

Pittsburgh Pick-up and Delivery Local Rider
Effective
April 1, 2008 to March 31, 2013

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 (hereinafter “TDHLNNC”), and LOCAL UNION 249, AFFILIATED WITH THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (hereinafter “Union” or “Local 249”). 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 Pick-up and Delivery Operational Supplement, hereinafter referred to as the “Operational Supplement,” for the period commencing April 1, 2008 through March 31, 2013. This Local Rider shall not become effective unless and until it is ratified by the Employer’s pick-up and delivery employees represented by Local 249 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 pick-up and delivery employees represented by Local 249.

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 22. SCOPE OF AGREEMENT

Section 1. Operations Covered

The execution of this Pittsburgh Local Rider Agreement on the part of the Employer shall cover all pick up and delivery operations of the Employer performed entirely within the geographic jurisdiction of Local 249.

Section 2. Employees Covered

Employees covered by this Agreement shall be construed to mean any driver or driver-helper operating any vehicle for the purpose of performing the work described in this Agreement. The term “employee” also includes all employees used in dock work, checking, stacking, loading, unloading, handling, shipping, receiving, assembling, and allied work.

ARTICLE 23. UNION SHOP AND DUES

Section 1.

A. The parties agree that these new hire provisions are not to be used to eliminate or subterfuge the employment of additional employees (i.e., the flooding of probationary new hires to keep from allowing these employees to gain seniority.) Disputes over this section shall be subject to the grievance procedure.

B. New Entry Rates (Effective April 1, 2008).

Effective April 1, 2008, all regular employees hired on or after that date shall receive the following hourly and/or mileage rates of pay:

- (a) Effective first (1st) day of employment - 75% of the current rate.
- (b) Effective first (1st) day of employment plus one year - 80% of the current rate.
- (c) Effective first (1st) day of employment plus eighteen (18) months - 90% of the current rate.
- (d) Effective first (1st) day of employment plus two (2) years - 100% of the current rate.

Annual wage increases set forth in the Pick-Up and Delivery Supplement shall be added to the top rate.

Section 2. Definitions

Casual/Extra Employees

A monthly list of all casual and/or probationary employees used during the month shall be submitted to the Local Union by the tenth (10th) day of the following month. Such list shall include:

- (a) the employee's name, address and social security number;
- (b) the date worked;
- (c) the classification of work performed each date, and the hours worked; and
- (d) the name, if applicable, of the employee replaced.

This list shall be compiled on a daily basis and shall be available for inspection by a Union representative and/or the shop steward.

ARTICLE 24. ABSENCE

Section 1. Leave of Absence

Any employee desiring leave of absence from his/her employment shall secure written permission from both the Local Union and Employer. The maximum leave of absence

shall be for ninety (90) days and may be extended for like periods. Permission for extension must be secured from both the Local Union and Employer. During the period of absence, the employee shall not engage in gainful employment in the same industry in classifications covered by this Agreement. Failure to comply with this provision shall result in the complete loss of seniority rights for the employees involved. Inability to work because of proven sickness or injury shall not result in the loss of seniority rights. The employee must make suitable arrangements for continuation of Health and Welfare and Pension payments before the leave may be approved by either the Local Union or Employer.

An employee shall be permitted to take a leave of absence for the purpose of undergoing treatment of an approved drug and alcoholism program. The leave of absence must be requested prior to the commission of any act subject to disciplinary action.

Such leave of absence shall be granted on a one-time basis and shall be for a maximum of sixty (60) days unless extended by mutual agreement. While on such leave, the employee shall not receive any of the benefits provided by this Agreement, the National Agreement or the Pick-Up and Delivery Operational Supplement except the continued accrual of seniority, nor does this provision amend or alter the disciplinary provisions.

ARTICLE 25. SENIORITY

Section 1.

A. When an employee, due to lack of work, has not worked in a fourteen (14) day calendar period, this employee will be considered to be on layoff status.

B. If requested by the Local Union in writing within sixty (60) days after the effective date of this Agreement, one steward shall be granted superseniority for layoff and recall. Any additional application of superseniority for stewards must be justified as being directly related to the proper performance of the steward's duties as steward and permitted by applicable law. The Local Union and the Employer shall agree, subject to the approval of the Joint Area Committee, on circumstances under which persons who leave the classifications of work covered by this Agreement but remain in the employ of the Employer in some other capacity, may retain terminal seniority rights upon their return to their original unit. In the absence of such express agreement, such employees shall lose all seniority rights.

Section 2.

The Employer shall not require as a condition of continued employment, that an employee purchase truck, tractor and/or tractor and trailer or other vehicular equipment or that any employee purchase or assume any proprietary interest or other obligation in the business.

Section 3.

