05 00
24 mos	\$ 212 .00

All full-time employees required to start work between 3:00 P.M. and 7:00 A.M. as a regular shift shall receive \$0.05/hr, over and above their regular hourly rate, for all hours worked.

The above-listed wage rates do not include any cost of living allowance pursuant to 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 effective wage rates as appropriate.

Casual employees shall receive eighty-five percent (85%) of the applicable wage increase as contained in Article 19, Sections 1-3 of the DHL-Teamsters PUD Operational Supplement, by classification.

ARTICLE 35. PENSION

Pursuant to Article 20, Section 1 of the DHL – Teamsters Pick-Up and Delivery Operational Supplement, the Employer will contribute up to an additional one dollar (\$1.00) per hour per year per covered employee to be divided between the applicable Health and Welfare Fund and the Truck Drivers and Helpers Local Union No. 355 Pension Fund as determined by the Area Co-Chairs.

The COMPANY agrees that it will contribute to Truck Drivers and Helpers Local Union No. 355 Pension Fund established by an Agreement and Declaration of Trust for the purpose of providing Pension Retirement benefits for the employees of the Company in the bargaining unit covered by this Local Rider, as hereinafter provided. The Company agrees that the Agreement and Declaration of Trust and the rules and regulations governing the administration of said Fund shall be incorporated by reference hereto.

Effective November 16, 20~~17~~22, and on November 16 of each subsequent contract year through November 16, 202~~15~~15, the weekly contribution for regular employees shall be an amount established by the Area Co-Chairs, subject to the contribution increase cap set forth in Article 20, Section .1 of the DHL-Teamsters PUD Operational Supplement, up to but not in excess of forty (40) hours per week.

Early Retirement penalty at 0% for each contribution year through 2012.

The COMPANY shall pay the agreed upon contributions on time to meet the requirements of the Retirement Pension Fund in order for the employee to be eligible for the agreed upon benefits.

The COMPANY agrees to allow its employees to participate in the Teamster National 401().

ARTICLE 36. HEALTH & WELFARE

Pursuant to Article 20, Section 1 of the DHL – Teamsters Pick-Up and Delivery Operational Supplement, the Employer will contribute up to an additional one dollar (\$1.00) per hour per year per covered full-time employee to be divided between the applicable Health and Welfare Fund and

the Truck Drivers and Helpers Local Union No. 355 Pension Fund as determined by the Area Co-Chairs.

Effective August 1, 20~~19~~22, the Employer shall allocate up to an additional \$.~~50~~25 per hour to cover Health and Welfare contribution increases to Taft-Hartley multi-employer plans in the event that the otherwise allocated \$1.00 per hour referenced in Articles 20 and 21 of the PUD Operational Supplement is insufficient to cover required increases in pension and health and welfare contribution rates necessary to maintain existing health and welfare benefit levels. In the event that the applicable health and welfare fund contribution increase in the benefit year beginning August 1, 20~~19~~22, combined with any required pension contribution rate increase in that year, is less than \$1.~~50~~25 per hour, the unused portion of the additional \$.~~50~~25 per hour shall be banked for use, if necessary, to fund health and welfare increases in the benefit years beginning August 1, 20~~20~~23, and/or August 1, 20~~21~~24.

Effective August 1, 20~~21~~24, the Employer shall allocate up to an additional \$.~~24~~50 per hour to cover Health and Welfare contribution increases to Taft-Hartley multi-employer plans in the event that the otherwise allocated \$1.00 per hour referenced in Articles 20 and 21 of the PUD Operational Supplement, combined with any remaining portion of the additional \$.~~50~~25 allocated on August 1, 20~~19~~22, and referenced in the previous paragraph, are insufficient to cover required increases in pension and health and welfare contribution rates necessary to maintain existing health and welfare benefit levels during that year.

The Company agrees to the establishment and maintenance of a Health and Welfare Fund for the purpose of providing life, health and accident insurance, medical care and hospitalization benefits for the employees of the Company who are in the bargaining unit represented by Local Union No. 355.

The Board of Trustees shall consist of two (2) persons who shall be elected annually, one by a majority of the companies contributing to the Health and Welfare Fund who are present at the annual meeting called for the purpose of electing an Employer Trustee and one to be elected by the Union. In the event a majority of the companies and the Union agree, the number of Trustees may be increased to four (4), two (2) of whom shall be elected by a majority of the companies and two (2) of whom shall be elected by the Union. The Trustees shall have the power from time to time to define the terms "employees" and "dependants" as referred to in this Local Rider.

Effective November 16, 20~~17~~22, and on November of each subsequent contract year through November 16, 2021, the weekly contribution for regular full-time employees shall be in an amount established by the Area Co-Chairs, subject to the contribution increase cap set forth in Article 20, Section 1 of the DHL-Teamsters PUP Operational Supplement, up to but not in excess of fifty (50) hours per week.

Payments by the COMPANY into the Fund shall not be deemed wages due to: the employee and no individual employee shall have any right, title or interest in or claim against such payments, the Fund or the Company on account thereof, except as may be provided for in said Agreement and Declaration of Trust or by the rules and regulations governing the Fund duly adopted by the Trustees.

After payment into the Fund, as aforesaid, the COMPANY shall have no right title or interest in the Fund. The Union shall have no right, title or interest in the Fund. The payments made into the

Fund and the Fund itself shall vest in the Board of Trustees and the Fund shall not be diverted or applied in any degree whatsoever (except for the payment of reasonable and necessary expenses incident thereto), to any purpose other than the procurement or payment of benefits by the Trustees as provided in said Agreement and Declaration of Trust, and the Trustees shall have the full power to demand, receive, collect and sue for any monies due thereto.

The Trustee shall have full power to designate the benefits hereunder and to fix the date on which such benefits shall become effective. The Trustees shall have full power to establish, increase and decrease from time to time reserves for the Fund and shall meet as often as they deem necessary to determine the amount, purpose and manner of use of such reserve& If the additional cost of maintaining all levels of benefits exceeds the funding increase available: in any year, the Employer and local Union will meet to determine if benefit levels should be adjusted or employees will be required to participate in paying for the premium necessary to continue the existing level of benefits.

The COMPANY shall pay the agreed upon contributions on time to meet: the requirements of the Health and Welfare Plan, in order for the employee to be eligible for the agreed upon benefits.

Participation in Local 355 Health and Welfare Plan limited to full-time employees. Part-time employees will be eligible to fully-funded DHL medical insurance under the Well Choice or Well Select plans.

ARTICLE 37. DURATION

[No Change - TA]

ARTICLE 38 INSOURCING.

[No Change - TA]

AM RAMP OPERATION SIDE LETTER

For the duration of the 2022 Agreement, the Company guarantees to utilize at least four (4) full time drivers to staff the AM Ramp Operations.