SUMMARY OF TENTATIVE NATIONAL MASTER DHL AGREEMENT

NATIONAL MASTER DHL AGREEMENT DHL EXPRESS (USA), INC.

For the Period: April 1, 2013 through March 31, 2017

Covering operations in, between and over all of the states, territories and possessions of the United States, and operations into and out of all contiguous territory, to the extent specifically set forth herein and as may be modified from time to time by operation of the terms of this Agreement, its Operational Supplements, Regional Supplements, Local Riders, and/or other agreements reached by of the Parties.

DHL EXPRESS (USA), INC., hereinafter referred to as "Company" or "Employer" and the TEAMSTERS DHL NATIONAL NEGOTIATING COMMITTEE, representing Local Unions affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, and Local Union No., which is an affiliate of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, agree to be bound by the terms and conditions of this Agreement.

- The parties reserve the right to correct inadvertent errors and omissions in any portion of this Agreement (including all Supplements and Riders)
- Additions and new language are underlined and bold
- Where no reference is made to a specific Article or Section thereof, such Article and Section are to continue as in the current Agreement or Supplement, as applied and interpreted during the life of such Agreement.

ARTICLE 1. PARTIES TO THE AGREEMENT [NO CHANGE]

ARTICLE 2. SCOPE OF AGREEMENT

Section 1. Scope and Approval of Local Supplements *[NO CHANGE]*

Section 2. Non-Covered Units

This Agreement shall not be applicable to those operations of the Employer where the employees are covered by a collective bargaining agreement with a Union not signatory to this Agreement, or to those employees who have not designated a signatory Union as their collective bargaining agent.

Notwithstanding the forgoing, the provisions of the National Master DHL agreement and the applicable Supplements and/or Riders shall be applied without evidence of union representation of the employees involved to all subsequent additions to, and extensions of, current operations covered by the National Master DHL agreement which adjoin and are controlled and utilized as a part of such current operation, and newly established terminals and consolidations of terminals which are controlled and utilized as a part of such operation.

The parties agree that a constructive bargaining relationship is essential to efficient operations and sound employee relations. The parties recognize that organizational campaigns could have the potential to disrupt an otherwise mutually beneficial collective bargaining relationship. Consequently, should any affiliate of the IBT attempt to organize a non-covered operation of the employer (in any appropriate bargaining unit), the Employer shall remain neutral and not engage in, sponsor, or support any anti-union or "vote-no" activities. Additionally, the parties will not engage in any personal attacks against Union or Company representatives or defame the Union or Company as institutions as a part of any such organizing campaign. Section 3. Single Bargaining Unit [NO CHANGE]

Section 4. New or Changed Classifications [NO CHANGE]

ARTICLE 3. UNION SECURITY AND CHECKOFF

Section 1. Union Shop [NO CHANGE]

Section 2. Probationary Employees [NO CHANGE]

Section 3. Checkoff [NO CHANGE]

Section 4. Local Union [NO CHANGE]

Section 5. Electronic Funds Transfer

If the Employer institutes an electronic funds transfer (EFT) system, employees may shall be required to participate. TA

ARTICLE 4.UNION STEWARDS, NOTIFICATION, AND ACCESS

Section 1. Union Notification to Employer of Union Officials and Representatives

Each Local Union shall notify the Employer in writing (to the Facility Manager(s) where employees work and the \overline{VP} of <u>senior</u> Labor <u>designee</u> for DHL) of the names of all Union Stewards and all Local Union Representatives with authority to act on behalf of the Local Union under the parties' labor agreement. The National Union Committee shall notify the Employer in writing (to the \overline{VP} of <u>senior</u> Labor <u>designee</u> for DHL) of the names of all Officials with authority to act on behalf of the National Union Committee with regard to the parties' labor agreement. The Company shall be free to rely upon such written authorization <u>or lack thereof</u> and may refuse to deal with any individual as an authorized representative of the National Union Committee or Local Union in the absence of such written authorization. **TA**

Section 2. Union Visitation Privileges [NO CHANGE]

Section 3. Printing of Agreement [NO CHANGE]

ARTICLE 5. SENIORITY RIGHTS [NO CHANGE]

ARTICLE 6.CONFLICTING AND EXTRA CONTRACT AGREEMENTS

[The Company withdraws its previously proposed changes and instead proposes no change.]