A. Posting

All regular starting times, peddle runs and positions are subject to seniority and shall be posted for bid. Posting shall be at a conspicuous place so that all eligible employees will receive notice of the vacancy and starting time, peddle run or position open for bid. Such posting of bids shall be on a semiannual or annual basis unless operations needs require a bid change. Posted bids shall include provisions for cancellations and/or reinstatement of individual bid positions. Master seniority shall apply for layoff, recall, annual bid, and semi-annual bid.

B. The Employer will be required to provide the Union with a copy of the bid seven (7) calendar days prior to posting the bid and will post the bid for a minimum of seven (7) calendar days prior to effective date. In the event that the union believes that the Company has failed to honor its "90%" obligation in a bid, the Union may file a grievance within seven (7) days of receiving the bid and such grievance will be resolved by the National Grievance committee within 30 days. The Employer agrees not to post and implement the disputed bid prior to resolution. Any other grievance regarding a bid will be resolved in the ordinary grievance process and will not delay the posting and implementation of the bid.

Employees on worker's compensation who are expected to return during the bid period (as certified by a physician), shall be permitted to bid in accordance with their seniority. Employees when released from worker's compensation shall return to work in the bid position he/she selected at time of posting, if still in existence.

If the employee's bid has been canceled at the time he/she is released and returns back to work, that employee may bump a less senior employee within his/her terminal.

Temporary job vacancies created due to compensable injuries, disability, vacation or other absences of a week or more, shall be temporarily filled by offering such work in terminal seniority order to the list of 10% employees.

Job vacancies created due to compensable injuries may be temporarily filled, at the discretion of the employer. The method of replacement to be mutually agreed upon between the Union and Company.

Dispatch assignments shall be at the sole discretion of the Employer except when more than one (1) driver is dispatched at the same time. Other than bid, the most senior employee shall be permitted the choice of dispatch provided the employee has available hours to complete the work assignments.

C. Layoffs

Lay-off by master seniority.

Section 4.

A. Helpers, checkers and dock employees shall be given an opportunity to drive according to seniority, subject to the approval of the Union and the employer.

B. Any employee who is injured on the job and finds out that upon returning to work they cannot perform their former duties due to said injury, they shall be given consideration on another job where it is agreeable between the Employer and the Local Union.

ARTICLE 26. GRIEVANCE MACHINERY

Section 1.

The local union shall be able to utilize a Joint Council 40 committee to hear grievances.

Section 2. Examination of Records

The Local Union, the Western Pennsylvania Teamsters and Employers' Joint Area Committee, or the Eastern Region Joint Area Committee shall have the right to examine time sheets and any other records pertaining to the computation of compensation of any individual or individuals whose pay is in dispute, or records pertaining to specific grievances within seven (7) days of request.

ARTICLE 27. GRIEVANCE MACHINERY AND UNION LIABILITY

Section 1.

A. Notwithstanding anything herein contained, it is agreed that in the event any Employer is delinquent at the end of a period in payment of his contribution to the Health and Welfare or Pension Fund or Funds created under this contract, in accordance with the rules and regulations of the Trustees of such Funds, and notice to the Union by the Trustees, the employees or their representatives, the proper official of the Local Union shall give 72 hours' written notice, excluding Saturday, Sunday and holidays, to the Employer of such delinquency in Health and Welfare and Pension payments, shall have the right to take such action as they deem necessary until such delinquent payments are made, and it is further agreed that in the event such action is taken, the Employer shall be responsible to the employees for losses resulting there from. Local Union shall, after notice, uniformly apply the provisions of this Article.

Action for delinquent contributions may be instituted by either the Local Union, the Area Region, or the Trustees. Delinquent Employer must also pay all attorneys' fees and costs of collection.

This provision shall be interpreted in a manner consistent with Article 7, Section 12 of the National Agreement.

B. It is mutually agreed that all monies due and owing under the Health and Welfare and Pension provisions of this Agreement shall be considered as wages and collectable as such.

ARTICLE 28. DISCHARGE AND SUSPENSION

The Employer shall not discharge nor suspend any employee without just cause. The Employer shall not discharge any employee without notice except if the cause of such discharge is dishonesty, drinking of or under the influence of alcoholic beverages, use of narcotics, barbiturates or amphetamines, drug intoxication as provided in Article 35, Section 3(a) of the National Master Freight Agreement, the possession of controlled substances and/or drugs either while on duty or on Company property, recklessness resulting in a serious accident while on duty, the carrying of unauthorized passengers (Where the Company has established program to permit such passengers this provision shall not apply to passengers required by the Company, Shipper or Receiver), failure to report a serious accident or one which the employee would normally be aware of, possession of firearms on Company property or equipment (except a legitimate hunting rifle or shotgun cased and secured out of sight in the employee's personal vehicle in accordance with applicable law). Chronic or habitual absenteeism shall subject the employee to disciplinary action.

