

**Local 486 Office Clerical Local Rider**  
**Effective**  
**April 1, 2008 to March 31, 2013**

This Agreement is entered into by and between DHL EXPRESS (USA), INC. (hereinafter the "Company", "Employer" or "DHL"), the Teamsters DHL National Negotiating Committee ("TDHLNNC"), and LOCAL UNION NO. 486, affiliated with THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (hereinafter "Union"). 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, 2008 through March 31, 2013. This Local Rider shall not become effective unless and until it is ratified by the Employer's office clerical employees represented by the Union and approved in writing by TDHLNNC 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 office clerical employees represented by the Union.

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. DISCHARGE OR SUSPENSION**

The cardinal infractions for this Local Rider are:

1. theft;
2. drunkenness; or
3. a violation of an equally serious nature.

## **ARTICLE 22. SENIORITY**

The principles of seniority shall prevail at all times; however, ability and qualifications shall also be a governing factor in the application of such seniority. Seniority shall govern in work shift assignments, provided the employee has the ability and the training required to perform the work shift requirements. Training shall be offered to full-time employees prior to a part-time employee in order to cover the work shift requirements.

When two (2) or more employees complete their probationary period on the same day, the employee with the earliest punch time will have the greater seniority.

Full-time employees are defined as employees scheduled to work five (5) consecutive eight (8) hour days and forty (40) hours per week.

## **ARTICLE 23. PAY PERIOD**

All employees covered by this Agreement shall be paid in full weekly. Such pay shall be received by the employee not later than one (1) week after the close of the pay period. Each employee shall be provided with a statement of gross earnings and an itemized statement of all deductions made for any purpose.

#### **ARTICLE 24. TIME CLOCKS**

A daily time record shall be maintained by the Company at its place of business. It is agreed that the Company will maintain a time clock for such purpose.

#### **ARTICLE 25. ABSENCES**

It is understood that excessive tardiness and absenteeism cannot be tolerated and that employees must be fit and able to perform their duties. Employees who are absent without just cause for three (3) consecutive days without notice to the District Field Services Manager shall be subject to discharge. It is recognized that employees have an obligation to give the Company adequate advance notice when they are not going to be at work or anticipate they will be late.

In the event an employee desires a leave of absence, he shall secure written permission. The Company has no obligation to grant permission. The maximum leave of absence shall be for ninety (90) days and may be extended for like periods. Seniority shall accumulate during such leave.

It is understood that maternity leave for female employees shall be granted, with no loss of seniority, for such period of time as her doctor shall determine that she is physically unable to return to her normal duties, and maternity leave must comply with applicable state laws.

#### **ARTICLE 26. NON-UNIT EMPLOYEES**

If an employee transfers to a position which is outside the bargaining unit, yet still in the employ of the Company, he or she shall retain seniority for a maximum period of sixty days, but shall not accrue seniority during this period of absence from the bargaining unit.

#### **ARTICLE 27. HOURS OF WORK**

The work day for full-time employees shall be eight (8) consecutive hours per day. The work week for full-time employees shall be forty (40) hours per week. Employees shall be given a thirty (30) minute meal period without pay. If an employee is unable to take a lunch period before the fifth (5<sup>th</sup>) hour of the workday he may, at his option, forfeit lunch and leave thirty (30) minutes early. It is understood, however, that the final determination as to whether an employee is unable to take his or her lunch period before the fifth (5<sup>th</sup>) hour of the workday is reserved to management. The Employer shall have the right to establish four (4) ten (10) hour days after discussion and agreement of the Union.

Employees called in to work on their regular days off shall be guaranteed three (3) hours of work or one (1) hour of pay, at the election of the employee. An employee who is on call on a Sunday shall receive one (1) hour on call pay for that day at the appropriate straight time rate of pay,

which shall not count as time worked for purposes of computing overtime, holiday eligibility, etc.