ARTICLE 7. GRIEVANCE AND ARBITRATION PROCEDURE

Section 1. Definition [NO CHANGE]

Section 2. Procedure

Step 1 [NO CHANGE]

Step 2 [NO CHANGE]

Step 3

Any grievance unresolved at Step 2 will be docketed to the appropriate Regional Joint Grievance Committee within ten (10) calendar days of receipt of the Step 2 answer. However, Local Unions shall have the option of electing to have a state or multi-state panel. Such election shall be binding on the Local Union for the duration of this Agreement. In staffing any state panel under this provision, the Employer shall have the option of utilizing MCLAC or DHL management from outside the region for its side of the panel. The Regional Joint Grievance Committee shall be composed of two members designated by the Company and two members designated by the Union, which shall not include any Union designee or representative from the Local Union involved in the dispute or Company designee or representative from the local operations involved in the dispute. The Union shall be entitled to one postponement by right, and the Company shall be entitled to a postponement only with the mutual agreement of the Union. Postponements shall be by mutual written agreement between the Company and the Local Union. The Regional Joint Grievance Committee shall consider all grievances at its next quarterly meeting which are docketed at least ten (10) calendar days prior to the next quarterly meeting. Grievances may be resolved at the Regional Joint Grievance Committee level only by a majority of the members of the committee, and the resolution of any grievance by the Regional Joint Grievance Committee shall be final and binding on the Company, Union and employees. Decisions of the Regional Joint Grievance Committee shall be rendered at the time of the meeting, reduced to writing and signed by members of the Committee who participated in the deliberations and decision- making, and issued within ten (10) calendar days following the meeting at which the grievance was considered. If a majority of the members of the Regional Joint Grievance Committee are unable to reach agreement on the resolution of the grievance, it shall be Regional Joint Grievance considered deadlocked. Committee meetings shall be heard in the same locations and days where the Freight hearings are held, absent mutual agreement between the Parties. Records of the Regional Joint Grievance Committee hearings shall be comprised of a written transcript and exhibits. The Rules and Procedures of the Regional Joint Grievance Committeewill be established may be revised by the National Grievance Committee within 60 days of the effective date of this agreement. A fifty dollar docketing fee will be charged for each grievance that is docketed to the Regional Joint Area Committees. Such fee will be used solely to offset the cost of the hearing rooms associated with the Regional Joint Area Committees that are actually used for the hearings, including nonrefundable deposits for such rooms. The docketing fee shall also apply to grievances advanced from a state panel to the Regional Joint Grievance Committee. The Employer shall establish and maintain a separate account to hold the docketing fees. TDHLNNC shall have the right to audit the account to ensure that such fees are being used solely for the purpose of paying for the hearing rooms used to conduct Regional Joint Grievance Committee hearings. Disbursements from the account are subject to approval by the regional committee cochairs.

Step 4 [NO CHANGE]

Section 3. Arbitration

A mutually agreed upon arbitrator shall be present with the National Grievance Committee when it considers its cases. If the National Grievance Committee cannot reach a decision, either party may immediately refer the matter to the neutral arbitrator who shall make the decision. The arbitrator shall issue a concise decision on the underlying grievance by bench decision on the date on which the National Grievance Committee considered the matter. The record before the National Grievance Committee shall consist only of the transcript and exhibits from earlier Steps. The fees and expenses of the arbitrator, as well as hearing room and transcript costs, shall be borne by the Company. Each party shall be responsible for any costs associated with their representatives.

The parties shall agree to a panel of five (5) permanent arbitrators, who will rotate quarterly, **subject to each** <u>arbitrator's availability</u>, in the hearing of cases arising under this Agreement. Prior to the first meeting the National Grievance Committee shall agree upon the list of standing arbitrators, as well as the procedure for replacing an arbitrator who is no longer available during the term of this Agreement.

Attorneys, other than full-time employees of the Union or Company-and who are not employed in their capacities as attorneys, will not be permitted to attend or participate in any step of the grievance/arbitration procedure.