In all other cases, including chronic or habitual absenteeism, the Employer must notify the employee, the Steward and the Local Union in writing of the reason for disciplinary action and the disciplinary action to be taken; and the Steward or the Business Agent of the Local Union may meet with the Employer to discuss the proposed disciplinary action. Should no agreement result from this meeting, the employee may file a grievance in accord with the Contract. If the Joint Area Committee determines, on the basis of the facts presented, that the disciplinary action was excessive or unwarranted, it shall be reduced or rescinded. The Committee may assess the Company for time lost as it determines to be warranted. A warning letter or previous disciplinary action, over nine (9) months old, may not be used for any purpose under this Agreement except for those required by law or administrative regulation.

B. All letters issued under the terms of this Article shall be hand delivered to the employee if that employee is on duty at the time of issuance of such letter. The employee shall sign for such letter at the time it is tendered; failure of the employee to sign for the letter, or if the employee is not on duty at the time of issuing such letter, then the warning letter shall be sent to the employee's home. Warning letters must be issued no later than ten (10) working days following the employers knowledge of the violation, except in those cases where a letter of investigation was issued within ten (10) working day period. Letters of investigation shall be valid for thirty (30) calendar days from said infraction.

C. Appeal from discharge must be made in writing, within seven (7) days of the effective date of the discharge.

ARTICLE 29. HEALTH AND WELFARE

In accordance with the PU & D Operational Supplement, the Company will continue to participate in the current health plans and will contribute up to one dollar (\$1.00) per hour per year per covered employee to be divided between health and welfare and pension as decided by the Area Co-Chairs. The following provisions may be edited and are subject to approval by the relevant benefit trust.

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

The Employer shall contribute to an employee Health and Welfare Fund in accordance with the Schedule of Contributions listed below for each regular employee. The Health and Welfare Plan and the conditions of its administration shall be attached to and be part of this Agreement.

The trustees or their designated representatives shall have the authority to audit the payroll and wage records of the Employer for all individuals performing work within the scope of and/or covered by this Agreement, for the purpose of determining the accuracy of contributions to the funds and adherence to the requirements of this Agreement regarding coverage and contributions. For purposes of such audit, the Trustees or their designated representatives shall have access to the payroll and wage records of any individual, including owner-operators, lessors and employees of fleet owners (excluding any supervisory, managerial and/or confidential employees of the Employer), who the Trustees or their designated representatives reasonably believe may be subject to the Employer's contribution obligation.

The Employer agrees to post the most recent copy of the Health and Welfare payments of each employee at their domicile

Effective _____ the contribution schedule per employee per month shall be:

[RATES to be inserted], the above increases shall be allocated between the Pension and Health and Welfare funds within the area of the Joint National Master Committee. The Supplemental Negotiating Committee shall, in those Supplemental Agreements which include one (1) Pension Fund and multiple Health & Welfare Funds, first allocate that portion, if any, of the above indicated benefits increases to the pension fund subject to the approval of the Joint National Master Committee. The remaining amount, if any, shall be applied uniformly to each of the Health & Welfare Funds.

Disputes or questions of interpretation concerning the requirement to make contributions on behalf of particular employees or classifications of employees shall be submitted directly to the Joint Area Committee by either the Employer, the Local Union, or the Trustees. In the event of such referral, the Employer shall not be deemed to be delinquent, while the matter is being considered, but if the Joint Area Committee, by majority vote, determines that contributions are required, the Employer shall pay to the

Trust Fund the amounts due together with any other charges uniformly applicable to past due contributions. The Joint Area Committee may also determine whether the Employer's claim was bona fide.

If an employee would have qualified for Health and Welfare contributions but for an absence because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contribution for a period of three (3) months, or if an employee is injured on the job the Employer shall continue to pay the required contribution until such employee is released for duty if that employee would have qualified for such contribution but for the compensable injury but in no case shall the contribution be required for a period of more than six (6) months.

If absence initially requires that the employee be confined to the hospital for a period of four (4) or more days then the contribution for Health and Welfare payments shall be made even though that employee would not have qualified for such payments but for the injury or illness.

In the application of this paragraph, it shall be the Employer's obligation to make the required contributions for a cumulative period of time (either 3 months or 6 months) for each illness or injury, and such 3 months or 6 months period need not be consecutive.

If an employee is granted a leave-of-absence for any reason other than assuming full-time elected union office, the Employer shall collect from such employee, prior to the leave-of-absence being effective, sufficient monies to pay the required contributions to the Health and Welfare Fund during the period of absence.

An employee, to qualify for health and welfare contributions, must have one hundred (100) hours in the preceding month to qualify for the succeeding month's contribution unless that employee is on layoff status or the Employer has not provided that employee full work opportunity in which case only eighty (80) qualification hours shall be necessary. The Negotiating Committee will define absenteeism and how it is to be applied to this Article.