Full-time employees shall be scheduled for forty (40) hours per week. Full-time employees shall be given two (2) days notice that their starting time or work week has been changed and such change will not be effective until the week following the week in which notice was given. All employees required to work after working their regular eight (8) hours per day or forty (40) hours per week shall receive one and one-half (1½) times for the work performed, double (2) time for Sunday. The workweek for full time employees hired after September 6, 1990 will be Monday through Friday or Tuesday through Saturday.

It is understood that laid-off and part-time employees may be offered sixth (6<sup>th</sup>) and seventh (7<sup>th</sup>) day work or overtime before full-time employees are offered such opportunity. This provision is intended to provide these employees extra work opportunities before full-time employees receive work in excess of forty (40) hours at premium rates. It is understood that part-time employees may be offered additional hours to attain a forty (40) hour workweek. Laid off full-time employees may request that they be subject to recall only to full-time vacancies. Such request must be in writing to the District Field Services Manager with a copy to the Union. Laid off employees are not required to accept day-to-day recall.

**ARTICLE 28. COMPENSATION CLAIMS**

Refer to Article 11 of the National Agreement (“Workers Compensation”) and Article 2, Section 2 of the Office Clerical Operational Supplement.

**ARTICLE 29. GENERAL PROVISIONS – SUBCONTRACTING**

The Employer may subcontract work when all of his regular employees are working except this shall not be used as a subterfuge to violate the provisions of this Agreement.

**ARTICLE 30. WAGES AND CLASSIFICATIONS**

(1) The current hourly rate for full-time employees shall be as follows:

<u>4/1/08</u>	<u>10/1/08</u>	<u>4/1/09</u>	<u>4/1/10</u>	<u>4/1/11</u>	<u>10/1/11</u>	<u>4/1/12</u>	<u>10/1/12</u>
\$ 20.40	\$ 20.75	\$ 21.15	\$ 21.60	\$ 22.00	\$ 22.45	\$ 22.90	\$ 23.40

(2) All full-time employees hired after the date of ratification of this Agreement and current full-time employees in progression shall receive the following hourly rates of pay:

- (a) Effective first (1<sup>st</sup>) day of employment, seventy-five percent (75%) of the current rate for full-time employees.
- (b) Effective first (1<sup>st</sup>) day of employment plus twelve (12) months, eighty percent (80%) of the current rate for full-time employees.

- (c) Effective first (1<sup>st</sup>) day of employment plus eighteen (18) months, ninety percent (90%) of the current rate for full-time employees.
  - (d) Effective first (1<sup>st</sup>) day of employment plus twenty-four (24) months, one hundred percent (100%) of the current rate for full-time employees.
- (3) The currently hourly rate for regular part-time employees on the seniority list on the date of ratification of this Agreement shall be:

<u>4/1/08</u>	<u>4/1/09</u>	<u>4/1/10</u>	<u>4/1/11</u>	<u>4/1/12</u>
\$ 15.150	\$ 15.350	\$ 15.575	\$ 16.000	\$ 16.475

- (4) All part-time employees on the seniority list on the date of ratification of this Agreement who are in progression shall receive the following hourly rates of pay:
- (a) Effective first (1<sup>st</sup>) day of employment, seventy-five percent (75%) of the current rate for part-time employees.
  - (b) Effective first (1<sup>st</sup>) day of employment plus twelve (12) months, eighty percent (80%) of the current rate for part-time employees.
  - (c) Effective first (1<sup>st</sup>) day of employment plus eighteen (18) months, ninety percent (90%) of the current rate for part-time employees.
  - (d) Effective first (1<sup>st</sup>) day of employment plus twenty-four (24) months, one hundred percent (100%) of the current rate for part-time employees.

