

SUMMARY OF TENTATIVE LOCAL 407 OFFICE CLERICAL LOCAL RIDER

For the Period of
~~January 26, 2020~~ April 1, 2022 Through ~~March 31, 2022~~ March 31, 2026

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, and LOCAL UNION 455, affiliated with THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (hereinafter “Union” or “Local 455”). 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 Office Clerical Operational Supplement, hereinafter referred to as the “Operational Supplement”, for the period commencing April 1, ~~2017~~ 2022 through March 31, ~~2022~~ 2026. This Local Rider shall not become effective unless and until it is ratified by the Employer’s clerical employees represented by Local 455 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). T/A

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 clerical employees represented by Local 455.

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 21. EXPANSION OF OPERATIONS

[TA - NO CHANGE]

ARTICLE 22. PROBATIONARY EMPLOYEES

[TA - NO CHANGE]

ARTICLE 23. AIRPORT SECURITY

[TA - NO CHANGE]

ARTICLE 24. SENIORITY AND LOCAL WORK RULES

[TA - NO CHANGE]

ARTICLE 25. PAY FOR TRAINING

[TA - NO CHANGE]

ARTICLE 26. GENERAL PROVISIONS

[TA - NO CHANGE]

ARTICLE 27. WORK WEEK AND GUARANTEES

[TA - NO CHANGE]

ARTICLE 28. PART-TIME AND CASUAL EMPLOYEES

[TA - NO CHANGE]

ARTICLE 29. MEAL PERIODS

[TA - NO CHANGE]

ARTICLE 30. SICK LEAVE

[TA - NO CHANGE]

ARTICLE 31. FUNERAL

In the event of the death of a member of an employee’s “immediate family,” a regular employee shall be entitled up to a maximum of two additional unpaid days of leave if the funeral is out of state. The term “immediate family” will be as defined in the National Agreement. Employees taking leave must attend the funeral and present proof on demand.

~~Bereavement Leave shall only be available to part-time employees employed on or before June 6, 2008 and all full-time employees. T/A~~

ARTICLE 32. HOLIDAYS

A. All regular employees who have been on the payroll of the Employer at least forty-five (45) days shall receive pay for holidays named below regardless of which day of the week the holiday falls. In order to be entitled to holiday pay, an employee must work his/her regularly scheduled work day immediately preceding the recognized holiday or 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. Each eligible employee shall be paid for the holidays set forth below, based on his/her bid shift guarantee, and/or in accordance with ~~subsection (G) of this Article~~Article 25, Section 3 of the National Master Agreement: New Year’s Day; MLK Day; Memorial Day; Fourth of July; Labor Day; Thanksgiving Day; Christmas Day;

Employee’s Birthday; Employee’s Anniversary; and five (5) Personal Holidays. T/A

B. *[TA - NO CHANGE]*

C. *[TA - NO CHANGE]*

D. *[TA - NO CHANGE]*

F. *[TA - NO CHANGE]*

~~G. Any part-time employee hired on or after June 6, 2008 shall be paid pro-rated holiday pay based on the hours worked the two weeks prior to the holiday. T/A~~

ARTICLE 33. VACATIONS

[TA - NO CHANGE]

ARTICLE 34. PENSION

Section 1. Employer Contribution

Pursuant to Article 20, Section 1 of the DHL - Teamsters Office Clerical Operational Supplement, the Employer will contribute up to one dollar (\$1.00) per hour per year per covered employee to be divided between the WESTERN CONFERENCE OF TEAMSTERS PENSION TRUST FUND and the WESTERN TEAMSTERS WELFARE TRUST as determined by the Area Co-Chairs.

The Employer agrees to remit these moneys to the appropriate area administrative office by the date designated by that office, and

moneys received after that date shall be considered delinquent.

Effective August 1, ~~2017~~2022, and on August 1 of each subsequent contact year through August 1, ~~2021~~2025, the Employer shall contribute to the Western Conference of Teamsters Pension Trust for each regular, full time, part time, probationary and casual employee covered by this Local Rider, in a sum as determined by the Area Co-Chairs in accordance with Article 20, Section 1 of the DHL - Teamsters Office Clerical Operational Supplement and subject to the contribution increase cap set forth in that article and section. Contributions shall be remitted on the first two thousand eighty (2,080) hours of compensation earned during a calendar year. T/A

The Employer shall have no obligation to remit contributions on behalf of any employee based on compensation an employee receives in the form of a cash out of accrued benefits that are paid after the date the employee terminates his/her employment for any reason.

The Area Co-Chairs in accordance with Article 20, Section 1 of the DHL - Teamsters Office Clerical Operational Supplement shall allocate the above pension contributions between:

- (1) basic Plan of Benefits and;
- (2) the Program for Enhanced Early Retirement (PEER 80 = 16.5%)

The contribution hourly rate to the basic Plan of Benefits may be increased annually at the direction of the Area Co-Chairs pursuant to Article 20, Section 1 of the DHL - Teamsters Office Clerical Operational

Supplement, subject to the contribution increase cap set forth in that article and section. In such event, the contribution to the PEER will be increased so that the PEER contribution equals 16.5% of the new total contribution to the basic plan.