ARTICLE 30. PENSION PLAN

In accordance with the PU & D Operational Supplement, the Company will continue to participate in the current pension plans and will contribute up to one dollar (\$1.00) per hour per year per covered employee to be divided between health and welfare and pension as decided by the Area Co-Chairs. The following provisions may be edited and are subject to approval by the relevant benefit trust.

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.

The Employer shall contribute to the applicable Pension Fund for each eligible employee: regular, casual, extra, probationary, or replacement employee covered by this Agreement in accordance with the terms of the Pension Trust Agreement and Plan. There shall be no other pension funds under this Contract for operations under this Contract or for operations to which the employers who are party to this Contract are also parties. The amount of such contribution shall be:

The Employer agrees to post the most recent copy of the Pension payments of each employee at their domicile.

[RATES to be inserted], the above increases shall be allocated between the Pension and Health and Welfare funds within the area of the Joint National Master Committee. The Supplemental Negotiating Committee shall, in those Supplemental Agreements which include one (1) Pension Fund and multiple Health & Welfare Funds, first allocate that portion, if any, of the above indicated benefits increases to the pension fund subject to the approval of the Joint National Master Committee. The remaining amount, if any, shall be applied uniformly to each of the Health & Welfare Funds.

Disputes or questions of interpretation concerning the requirement to make contributions on behalf of particular employees or classifications of employees shall be submitted directly to the Joint Area Committee by either the Employer, the Local Union or the Trustees. In the event of such referral, the Employer shall not be deemed to be delinquent, while the matter is being considered, but if the Joint Area Committee, by majority vote, determines that contributions are required, the Employer shall pay to the Trust Fund the amounts due together with any other charges uniformly applicable to past due contributions. The Joint Area Committee may also determine whether the Employer's claim was bona fide.

(a) Contributions to the Pension Fund must be made for each week for each regular employee who has worked at least two (2) days (tours of duty) in that week, including weeks where work is performed for the Employer but not under the provisions of this contract, and although contributions may be made for those weeks into some other pension fund.

(b) The Trustees or their designated representatives shall have the authority to audit the payroll and wage records of the Employer for all individuals performing work within the scope of and/or covered by this Agreement, for the purpose of determining the accuracy of contributions to the funds and adherence to the requirements of this Agreement regarding coverage and contributions. For purposes of such audit, the Trustees or their designated Representatives shall have access to the payroll and wage records of any individual, including owner-operators, lessors and employees of fleet owners (excluding any supervisory, managerial and/or confidential employees of the Employer), who the Trustees or their designated representatives reasonably believe may be subject to the Employer's contribution obligation.

(c) If an employee is granted a leave of absence for any reason other than assuming full-time elected union office, the Employer shall collect from such employee, prior to the leave of absence being effective, sufficient monies to pay the required contributions to the Pension Fund during the period of absence.

(d) If an employee would have qualified for Pension contributions but for an absence because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of four (4) weeks, or if an employee is injured on the job the Employer shall continue to pay the required contribution until such employee is released for duty if that employee would have qualified for such contribution but for the compensable injury but in no case shall the contribution be required for a period of more than six (6) months.

If absence initially requires that the employee be confined to the hospital for a period of four (4) or more days then the contribution for Pension payments shall be made even though that employee would not have qualified for such payments but for injury or illness.

In the application of this paragraph, it shall be the Employer's obligation to make the required contributions for a cumulative period of time (either 1 month or 6 months) for each illness or injury, and such 1 month or 6 months period need not be consecutive.

(e) There shall be no deduction from equipment rental of owner operators by virtue of the contributions made to the Pension Fund, regardless of whether the equipment rental is at the minimum rate or more, and regardless of the manner of computation of owner-driver compensation.

The Employer shall contribute for each extra, probationary or casual employee who works, the maximum amount of \$8.00 per day to the Pension Fund. This payment shall not be required if the pension contribution established by this Supplemental Agreement has been paid on their behalf.

ARTICLE 31. COMPETITIVE EQUITY

In order that the continuous loss of jobs and work opportunity by employees employed under this Supplemental Agreement may be halted and in order that additional work opportunity may be gained for such employees, the Local Union and the Employer may agree, subject to the approval of the TDHLNNC to amendments or changes in the terms of this Supplement.

ARTICLE 32. SICK LEAVE

This Agreement shall provide for five (5) days of sick leave per contract year for part-time employees on the seniority list on the date of ratification of this Agreement and all full-time employees.

In the application of this Article, the parties agree that sick leave may be taken on a day-to-day basis, after reasonable notice to the Employer of the employee's intent to take such sick leave; however, at no time shall more than 10% of the current active seniority list at a given terminal be granted sick leave on any one day, unless otherwise agreed to. Employees with eligible sick leave who miss work for medical reasons may be paid a sick day.