Section 4. Advance Level Filing in the Case of National Disputes [NO CHANGE]

Section 5. Grievant's Bill of Rights [NO CHANGE]

Section 6. Time Limit for Filing [NO CHANGE]

Section 7. Authority of Arbitrator [NO CHANGE]

Section 8. Timely Payment of Grievances [NO CHANGE]

Section 9. No Strike/No Lockout [NO CHANGE]

Section 10. Union Responsibility in the Event of Unauthorized Strike [NO CHANGE]

Section 11. Disciplinary Penalties for Violation of No Strike Clause [NO CHANGE]

Section 12. Delinquent Health & Welfare and Pension Obligations

In the event the Employer is delinquent in its health & welfare or pension payments in the manner required by this agreement or applicable supplements and/or riders, the Local Union shall have the right-to take whatever action it deems necessary until such delinquent payments are made. The Local Union shall give the Employer a seventy-two (72) hour, (excluding Saturday, Sunday and holidays) prior written notice of the Local Union's authorization of strike action which notice shall specify the failure to make health & welfare or pension payments providing the basis for such strike authorization. In no event shall the Union have the right to strike over a dispute concerning eligibility and/or a payment of health & welfare or pension contributions by the Employer on behalf of specific individuals, and such disputes shall be subject to the grievance procedure. Such notice shall be provided in writing by confirmed delivery to the DHL Vice President of Labor Relations Employer's senior Labor designee.

ARTICLE 8. PROTECTION OF RIGHTS [NO CHANGE]

ARTICLE 9. LOSS OR DAMAGE [NO CHANGE]

ARTICLE 10. BONDS AND INSURANCE [NO CHANGE]

ARTICLE 11. WORKERS COMPENSATION

Section 1. Compensation Claims [NO CHANGE]

Section 2. Modified Work

This section applies only to employees working under PU&D and Office Clerical Operational Supplements.

The Employer may establish a modified work program designed to provide temporary opportunity to those employees who are unable to perform their normal work assignments due to a disabling on-the-job injury. Recognizing that a transitional return-to-work program offering both physical and mental therapeutic benefits will accelerate the rehabilitative process of an injured employee, modified work programs are intended to enhance worker's compensation benefits and are not to be utilized as a method to take advantage of an employee who has sustained an industrial injury, nor are they intended to be a permanent replacement for regular employment. An active employee, who is injured on the job, qualifies for workers' compensation benefits and is subsequently laid off, will continue to receive compensation payments and benefits for the period provided by his/her supplement.

Implementation of a modified work program shall be at the Employer's option and shall be in strict compliance with applicable federal and state worker's compensation statutes. Modified work assignments will be for a period up to eight (8) weeks; however, the Employer may extend such assignments for up to an additional four (4) weeks if the employee's condition is improving and the employee has a return to work expectation within twelve (12) weeks from the beginning of the modified work assignment. In no event shall a modified duty assignment exceed twelve (12) weeks, unless otherwise required by applicable disability law. Acceptance of modified work shall be on a voluntary basis at the option of the injured employee. However, refusal to accept modified work by an employee, otherwise entitled to worker's compensation benefits, may result in a loss or reduction of such benefits as specifically provided by the provisions of applicable federal or state worker's compensation statutes. Employees who accept modified work shall continue to be eligible to receive "temporary partial" worker's compensation benefits as well as all other entitlements as provided by applicable federal or state worker's compensation statutes.

Employees who need additional medical and/or physical therapy may go for such treatments during scheduled hours for modified work whenever practical and reasonable.

At facilities where the Employer has a modified work program in place, temporary modified assignments shall be offered in seniority order to those regular full time employees who are temporarily disabled due to a compensable worker's compensation injury and who have received a detailed medical release from the attending physician clearly setting forth the limitations under which the employee may perform such modified assignments. Once a modified work assignment is made and another person is injured, the second person must wait until a modified work opening occurs, regardless of seniority. All modified work assignments must be made in strict compliance with the physical restrictions as outlined by the attending physician. All modified work program candidates must be released for eight (8) hours per day, five (5) days per week. The Employer at its option, may make a modified work offer of less than eight (8) hours per day where such work is expected to accelerate the rehabilitative process and the attending physician recommends that the employee works back to regular status or up to eight (8) hours per day by progressively increasing daily hours. A copy of any release for modified work must be given to the employee before the modified work assignment begins.