**(5) Part-Timers Hired After April 1, 2008**

If a new part-time employee is required by law or trust agreement/rules to have H&W and/or Pension benefits, the following applies:

Start Rate	\$10.00
12 mos	\$10.20
24 mos	\$10.425
36 mos	\$10.85
48 mos	\$11.325

If a new part-time employee is not required to have H&W or Pension benefits, the following applies:

Start Rate	\$12.00
12 mos	\$12.20
24 mos	\$12.425
36 mos	\$12.85
48 mos	\$13.325

## ARTICLE 31. FRINGE BENEFITS

The Company will provide part-time employees on the seniority list on the date of ratification of this Agreement and all full-time employees with the benefits outlined in the Employee handbook for the appropriate category (i.e., full-time or part-time), in a manner consistent with the terms of the Office Clerical Operational Supplement and to extend to employees any improvements to these benefits which are extended to other employees covered by the handbook.

### 1. HOLIDAYS:

There are thirteen (13) paid holidays, New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day after Thanksgiving, Day before Christmas, Christmas Day, and Employee's Birthday and four (4) personal days to be taken at a mutually agreeable time with a minimum of forty-eight (48) hours notice. Part-time employees on the seniority list on the date of ratification of this Agreement shall be entitled to a pro-rata payment for holidays based on the number of hours worked in the preceding four (4) week period as compared with 160 (e.g., an employee who works eighty hours in the four week period, preceding the holiday shall receive four (4) hours pay).

Part-time employees added to the seniority list after the date of ratification of this Agreement shall receive paid holidays pro-rated based on the average number of hours worked in the two (2) weeks before the holiday.

### 2. VACATIONS:

Part-time employees on the seniority list on the date of ratification of this Agreement and all full-time employees are eligible for vacation as follows.

After first anniversary	two (2) weeks
After fifth anniversary	three (3) weeks
After fifteenth anniversary	four (4) weeks
After twentieth anniversary	five (5) weeks

Employees must plan ahead in scheduling vacations. The work schedule will usually limit the number of employees who may elect to take vacations at a specific time. Seniority will prevail in allocating vacation preferences. Scheduling of vacations will be made quarterly; however, previously scheduled vacation can be cancelled and rescheduled with management's approval. Employees may carry over up to ten (10) vacation days once during the life of the Contract provided they do so in weekly increments only.

A full-time employee must work a minimum of fifteen hundred hours in the preceding anniversary year in order to qualify for a full vacation. In the case of a part-time employee, or a full-time employee who works less than 1500 hours, vacation shall be pro-rated based on the number of hours worked in the preceding anniversary year as compared to 2080 (e.g., an employee with one full year of service who has worked 1040 hours in his or her anniversary year shall receive one (1) week vacation). In the event a holiday falls during the vacation period, the

employee will be entitled to an additional day's pay. When an employee is discharged or voluntarily quits, he shall be paid for all accrued vacation not taken.

### **3. SICK LEAVE:**

Full-time employees are entitled to five (5) all purpose/sick days per Contract year. Full-time employees desiring to use all purpose days must give the Employer a forty-eight (48) hour notice of intent. No prior notice is necessary when an employee is ill. All purpose/sick days not used by March 31<sup>st</sup> of each Contract year will be paid in the first pay period after the end of the Contract year. In order for full-time employees to be eligible for all purpose/sick pay out they must be on the seniority roster at the beginning and the end of the Contract year. Full-time employees shall receive eight (8) hours of straight time pay. Employees will be paid at the applicable rate in effect on March 31<sup>st</sup>.

Part-time employees on the seniority list on the date of ratification of this Agreement shall be entitled to five (5) sick days per Contract year only. Part-time employees shall be entitled to a pro-rata payment for sick days based on the number of hours worked in the preceding four (4) week period as compared with 160. Part-time employees will be eligible for all unused sick days provided that they are on the seniority roster at the beginning and the end of the Contract year.

Full-time employees hired after the date of ratification of this Agreement will accrue one-half (½) day per month sick leave up to a maximum of five (5) days until the beginning of the Contract year and no sick pay out will accrue during this time.