ARTICLE 33. LOCAL CARTAGE PROVISIONS

Section 1. Meal Period

Employees shall, except by mutual agreement, take at least one (1) continuous period for meals but not less than thirty (30) minutes nor more than one (1) hour in any one (1) day. Individual dock employees shall be given a fixed lunch period at the beginning of each workweek and such time shall not be changed during the week. No employee shall be compelled to take more than one (1) continuous hour during such period nor compelled to take any part of such continuous hour before they have been on duty four (4) hours or after they have been on duty six (6) hours. An employee, required to work during the two (2) hour period set forth above without lunch shall receive their regular hourly rate of pay for such lunch period in addition to the applicable contractual pay provisions; but this provision shall not apply if the employee elects to take a lunch period before the fourth (4th) or after the sixth (6th) hour. Meal period shall not be compulsory at stops where driver is responsible for equipment or cargo, nor shall meal period be compulsory when or where there is no accessible eating place.

The one (1) hour or one-half (1/2) hour lunch period shall be handled on a stop by stop basis between the Company and the Union.

Section 2. Sundays and Holiday Work

A. Sundays

Any full-time employee covered by this contract required to work on Sunday shall be paid for such work at the rate of double time with a minimum guarantee of eight (8) hours which shall not be included in the regular forty (40) hour workweek. This shall not apply to employees starting on or after 6:00 p.m. on Sundays and holidays; however, the eight (8) hour minimum guarantee applies.

B. Holidays

(1) The following named holidays, or the days observed as such, shall be recognized as legal holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, day before Christmas, Christmas Day, Employee's Birthday and Veteran's Day, or another day mutually agreed upon between the Employer and the employees; the day after Thanksgiving Day holiday and Good Friday which shall be

observed in accordance with the practice established under the 1973-1976 Contract. The practice established under the 1973-1976 Agreement is as follows, i.e.:

- a. The Company has the option to shut down for the holiday at its own determination.
- b. If the Company desires to work, those individuals electing to work and qualified for the holiday may take any other day off in lieu of the holiday, any day of their choice between the holiday and the end of the current contract year, March 31. Should Good Friday fall immediately preceding the end of the contract year, March 31, then September 1 will be substituted.

The Company cannot force any employee to work on these holidays whether he/she is qualified for the holiday or not. The Company may use extra men, casuals, etc.; and any employee working shall be paid at the straight time hourly rate.

(2) Any full-time employee who does not work on the holiday but who has worked ninety (90) hours in the thirty (30) consecutive work days immediately preceding the holiday shall be entitled to eight (8) hours' (nine (9) hours for employees scheduled on a five 9-hour day workweek and ten (10) hours for employees scheduled on a four 10-hour day work week) pay at the straight time hourly rate for such holiday. Time lost due to vacation shall be used in computing hours worked.

(3) Any full-time employee who works on the holiday and is eligible for holiday pay as provided in (b) above shall be paid for all work performed at the straight time hourly rate in addition to receiving his holiday pay, and shall be guaranteed a minimum of eight (8) hours work.

(4) When a holiday falls during the regular vacation of an employee entitled to holiday pay, the employee shall receive an extra day's pay for such holiday. Said employees shall have the option of taking an extra day off at the end of their scheduled vacation. Said employee must notify the Employer of his or her intention prior to the start of his or her vacation.

(5) Pay for unworked holidays shall not be used in computing overtime pay in the regular workweek. Time worked in excess of thirty-two (32) hours in any week in which a holiday occurs shall be paid for at the rate of time and one-half (1 1/2) except where the holiday falls on Saturday or Sunday provided the holiday falls within the scheduled workweek. Then the time and one-half (1 1/2) shall be paid after the fortieth (40th) hour (after 36 and 45 hours respectively for employees scheduled on a five 9-hour workweek).

(6) When any of the above-mentioned holidays fall on Sunday, the day observed by decree or proclamation shall be considered as a legal holiday and work performed shall be paid for at the holiday rate.

(7) 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 3. Vacations

The following vacation provisions apply to part-time employees on the seniority list on the date of ratification of this Agreement and all full-time employees:

A. Vacation time for employees with over sixty (60) days' employment on June 1st, but less than one (1) year's service, shall be prorated for this period of employment.

(1) Each employee with a record of continuous employment for one (1) year or more but less than two (2) years shall receive one (1) week's vacation with pay.

(2) Each employee with a record of continuous employment of two (2) years or more but less than eight (8) years shall receive two (2) weeks' vacation with pay.

(3) Each employee with a record of continuous employment of eight (8) years or more, but less than fifteen (15) years, shall receive three (3) weeks' vacation with pay.

(4) Each employee with a record of continuous employment of fifteen (15) years or more shall receive four (4) weeks' vacation with pay.