It is understood and agreed that those employees who, consistent with professional medical evaluations and opinion, may not be expected to receive an unrestricted medical release, or whose injury has been medically determined to be permanent shall not be eligible to participate in a modified work program. In the event of a dispute related to conflicting medical opinion, such dispute shall be resolved pursuant to established worker's compensation law and/or the method of resolving such matters as outlined in the applicable Supplemental Agreement. In the absence of a provision in the Supplemental Agreement, the following shall apply:

When there is a dispute between two (2) physicians concerning the release of an employee for modified work, such two (2) physicians shall immediately select a third (3rd) neutral physician within seven (7) days, who shall possess the same qualifications as the most qualified of the two selecting physicians, whose opinion shall be final and binding on the Employer, the Union and the employee. In the event the availability of a qualified physician is in question, the Local Union and the Company shall resolve such matter by selecting the third (3rd) physician whose opinion shall be final and binding. The expense of the third (3rd) physician shall be equally divided between the Employer and the Union. Disputes concerning the selection of the neutral physician or back wages shall be subject to the grievance procedure.

For locations where the Employer intends to implement a modified work program or has a modified work program in place, the Local Union shall be provided with a copy of the current form(s) being used for employee evaluation for release and general job descriptions. This information shall be general in nature, not employee specific.

When a modified work assignment is made, the employee shall be provided with the hours and days he/she is scheduled to work as well as the nature of the work to be performed in writing. A copy of this notice shall also be submitted to the Local Union.

An employee who is placed in a modified work position may be subject to medical evaluation(s) by a physician selected by the Employer to determine if the modified work being performed is accelerating the rehabilitative process as anticipated by Section 2 above. In the event such medical evaluation(s) determine that the rehabilitative process is not being accelerated, the employee shall have the right to seek a second opinion from a physician of his choosing. Any disputes regarding conflicting medical claims shall be resolved in accordance with the provisions outlined above. The employee may be removed from the modified work program based upon final medical findings under this procedure. Employees so removed shall not have their worker's compensation benefits affected because of such removal. In the event the employee's temporary disability worker's compensation benefit is subject to reduction by virtue of an applicable Federal or State statute, the Employer shall pay the difference between the amount of the reduced temporary worker's compensation benefit to which the employee would be entitled.

Modified work shall be restricted to the type of work that is not expected to result in a re-injury and which can be performed within the medical limitations set forth by the attending physician. In the event the employee, in his/her judgment, is physically unable to perform the modified work assigned, he/she shall be either reassigned modified work within his/her physical capabilities or returned to full "temporary total" worker's compensation benefits. In the event a third (3rd) party insurance carrier refuses to reinstate such employee to full temporary total disability benefits, the Employer shall be required to pay the difference between the amount of the benefit paid by such third (3rd) party insurer and full total temporary disability benefits. Determination of physical capabilities shall be based on the attending physicians medical evaluation. Under no conditions will the injured employee be required to perform work at that location subject to the terms and conditions of the National Agreement or its Supplements and/or Riders, provided that such employee may be required to perform letter scanning, sorting, and reweighing in a manner consistent with physician's restrictions. Prior to acceptance of modified work, the affected employee shall be furnished a written job description of the type of work to be performed.

The modified workday and workweek shall be established by the Employer within the limitations set forth by the attending physician. However, the workday shall not exceed eight (8) hours, inclusive of coffee breaks where applicable and exclusive of a one-half (1/2) hour meal period and the workweek shall not exceed forty (40) hours, Monday through Friday, or Tuesday through Saturday, unless the nature of the modified work assignment requires a scheduled workweek to include Sunday. Whenever possible, the Employer will schedule modified work during daylight hours, Monday through Friday, or during the same general working hours and on the same workweek that the employee enjoyed before he/she became injured. In the case of an employee whose workdays and/or hours routinely varied, the Employer will schedule the employee based on the availability of the modified assignment being offered. Any alleged abuse of the assignment of workdays and work hours shall be subject to the grievance procedure.

Modified work time shall be considered as time worked when necessary to satisfy vacation and sick leave eligibility requirements as set forth in the National Agreement, Supplements and/or Riders. In addition to earned vacation pay as set forth in the applicable Supplements and/or Riders, employees accepting modified work shall receive prorated vacation pay for modified work performed based on the weekly average modified work pay. The only time modified work is used in prorating vacation is when the employee did not qualify under the applicable Supplements and/or Riders.