In those Area Supplements and Local Riders where the Employer is required to participate in the Western Conference of Teamsters Pension Trust, if the increase in applicable Health and Welfare contribution rates in the benefit years beginning August 1, ~~2019~~2024; ~~August 1, 2020;~~ or August 1, ~~2021~~2025, is \$.75 per hour or more, the Local Union shall have the option to designate up to \$.25 per hour (or the maximum amount remaining in the additional ~~\$.50—25~~ allocations set forth above, whichever is less) to fund additional pension contributions during that year. T/A

The contributions required to provide the Program for Enhanced Early Retirement Program, are not taken into consideration for benefits accrual purposes under the basic plan. If the Bargaining Unit ceased participation in the Program For Enhanced Early Retirement, such Bargaining Unit will be ineligible to participate in the basic plan.

If an employee is granted a leave of absence, the Employer shall collect from said employee, prior to the leave of absence being effective, sufficient moneys to pay the required contributions into the Pension Fund during the period of absence. However, the acceptance of such moneys is at the sole discretion of the Board of Trustees.

ARTICLE 35. HEALTH AND WELFARE

Section 1. Employer Contribution

Pursuant to Article 19, Section 1 of the DHL - Teamsters Office Clerical Operational

Supplement, the Employer will contribute up to one dollar (\$1.00) per hour per year per covered employee to be divided between the WESTERN CONFERENCE OF TEAMSTERS PENSION TRUST FUND and the WESTERN TEAMSTERS WELFARE TRUST as determined by the Area Co-Chairs.

The health and welfare fund portion of the increase provided for in Article 19, Section 1 of the DHL - Teamsters Office Clerical Operational Supplement shall be allocated between the Western Teamsters Welfare Trust Health and Welfare Fund, VEBA, and the Teamsters Supplemental Benefit Trust fund as directed by the Area Co-Chairs.

The Employer shall make monthly contributions to the Health and Welfare Trust as provided in this section.

(a) Regular employees -and casuals- for each regular active employee and each casual who received sixty (60) hours of compensation or more (or the equivalent for those paid on a mileage basis) in the previous month.

(b) Benefit Eligibility

(1) Regular employees hired prior to 4-1-2003 shall be eligible for benefits in the second month following the month in which the employee had a contribution paid on his/her behalf As an example; Employer contributions paid in April will determine eligibility in June and contributions paid in May will determine eligibility in July and continuing in this manner thereafter. This method of determining eligibility for benefits will establish a two (2) month lag period for eligibility purposes only and will not result in a lag or interruption of benefit entitlement.

(2) Regular employees hired after 4-1-2003 shall be eligible for benefits in the month following the second month in which contributions were paid on his/her behalf and shall continue in this manner thereafter as described in (1) above. This method of determining eligibility will establish a two (2) month lag period for eligibility purposes only.

Western Teamsters Welfare Trust Health and Welfare Contributions

(a) Regular Employees: Effective August 1, ~~2017~~2022, and on August 1 of each remaining contract year through August 1, ~~2021~~2025, the contribution amounts for regular employees shall be increased by the amount directed by and allocated in accordance with the decision of the Area Co-Chairs pursuant to Article 19, Section I of the DHL - Teamsters Office Clerical Operational Supplement, subject to the contribution increase cap set forth in that article and section.

Effective August 1, ~~2019~~2022, the Employer shall allocate up to an additional ~~\$.5025~~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 19 and 20 of the Office Clerical 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, ~~2019~~2022, combined with any required pension contribution rate increase in that year, is less than **\$1.5025**per hour, the unused portion of the additional ~~\$.5025~~per hour shall be banked for use, if necessary, to fund health and welfare increases in the benefit years beginning

August 1, ~~2020~~2023, August 1, 2024, and/or August 1, ~~2024~~2025. Alternatively, in those Area Supplements and Local Riders where the Employer is required to participate in the Western Conference of Teamsters Pension Trust, but the Health and Welfare Trust does not need the entire supplemental contribution to fund health and welfare contribution increases, the Local Union may direct the remaining portion of the \$.25 supplemental contribution to the pension fund. **T/A**

Effective August 1, ~~2021~~2024, the Employer shall allocate up to an additional ~~\$.50~~**\$.5025** 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 19 and 20 of the Office Clerical Operational Supplement, combined with any remaining portion of the additional ~~\$.50~~**\$.5025** allocated on August 1, ~~2019~~2022, 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. In the event that the applicable health and welfare fund contribution increase in the benefit year beginning August 1, 2024, combined with any required pension contribution rate increase in that year, is less than \$1.50 per hour, the unused portion of the additional \$.25 per hour shall be banked for use, if necessary, to fund health and welfare increases in the benefit year beginning August 1, 2025. **T/A**

(b) Casual Employees

Contributions for casuals used on a four (4) or five (5) hour basis shall be paid at one-half (11/2) the amount of the above daily rate.