### **4. MILITARY SUMMER CAMP:**

Beginning with the first (1<sup>st</sup>) day of full-time employment, each employee who is subject to an annual two weeks summer encampment will receive pay at his/her normal rate for the first (1<sup>st</sup>) week of camp. Employees may elect to take the second (2<sup>nd</sup>) week as leave of absence without pay or may designate the second week as vacation time and receive normal pay. This last option is authorized only providing the employee has accrued sufficient vacation time to cover the second (2<sup>nd</sup>) week.

### **5. INSURANCE BENEFITS:**

In accordance with the Office Clerical Operational Supplement, the Company will continue to participate in the current health plans and will contribute 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.

[Language to be inserted]

### **6. PENSION PLAN:**

In accordance with the Office Clerical Operational Supplement, the Company will continue to participate in the current pension plans and will contribute 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.

[Language to be inserted]

**7. TUITION REFUND PROGRAM:**

All full-time employees and part-time employees will be eligible to participate in the Company's tuition reimbursement program.

**8. 401(k) PLAN:**

Effective January 1, 2009, all part-time employees on the seniority list on the date of ratification of this Agreement and all full-time employees will be eligible to participate in the Company's 401(k) plan, subject to and in accordance with the provisions and any modifications to said plan

**9. FAMILY AND MEDICAL LEAVE ACT:**

Refer to Article 25, Section 6 of the National Agreement (“Leaves of Absence – FMLA Leave”) and Article 11, Section 3 of the Office Clerical Operational Supplement.

**ARTICLE 32. DURATION**

The term of this Local Rider is subject to and controlled by all of the provisions of Article 28 of the National Agreement (“Duration”) between the parties hereto.

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

COMPANY

UNION

TEAMSTERS LOCAL UNION NO. 486,  
affiliated with the International Brotherhood of  
Teamsters

BY \_\_\_\_\_  
TITLE

BY \_\_\_\_\_  
TITLE

**LETTER OF UNDERSTANDING REGARDING BREAKS**

Full-time employees will be entitled to a five (5) minute break during the first (1<sup>st</sup>) four (4) hour period and a five (5) minute break during the second (2<sup>nd</sup>) four (4) hour period. It is mutually agreed that no employee will take a break unless there is another employee on duty.

The term of this Letter of Understanding is subject to and controlled by all of the provisions of Article 28 of the National Agreement (“Duration”) between the parties hereto.

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

COMPANY

UNION

TEAMSTERS LOCAL UNION NO. 486,  
affiliated with the International Brotherhood of  
Teamsters

BY \_\_\_\_\_  
TITLE

BY \_\_\_\_\_  
TITLE

**LETTER OF UNDERSTANDING REGARDING PERSONAL DAYS**

New full-time hires will be entitled to one (1) personal day per quarter, upon the completion of their probationary period, during their first (1st) year of employment.

During this period, employees may carry over from quarter-to-quarter any personal day(s) earned with management's approval.

The term of this Letter of Understanding is subject to and controlled by all of the provisions of Article 28 of the National Agreement (“Duration”) between the parties hereto.

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

COMPANY

UNION

TEAMSTERS LOCAL UNION NO. 486,  
affiliated with the International Brotherhood of  
Teamsters

BY \_\_\_\_\_  
TITLE

BY \_\_\_\_\_  
TITLE

**MEMORANDUM OF UNDERSTANDING**

**BY AND BETWEEN**

**TEAMSTERS LOCAL 486**

**AND**

**DHL, FREELAND, MI**

It is mutually agreed that the current ratio of part time to full time employees at the DHL facility in Freeland, Michigan, and the part time benefits for those employees, shall be red circled and continue during the term of the agreement commencing on April 1, 2008.

This memorandum shall apply only to the employees on the current seniority list as of April 1, 2008.

FOR THE COMPANY  
DHL Express, Inc.

FOR THE UNION  
Teamsters Local Union No. 486

BY \_\_\_\_\_

BY \_\_\_\_\_

DATE \_\_\_\_\_

DATE \_\_\_\_\_

BY \_\_\_\_\_

BY \_\_\_\_\_

DATE \_\_\_\_\_

DATE \_\_\_\_\_