Holiday pay shall first be paid in accordance with the provisions of the applicable Supplements and/or Riders as it relates to on-the-job injuries. Once such contractual provisions have been satisfied, holidays will be paid at the modified work rate which is the modified work wage plus the temporary partial disability benefit.

Sick leave and funeral leave taken while an employee is performing modified work will be paid at the modified work rate, which is the modified work wage plus the temporary partial disability benefit. Unused sick leave will be paid at the applicable contract rate where the employee performed modified work and qualified for the sick leave during the contract year.

The Employer shall continue to remit contributions to the appropriate health & welfare and pension trusts during the entire time period employees are performing modified work. The payment of health & welfare and pension contributions while the employee is on modified work is not included in the health & welfare and pension contributions required by the Supplement when an employee is off work on worker's compensation. Continuation of such contributions beyond the period of time specified in the Supplements and/or Riders for on-the-job injury shall be required. Provisions of this Section shall not be utilized as a reason to disqualify or remove an employee from the modified work program.

Employees accepting modified work shall receive temporary partial benefits as determined by each respective state worker's compensation law, plus a modified work wage when added to such temporary partial benefit, shall equal not less than eighty-five percent (85%) of forty (40) hours' pay he/she would otherwise be entitled to under the provisions of the applicable Supplements and/or Riders for the first six (6) months from the date the modified work assignment commences. After this initial six (6) month period, the percentage shall increase to ninety percent (90%) for the duration of each individual modified work assignment. The Employer shall not refuse to assign modified work to employees based solely on such employees reaching the ninety percent (90%) wage level. Such refusal shall be considered an abuse of the program and shall be subject to the grievance procedure. Modified work assignments beginning or ending within a workweek shall be paid on a prorated basis; one (1) day equals one-fifth (1/5th).

Employees accepting modified work shall not be subject to disciplinary action provisions of the Operational Supplements, Supplements and/or Riders unless such violation involves an offense for which no prior warning notice is required under the applicable Operational Supplements (Cardinal Sins). Additionally, the Uniform Testing Procedures set forth in the National Agreement shall apply.

Alleged abuses of the modified work program by the Employer and any factual grievance or request for interpretation concerning this Article shall be submitted directly to the Regional Joint Area Committee. Proven abuses may result in a determination by the National Grievance Committee that would withdraw the benefits of this Article from that Employer, in whole or in part, in which case affected employees shall immediately revert to full worker's compensation benefits.

Section 3. Americans with Disabilities Act [NO CHANGE]

ARTICLE 12. MILITARY CLAUSE [NO CHANGE]

ARTICLE 13. PAY PERIOD [NO CHANGE]

ARTICLE 14. POSTING [NO CHANGE]

ARTICLE 15. UNION AND EMPLOYER COOPERATION [NO CHANGE]

ARTICLE 16.UNION ACTIVITIES

Any employee, member of the Union, acting in any official capacity whatsoever shall not be discriminated against for his/her acts as such officer of the Union so long as such acts do not interfere with the conduct of the Employer's business, nor shall there be any discrimination against any employee because of Union membership or activities.

A Union member elected or appointed to serve as a Union official shall be granted a leave of absence during the period of such employment, without discrimination or loss of seniority rights, and without pay. The Local Union must give forty-eight (48) hours notice for the first three (3) one (1) individual by Local and two (2) weeks notice for any additional employees for such leave. The Union agrees that in making its request for time off for union activities, due consideration shall be given to the number of employees affected in order so that there shall be no disruption of the Employer's operation due to lack of available employees. TA

ARTICLE 17. SEPARATION OF EMPLOYMENT [NO CHANGE]

ARTICLE 18. EMPLOYER AND EMPLOYEE IDENTIFICATION [NO CHANGE]

ARTICLE 19. SEPARABILITY (SAVINGS CLAUSE) [NO CHANGE]

ARTICLE 20. EMERGENCY REOPENING [NOTE: MODIFY CONSISTENT WITH NATIONAL ECONOMIC SETTLEMENT]

ARTICLE 21. WAGES [NOTE: MODIFY CONSISTENT WITH NATIONAL ECONOMIC SETTLEMENT]

ARTICLE 22. GARNISHMENTS

In the event of notice to an Employer of a garnishment or impending garnishment, the Employer may take disciplinary action if the employee fails to satisfy such garnishment within a seventy two (72) hour period (limited to working days) after notice to the employee. However, the Employer may not discharge any employee by reason of the fact that his earnings have been subject to garnishment for any one (1) indebtedness. If the Employer is notified of three (3) garnishments irrespective of whether satisfied by the employee within the seventy two (72) hour period, the employee may be subject to discipline, including discharge in extreme cases. However, if the Employer has an established practice of discipline or discharge with a fewer number of garnishments or impending garnishments, if the employee fails to adjust the matter within the seventy two hour period, such past practice shall be applicable in those cases.