(5) Each employee with a record of continuous employment of twenty (20) years or more shall receive five (5) weeks' vacation with pay.

(6) Each employee with a record of continuous employment of thirty (30) years or more shall receive six (6) weeks' vacation with pay.

7) June 1st shall be the eligibility date for all employees for vacation purposes. (Employees who obtain seniority between June 1 and July 31 shall, after their first vacation, be credited with a June 1 anniversary date for vacation purposes only.)

(8) Employees entitled to three (3) or more weeks vacation in accordance to the Agreement will be permitted to split one (1) weeks of said vacation into a maximum of five (5) calendar days. When the employee elects to utilize this option he will be paid according to the number of days taken, provided the vacation day complies with the maximum percentage of employees permitted off.

B. Vacations are to be scheduled any time during the time from June 1st to May 31st of each year. Past practice shall prevail both as to the time of taking vacation and the number of employees entitled to be off on vacation. Employees are to select their vacation period in the order of seniority. No employee shall accept vacation pay in lieu of vacation. Vacation pay shall be 45 hours' pay at the employees regular rate of pay as set in Section 9 or for two (2) year employees, 90 hours' pay; or for eight (8) year

employees, 135 hours' pay; or for fifteen (15) year employees, 180 hours' pay; or for twenty (20) year employees, 225 hours' pay; or for thirty (30) year employees, 270 hours' pay.

C. All employees upon request shall receive their vacation pay before taking vacation.

D. A list of employees who are to receive vacations should be posted in all terminals. Vacations are to be taken seven (7) consecutive days as of the calendar week, Sunday through Saturday, 12:01 a.m., Sunday through 12:00 p.m., Saturday, for two (2) year employees, either fourteen (14) consecutive days or two (2) seven (7) day periods, for eight (8) year employees, either twenty-one (21) consecutive days or three (3) seven (7) day periods, for fifteen (15) year employees, either twenty-eight (28) consecutive days or four (4) seven (7) day periods, for twenty (20) year employees, either thirty-five (35) consecutive days or five (5) seven (7) day periods, and for thirty (30) year employees, either forty-two (42) consecutive days or six (6) seven (7) day periods. Time selected to be mutually agreed to by the employee and Employer.

E. Absence of less than sixty (60) work days in the aggregate due to lack of business or illness, shall not be construed as interrupting the yearly working service of such employees.

Employees who are absent more than sixty (60) work days for the reasons stated herein or thirty (30) work days if work was offered and refused except for proven illness shall receive prorated vacation and pay based on their earned vacations as of the prior June 1st.

F. The pro rata provisions of this Section shall also apply to all employees who terminate their employment with the Employer between June 1st and June 1st.

G. If an employee's paid vacation period accrues or is payable during a period in which he is otherwise entitled to unemployment compensation, the employee's right to and payment for such vacation shall be deferred until after termination of the unemployment benefit period. The Employer waives the privilege of allocating vacation pay to past, present, or future weeks of unemployment.

H. Where an employee has worked, during the vacation eligibility year, at least sixty (60) days (or tours of duty) under the terms of the Local Cartage Articles, then that employee's vacation pay shall be computed on the basis of the number of dollars earned under each article, as compared to their total earnings and the resultant percentages shall be applied to the appropriate article for total vacation pay computation.

I. Employees shall bid vacation periods by seniority. During the period June 1st to September 1st of each year the Company shall permit at least 15% of those active employees by classification employed by the company (local driver and dock-personnel) to take a vacation. The number to be granted vacation shall be mutually agreed to so that the Company will, at all times, have sufficient qualified personnel to maintain their operation

Section 4. Protective Apparel

Any employee physically handling in substantial quantities hides, creosoted items, spun glass, lamp black, barbed wire, and acids, shall be provided with rubber or leather aprons and gloves. Terminal switchers and hostlers shall be provided with rain gear. The employer shall pay for the replacement cost of any employee's clothing which is damaged, through no fault of the employee, during the course of a workday.

Section 5. General Conditions

A. Within ninety (90) days of ratification of this Agreement, the Employer agrees that bargaining unit employees will begin performing unit work in the following additional zip codes: 15012; 15314; 15330; 15672; 15479; 15642; 15698; 15679 and 15072.

B. The results of a check ride will not be the sole basis for discipline.

C. The Employer shall not unreasonably deny a reasonable request for assistance to handle a package over 70 pounds.

D. There will be no interest or handling charge on earned money advanced prior to regular payday.

E. Employees changing jobs must notify Union immediately.

F. It shall be the duty of every employee to carefully check all goods handled by such employees and any overages, shortages or damages shall promptly be reported to the Employer in writing.

G. Drivers, who because of having their operator's license suspended may not drive, shall be eligible for call for that work for which they can qualify in accord with their seniority, but may not bump any regular employee irrespective of their relative seniority until the next regular bid period. This clause shall not apply when separate contract seniority is observed.