VEBA CONTRIBUTIONS

Regular Employees: Effective August 1, ~~2013~~2022, and on August 1 of each remaining contract year through August 1, ~~2016~~2025, the contribution amounts for regular employees shall be increased by the amount directed by and allocated in accordance with the decision of the Area Co-Chairs pursuant to Article 19, Section 1 of the DHL - Teamsters Office Clerical Operational Supplement, subject to the contribution increase cap set forth in that article and section. **T/A**

Per Hour

Casual Employees

Per Hour

Contributions provided herein may be adjusted annually at the direction of the Area Co-Chairs pursuant to Article 19, Section 1 of the DHL - Teamsters Office Clerical Operational Supplement.

(c) . ***[TA - NO CHANGE]***

(d) ***[TA - NO CHANGE]***

Section 2. Eligibility and Benefits

Per Hour

Per Month

. ***[TA - NO CHANGE]***

Section 3. Voluntary Employee Benefit Association (VEBA)

[TA - NO CHANGE]

Section 4. Delinquent Contributions

[TA - NO CHANGE]

[TA - NO CHANGE]

Section 5. Payments during Period of Absence

[TA - NO CHANGE]

Section 6. Disputes

[TA - NO CHANGE]

Section 7. Changes in the Health and Welfare Program

[TA - NO CHANGE]

Section 9. Payroll Audits

[TA - NO CHANGE]

ARTICLE 36. MISCELLANEOUS

Section 1. Services Not Provided

[TA - NO CHANGE]

Section 2. Payroll Deduction

[TA - NO CHANGE]

Section 3. Claim Checks

[TA - NO CHANGE]

[NEW] Section 4. DRIVE

The Employer agrees to deduct from the paycheck of all Employees covered by this Agreement voluntary contributions to DRIVE. DRIVE shall notify the Employer of the amounts designated by each contributing Employee that are to be deducted from his/her paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the Employee earned a wage. The Employer shall transmit to DRIVE National Headquarters on a monthly basis, in one check, the total amount deducted along with the name of each Employee on whose behalf a deduction is made, the Employee's Social Security number and the amount deducted from that Employee's paycheck. The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer's actual cost for the expenses incurred in administering the weekly payroll deduction plan. T/A

ARTICLE 37. CAUSE FOR DISCHARGE AND SUSPENSION

[TA - NO CHANGE]

ARTICLE 38. DURATION

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this ____ day of ____.

APPENDIX “A” Wage Rates

12-24 months	75%
24-36 months	80%
36-48 months	85%

[TA as shown below:]

The following increases for full-time employees who have completed the new-hire progression (and who were on the active seniority list as of June 6, 2008) shall take effect on the dates shown:

At 48 months, employees go to 100% of rate in effect as of that date. Applies to all full-time employees in current progression as well as future full-time hires.

Rates of pay for part-time employees in the new-hire progression or hired after April 1, 2017 shall be as follows.

<u>Effective dates</u>	<u>Hourly Increase</u>
April 1, 2017 2022	\$1.00 2.50 (inclusive of COLA)
April 1, 2018 2023	\$1.00 1.25
April 1, 2019 2024	\$1.00
April 1, 2020 2025	\$1.00
April 1, 2021	\$1.00

Start Rate

~~\$15.50~~19.0

0

12 mos

~~\$16.00~~19.5

0

24 mos

~~\$16.50~~20.0

0

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

The term “current rate” is the applicable hourly rate of pay for the job classification.

Except where expressly noted, 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 then effective wage rates as appropriate.

T/A

The above rates shall not apply to casual employees. The casual starting rate shall be ~~\$13.70~~16.25. Casual employees shall receive eighty-five percent (85%) of the above-listed full-time wage increases by classification, which shall take effect on the dates shown above

Any employee who works a scheduled full-time split shift position shall receive a split-shift differential of \$1.00 per hour for all

<u>Effective dates</u>	<u>Hourly Increase</u>
April 1, 2017 2022	\$0.50 1.58 (inclusive of COLA)
April 1, 2018 2023	\$0.50 63
April 1, 2019 2024	\$0.50
April 1, 2020 2025	\$0.50
April 1, 2021	\$0.50

* An employee out of progression will receive the greater of either the above \$1.58 increase or an hourly rate of \$20.00. T/A

New Hire Rates

Rates for full-time new hires and any employee who has not completed the progression (current fulltime or current part-time) will be based on percentage of the current rate:

Progression:

Months of service from Hire Date	
0-12 months	70%

hours worked, including compensatory hours (sick, holiday, and vacation).

Any employee working as a Lead Agent shall receive a Lead Agent premium of one dollar (\$1.00) per hour paid up to a maximum of 40 hours per week for all compensatory hours in a week, to include sick, holiday, and vacation. T/A

APPENDIX “B” Letters of Understanding No. 1

[TA - NO CHANGE]

**APPENDIX “C” SIDE LETTER:
ATTENDANCE AND WORK RULES**

[TA - NO CHANGE]

WORK RULES

[TA - NO CHANGE]