ARTICLE 23. SPECIAL LICENSES AND DRUG/ALCOHOL TESTING

The Company proposes no changes other than to include drug testing language. The Company requests that the Union provide new NMFA drug testing procedures for the Company's review.

ARTICLE 24. NON-DISCRIMINATION [NO CHANGE]

ARTICLE 25. LEAVES OF ABSENCE

Section 1. Sick Leave

All Supplements and Riders shall maintain the same amount of sick days contained in those labor agreements in effect prior to <u>the contract ratification date</u> April 1, 2008, unless otherwise set forth in the current Operational Supplement, Supplement and/or Rider.

Sick days are usable from the first (1st) day of absence.

Section 2. Eligibility Requirements for Sick Leave [NO CHANGE]

Section 3. Bereavement/Funeral Leave [NO CHANGE]

Section 4. Jury Duty [NO CHANGE]

Section 5. Witness Appearance Leave [NO CHANGE]

Section 6. FMLA Leave [NO CHANGE]

Section 7. Unpaid Personal Leave of Absence

All Supplements and Riders shall maintain the unpaid personal leave of absence provisions contained in those labor agreements in effect prior to <u>April 1, 2008 the contract</u> <u>ratification date</u>, unless otherwise set forth in the current Supplements and/or Riders.

Section 8. Non-Employment Elsewhere [NO CHANGE]

ARTICLE 26. HOLIDAYS

Section 1. Designated Holidays

All supplements and riders shall maintain the same holidays contained in those labor agreements in effect prior to April 1, 2008 unless otherwise set forth in the current Operational Supplements, Supplements and/or Riders. Each of the Holidays shall be observed on the calendar day on which the holiday falls. If a holiday falls on Sunday it shall be observed on Monday. Monday shall be considered as the holiday. If a holiday falls on Saturday it shall be observed on Friday before. Friday shall be considered as the holiday.

Section 2. Eligibility Requirements for Holiday Pay [NO CHANGE]

Section 3. Holiday Pay [NO CHANGE]

Section 4. Pay for Working on a Holiday [NO CHANGE]

Section 5. Holidays Falling During Vacation Period or Day Off [NO CHANGE]

ARTICLE 27. VACATION

All Supplements and Riders shall maintain the same provisions related to vacations contained in those labor agreements in effect prior to <u>the contract ratification</u> <u>date</u> April 1, 2008 unless otherwise set forth in the current Operational Supplements, Supplements, and/or Riders.

ARTICLE 28. DURATION

Section 1. Term of Agreement

This Agreement shall be effective April 1, 2008 2013 and shall continue in full force and effect, without reopening of any kind, except as expressly provided herein, to and including twelve (12) midnight on March 31, 20173.

Section 2. Notification Requirements [NO CHANGE]

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

COMPANY_____ UNION _____ [NO CHANGE]

APPENDIX A. SCOPE [NO CHANGE]

APPENDIX B. MEMORANDUM OF UNDERSTANDING: ANTI-HARASSMENT POLICY [NO CHANGE]

2013 DHL Express Joint Negotiations Tentative Agreement June 21, 2013

<u>Summary of General Monetary Agreement</u> <u>National and all Supplemental Agreements</u> <u>For the period covering April 1, 2013 through March 31, 2017</u>

<u>Note:</u> The general hourly and other benefit increases are as follows and shall be applied in accordance with the appropriate Area Supplement.

<u>PU & D (Art. 19) and Office Clerical (Art. 18) Operational</u> <u>Supplements</u>

1) Lump Sum Payment

Active full-time and part-time employees as of the date of ratification and employees on an approved leave of absence (including workers' compensation and disability leave) will receive a \$1,250 lump sum payment for 2013 retroactive and prospective wage increases. Laid-off employees on the seniority list who have worked at least 500 hours in 2013 prior to the date of ratification will also receive a \$1,250 lump sum payment. Payment of the lump sum will be made within 30 days of date of ratification.