A driver who fails to notify the company that his/her license is suspended shall be subject to disciplinary action.

H. Employees will be provided a receipt, if requested, for all monies turned in.

I. A work break shall be recognized and shall be taken as in the past.

Section 6. Paid for Time

A. General

All employees covered by this Agreement shall be paid for all time spent in the service of the Employer. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report for work and registers in and until they have been effectively released from duty. All time lost due to delays as a result of overloading or certificate violations involving federal, state or city regulations, which occur through no fault of the driver, shall be paid for after promptly reporting any delay to management. The Employer shall pay for all time spent attending meetings at the Company's specific direction.

B. Call-In Time

Employees shall be given eight (8) hours of uninterrupted rest period. Employees called to work shall be allowed sufficient time, not to exceed two (2) hours, without pay, to get to the garage or terminal and shall draw full pay from the time they report or register in as ordered. All employees shall have a reporting time for all the work available which shall be designated the night before. When the Company finds it has additional work, the Company is required to call regular employees in seniority order for that work and must allow employees so called two (2) hours to report to work. If called and not put to work, full-time employees shall be guaranteed eight (8) hours' pay at the rate specified in this Agreement for their classification or work. If a full-time employee is put to work they shall be guaranteed a minimum of eight (8) hours' pay.

C. Make Up Day

When a regular bid employee misses a scheduled work day due to a bona fide personal emergency that day may be made up at straight time by that employee if work is available within that employee's scheduled six (6) day work week before the Company calls non-seniority employees for that day. The employee will be eligible for a make-up day provided the parties mutually agree that the employee has a justifiable reason and proof of the bona fide personal reason is supplied upon request, prior to the Saturday work. The employee desiring to make up that day missed must notify the Company at least twelve (12) hours prior to the start of the work day.

Section 7. Wages and Hours

A. Wages

1. Rates of pay for pick-up and delivery drivers shall be as follows:

| | |
|---------------------------|-------|
| Effective April 1, 2008 | 22.57 |
| Effective October 1, 2008 | 22.92 |
| Effective April 1, 2009 | 23.32 |
| Effective April 1, 2010 | 23.77 |
| Effective April 1, 2011 | 24.17 |

| | |
|---------------------------|-------|
| Effective October 1, 2011 | 24.62 |
| Effective April 1, 2012 | 25.07 |
| Effective October 1, 2012 | 25.57 |

4. Rates of pay for part-time employees hired after April 1, 2008 shall be as follows.

(a) If the new part-time employee is required by law or trust agreement to have health and welfare and/or pension benefit contributions, the following wage progression applies:

| | |
|-----------------|---------------|
| New Hire | \$10.00/hour |
| After 12 months | \$10.20/hour |
| After 24 months | \$10.425/hour |
| After 36 months | \$10.85/hour |
| After 48 months | \$11.325/hour |

(b) If the new part-time employee is not required to have health and welfare or pension benefit contributions, the following wage progression applies:

| | |
|-----------------|---------------|
| New Hire | \$12.00/hour |
| After 12 months | \$12.20/hour |
| After 24 months | \$12.425/hour |
| After 36 months | \$12.85/hour |
| After 48 months | \$13.325/hour |

For part-timers hired after April 1, 2008 who perform any of the limited PM driving, the part-time rate shall be \$2 an hour more than the part-time non-driving rate. If they perform driving duties any portion of the day, they shall receive this drivers' rate for all time worked that day.

Casual/Extra-Dock

The Casual Combination Rate: 85% of the general wage increase

Casual/Extra Dock

Per Hour

| | |
|-------------------|---------|
| Effective 4/1/08 | \$19.18 |
| Effective 10/1/08 | \$19.48 |
| Effective 4/1/09 | \$19.82 |
| Effective 4/1/10 | \$20.20 |
| Effective 4/1/11 | \$20.54 |
| Effective 10/1/11 | \$20.92 |
| Effective 4/1/12 | \$21.30 |
| Effective 10/1/12 | \$21.73 |

City employees working beyond a twenty-five (25) mile road radius of their home terminal shall be considered peddle drivers and shall receive overtime after forty-five (45) hours per week and nine (9) hours per day.

B. Hours and Guarantee

(1) Terminal seniority will be utilized for 10% open bid assignments. 10% employees must be available between 5:00 a.m. and 2:00 p.m. 10% employees shall provide the Company with a contact telephone number. Any employee that may not have a telephone would be required to call his supervision staff at 6:00 a.m. and 12:00 p.m. for possible work opportunity. The 10% list will be reset at 11:00 a.m.

Ten percenters who are not given an opportunity for five shifts Monday through Friday will be given the first opportunity to for Saturday work at straight time.

