

NATIONAL MASTER
DHL AGREEMENT

AND

OPERATIONAL SUPPLEMENTS

DHL EXPRESS (USA), INC.

For the Period:

through

ARTICLE
RECOGNITION AND SCOPE OF AGREEMENT

Section .1. Employer Covered.

The Employer signatory to this National Agreement (including operational provisions) and associated Local Supplements is DHL EXPRESS (USA), INC. This Agreement does not apply to the corporate parent of DHL EXPRESS (USA), INC. nor to any other wholly or partially owned or controlled subsidiaries of said corporate parent.

Section .2. Unions, Operations and Employees Covered.

The Union consists of any Local Union which may become a party to this Agreement and any Supplemental Agreement as hereinafter set forth. Such Local Unions are hereinafter designated as ‘Local Union.’ In addition to such Local Unions, the Teamsters DHL National Negotiating Committee (“TDHLNNC”) affiliated with the International Brotherhood of Teamsters, hereinafter referred to as the “National Union Committee” is also a party to this Agreement and the agreements supplemental thereto.

The Employer recognizes the Union as the sole and exclusive collective bargaining agent with respect to rates of pay, hours and other terms and conditions of employment for the employees in previously certified or recognized units referenced in Attachment A.

A list of all the Local Unions covered by this National Agreement and the associated categories of employees represented by said Local Unions is described in Attachment A to this National Agreement, which Appendix will be updated by the parties by mutual written agreement from time to time as additional operations become covered by this National Agreement.

Section .3. 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.

Section .4. Transfer of Employer Title and Interest

The Employer’s obligations under this Agreement and the supplements hereto shall be binding upon its successors, administrators, executors and assigns. The Employer agrees that the obligations of this Agreement shall be included in the agreement of sale, transfer or assignment of the business. In the event an entire active or inactive operation, or a portion thereof, are sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such operation shall continue to be subject to the terms and conditions of this Agreement for the life thereof. Transactions covered by this provision include stock sales or exchanges, mergers, consolidations, spin-

offs or any other method by which a business is transferred. It is understood by this Section that the signatory Employer shall not sell, lease or transfer such business to a third party to evade this Agreement. In the event the Employer fails to require the purchaser, transferee, or lessee to assume the obligations of this Agreement, as set forth above, the Employer (including partners thereof) shall be liable to the Local Union(s) and to the employees covered for all damages sustained as a result of such failure to require the assumption of the terms of this Agreement until its expiration date, but shall not be liable after the purchaser, the transferee or lessee has agreed to assume the obligations of this Agreement. The obligations set forth above shall not apply in the event of the sale, lease or transfer of a portion of the Employer's business comprising less than all of the signatory Employer's business to a non-signatory company unless the purpose is to evade this Agreement. Corporate reorganizations by the signatory Employer, occurring during the term of this Agreement, shall not relieve the signatory Employer or the re-organized Employer of the obligations of this Agreement during its term.

The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, assignee, or other entity involved in the sale, merger, consolidation, acquisition, transfer, spin-off, lease or other transaction by which the operation covered by this Agreement or any part thereof may be transferred. Such notice shall be in writing, with a copy to the Local Union, at the time the seller, transferor or lessor makes the purchase and sale negotiation known to the public or executes a contract or transaction as herein described, whichever first occurs. The Local Union shall also be advised of the exact nature of the transaction, not including financial details.

This Article does not apply to business transactions where the Company is simply selling, leasing, subleasing, assigning or otherwise transferring to a non-affiliated third party facilities, vehicles, equipment or other assets previously used in its business, but is *not* transferring to such party any of the work of bargaining unit employees, and where such work will continue to be performed by bargaining unit members using other facilities, vehicles, equipment or other assets as the Employer in its discretion deems most efficient and appropriate for the operation of its business.

Section .5. Single Bargaining Unit.

It is the intent of parties that each of the groups of represented employees referenced in Attachment A will be governed by this National Agreement and applicable Operational Supplements, together with any Local Supplements and/or riders.

All employees covered by this National Agreement, the Operational Supplements, and the various Local Supplements and/or riders, shall constitute one (1) bargaining unit. The printing of this National Agreement, the Operational Supplements and the various Local Supplements and/or riders in separate agreements is for convenience only and is not intended to create separate bargaining units.

Any lesser conditions contained in any Supplement, Rider or Addendum shall be superseded by the conditions contained in this National Agreement. However, nothing

in this national agreement shall deprive any employee of any superior benefit or term contained in their Supplement, Rider or Addendum.‡

Section .6. Scope and Approval of Local Supplements.