2) General Wage Increases: Full-Time

- a) Effective April 1, 2014: \$1.00 per hour
- b) Effective April 1, 2015: \$0.60 per hour
- c) Effective April 1, 2016: \$0.35 per hour
- d) Effective October 1, 2016: \$0.25 per hour
- 3) <u>General Wage Increases: Part-Time (out of progression)</u>
 - a) Effective April 1, 2014: \$0.50 per hour
 - b) Effective April 1, 2015: \$0.30 per hour
 - c) Effective April 1, 2016: \$0.30 per hour

4) <u>General Wage Increases: Part-Time (currently in</u> progression or hired after 4/1/13)

If a new part-time employee is required by law or trust agreement/rules to have H & W and/or Pension benefits (costing the employer more than \$4.00 per hour), the following progression applies:

Start:	\$11.25
12 mos:	\$11.60
24 mos:	\$11.95
36 mos:	\$12.30

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

Start:	\$13.25
12 mos:	\$13.60
24 mos:	\$13.95
36 mos:	\$14.30

For part-timers hired after April 1, 2008 who perform any of the limited PM driving, the part-time rate shall be \$2.00 per hour more than the part-time non-driving rate. If they perform driving duties any portion of the day, they shall receive this driver's rate for all time worked that day.

The above increases shall only be applied to the top rate for existing agreements containing pay progressions.

5) <u>Gateway</u>

For employees covered by the Gateway Operational Supplement, the parties have agreed to maintain the current language. The current wage progressions shall continue to apply with increases for those employees who have exceeded the progression as follows:

- -Employees in the current progression will remain in the progression.
- -Employees currently over the progression will receive a \$1,250 signing bonus.
- -Employees who advance the progression during the term of the agreement will receive the hourly increase set forth in the PUD Operational Supplement per practice.

6) <u>Cost-of-Living Adjustments (COLA):</u>

Maintain annual COLA language – change dates to reflect new agreement.

Note: does not apply for 2013.

7) <u>Overtime</u>

The Operational Supplements shall be revised to include double time (2x) for all hours worked over twelve in a day. The parties agree that this will not override any more generous language in a local Supplement or rider.

8) Health & Welfare and Pension Plans:

For Employees covered by the Pick Up and Delivery and Office Clerical Operational Supplements, the following revises Articles 20 & 21 and 19 & 20 respectively :

The Employer shall continue to participate in the same Health and Welfare and Pension Funds. The language in the supplements and/or riders shall remain unless changed.

Increased Employer Contributions to Teamster Health & Welfare and Pension Plans:

If necessary to maintain the Health and Welfare and Pension benefits, the Employer shall increase its contribution to all Teamster Health & Welfare and Pension Plans, up to \$1.00 per year as follows:

Effective Dates	Increases in Employer Contributions
August 1, 2013	up to \$1.00 per hour
August 1, 2014	up to an additional \$1.00 per hour
August 1, 2015	up to an additional \$1.00 per hour
August 1, 2016	up to an additional \$1.00 per hour

Monthly, daily and/or hourly contributions shall be converted from the hourly contributions schedule in accordance with past practice.

Consistent with past practice, the Supplemental Negotiating Committee will determine the allocation of the negotiated contribution amounts to the appropriate Health & Welfare and/or Pension Funds.

Where the Employer has negotiated a long-term fixed pension rate (i.e. through a transition plan combined with payment of withdrawal liability) applicable during the term of the agreement, the provision for up to one dollar (\$1.00) shall be reduced in accordance with the mutual agreement between the Employer and the Local Unions representing employees covered by the fixed pension rate.

In locations where the local Supplement requires maintenanceof-benefits for a Taft-Hartley health and welfare plan, the increases shall first be utilized to fund the maintenance of benefits to the health and welfare fund, with the balance of the monetary amount going to pension. If the health and welfare costs increase and exceed \$1.00 per hour for each employee of each year, then maintenance of benefits will apply, the Employer will pay that amount, with no additional increase to pension for that year.

9) **Duration**

Effective April 1, 2013 through March 31, 2017 (four (4) years)

End