(2) Should any employee be ordered to work ahead of others who have greater seniority, the Employer shall compensate the senior employee at the regular hourly rate for the difference in time between that time that the senior employee reported to work and that which the junior employee reported. Such penalty payment shall be at the straight hourly rate and shall be paid in addition to the guarantees required by this section. This provision shall not apply where the senior employee is incapable of operating the Equipment or the junior employee has either a regular run or reporting time.

(3) When an employee receiving eight (8) hours minimum would exceed forty (40) hours, the employee called to work shall be guaranteed working time to result in the equivalent of eight (8) hours of straight time rate of pay.

(4) When an employee is assigned to do work in a higher rated classification, they shall receive the higher rate of pay for such work performed.

(5) In the event the Company under the jurisdiction of the Local Union party hereto, should contract work under the jurisdiction of another Local Union, or if employees work under another contract between the Company and the Local Union, and the rate of pay established by such other Local Union, or contract is higher than the rate of pay prevailing in this contract, the higher rate of pay shall prevail for such work actually performed.

C. 7-Day Operations

(1) Employer(s) who want to establish a seven (7) day operation shall meet with the Local Union(s) involved and establish seven (7) day operation work rules. Said rules must be approved by the negotiating committee prior to the seven (7) day operation going into affect.

ARTICLE 35. TERM OF AGREEMENT

Term of this Supplemental Agreement is subject to and controlled by all of the provisions of Article 28 of the Master Agreement between the parties hereto.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this _____ day of _____, to be effective _____, except as to those areas where it has been otherwise agreed between the parties.

NEGOTIATING COMMITTEE

For the Local Unions:

For the Employers:

MEMORANDUM OF AGREEMENT

The parties agree that, except in cases involving “cardinal” infractions under this Agreement, an employee to be discharged or suspended shall be allowed to remain on the job until the discharge or suspension is sustained under the grievance procedure.

MEMORANDUM OF AGREEMENT

After applying the bidding procedures set forth in Article 10 of the Pick-Up and Delivery Operational Supplement and/or Article 43 of this Agreement, the following 17 people on the Company’s preferred casual list as of the date of ratification will be given the opportunity to bid into any remaining vacated or newly-created full-time positions at the full-time rate of pay then in effect; or vacated or newly-created part-time positions at the casual rate of pay then in effect before the Employer may otherwise fill the vacancy. Employees will bid in the order listed below.

Any employee accepting a full-time or part-time position under this memorandum of agreement shall be governed by all terms and conditions related to full-time or part-time employees and shall no longer be a considered a “casual” employee other than for purposes of base rate of pay if in a part-time position. Such preferential casuals shall not be required to complete a probationary period under this Agreement, nor shall they be subject to the “new hire” wage progression. Seniority shall accrue as of the first date of service in the full- or part-time position.

1. JOHNSON, NANCY
2. FALLON, THOMAS
3. GERBER, MICHAEL
4. PRENTICE, BRUCE
5. SKEELS, JOE
6. HARRIS, MATT
7. DANIELS, CHRIS
8. RICHEL, JERRY
9. THOMAS, RAY
10. MORALAS, ROB
11. KAIL, MATT
12. KURTH, MATT
13. GOLINSKI, BARB
14. FOUST, SHANNON
15. CLOSE, HARRY
16. KELVINGTON, JOHN
17. SCUILLI, ADAM

MAINTENANCE OF STANDARDS

1. If DHL Express elects to use airlines or off-line carriers for moving all shipments into and out of Pittsburgh, the drop-off or recovery of these shipments shall be done by Local 249 employees.
2. All shipments being moved on the dock will be moved by Local 249 employees.
3. All trucks used in the pick-up and delivery of operations of the Employer will be driven by Local 249 employees as specifically set forth in this Agreement, the Pick-Up and Delivery Operational Supplement and/or the National Agreement.
4. If an employee is injured and has to leave work, he/she shall receive their daily guarantee for that day.
5. Each truck will have a two wheeler.
6. All calls for work shall be verified by a Local 249 employee, or the phone company.
7. Full-time employees shall receive two (2) ten minute breaks.
8. There will be a one hour call-in time.
9. Worked holidays to be paid at double time (i.e., Good Friday).
10. Operating of loader and unloading of ABX and charter airplanes (except for K-Loader work) shall be done by Local 249 employees.
11. All time worked before bid starting time is overtime, provided employee works his/her regular scheduled shift.
12. Employee's birthday may be used as a floating holiday.
13. When an early start is required for operational reasons, the employer will go to the next available shift and any starting time within two (2) hours of the next available shift and offer such early start to the most senior person within said two (2) hour "window."
14. When the Company opens additional terminal operations, to service the geographical area covered by the collective bargaining agreement between Local 249 and DHL, and other areas agreed to, all such operations shall be covered by a single master seniority list, for the purposes of annual bid and layoff. Terminal seniority shall apply for all other purposes.