It is the intent of the parties that generally negotiated terms and conditions of employment will be set forth in the National Agreement and applicable Operational Supplements, and that locally negotiated conditions generally will be narrowly limited in scope to locally negotiated economic provisions and local terms and conditions of employment. All Local Supplements and/or riders must be submitted to National Union Committee for review and approval. Failure to be approved in writing by said Committee shall render a Local Supplement null and void. This provision does not alter or substitute for any procedures the Union has for membership ratification.

Section .7. New or Changed Classifications.

Any modifications to the current bargaining unit classifications must be negotiated with the National Union Committee and Local Unions involved. If agreement cannot be reached the dispute shall be submitted to the grievance arbitration procedure.

ARTICLE
UNION SECURITY AND RIGHTS

Section 1. Union Shop

(a) All present employees who are members of the Local Union on the effective date of this subsection or on the date of execution of this Agreement, whichever is the later, shall remain members of the Local Union as a condition of employment. Union membership for purposes of this Agreement, is required only to the extent that employees must pay either (i) the Union's initiation fees and periodic dues or (ii) service fees which in the case of a regular service fee payer shall be equal to the Union's initiation fees and periodic dues, and in the case of an objecting service fee payer shall be the proportion of the initiation fees and dues corresponding to the portion of the Union's total expenditures that support representational activities. All present employees who are not members of the Local Union and all employees who are hired hereafter shall become and remain members of the Local Union as a condition of employment on and after the thirty-first (31st) calendar day following the beginning of their employment or on and after the thirty-first (31st) calendar day following the effective date of this subsection or the date of this Agreement, whichever is the later. An employee who has failed to acquire, or thereafter maintain, membership in the Union as herein provided, shall be terminated seventy-two (72) hours after his/her Employer has received written notice from an authorized representative of the Local Union, certifying that membership has been, and is continuing to be, offered to such employee on the same basis as all other members and, further, that the employee has had notice and opportunity to make all dues or initiation fee payments. This provision shall be made and become effective as of such time as it may be made and become effective under the provisions of the National Labor Relations Act, but not retroactively. For purposes of this Article, "present employees" and "employees who are hired hereafter" shall include probationary, "casual" and/or "part-time" employees." Such "casual" or "part-time" employees will be required to join the Union prior to their employment on or after the thirty-first (31st) calendar day following their first (1st) day of employment.

Hiring

(b) When the Employer needs additional employees, it shall give the Local Union equal opportunity with all other sources to provide suitable applicants, but the Employer shall not be required to hire those referred by the Local Union. Violations of this subsection shall be subject to the Grievance Committee.

Any employment examination for applicants must test skills or physical abilities necessary for performance of the work in the job classification in which the applicant will be employed. Violations of this subsection shall be subject to the Grievance Committee.

State Law

(c) No provision of this Article shall apply in any state to the extent that it may be prohibited by state law. If under applicable state law additional requirements must be met before any such provisions may become effective, such additional requirements shall be first met.

Agency Shop

(d) If any agency shop clause is permissible in any state where the provisions of this Article relating to the Union Shop cannot apply, the following Agency Clause shall prevail:

(1) Membership in the Local Union is not compulsory. Employees have the right to join, not join, maintain, or drop their membership in the Local Union, as they see fit. Neither party shall exert any pressure on, or discriminate against, an employee as regards such matters.

(2) Membership in the Local Union is separate, apart and distinct from the assumption by one of his/her equal obligation to the extent that he/she receives equal benefits. The Local Union is required under this Agreement to represent all of the employees in the bargaining unit fairly and equally without regard to whether or not an employee is a member of the Local Union. The terms of this Agreement have been made for all employees in the bargaining unit and not only for members in the Local Union, and this Agreement has been executed by the Employer after it has satisfied itself that the Local Union is the choice of a majority of the employees in the bargaining unit. Accordingly, it is fair that each employee in the bargaining unit pays his/her own way and assume his/her fair share of the obligations along with the grant of equal benefits contained in this Agreement.

(3) In accordance with the policy set forth under subparagraphs (1) and (2) of this Section, all employees shall, as a condition of continued employment, pay to the Local Union, the employee's exclusive collective bargaining representative, an amount of money equal to that paid by other employees in the bargaining unit who are members of the Local Union, which shall be limited to an amount of money equal to the Local Union's regular and usual initiation fees, and its regular and usual dues. For present employees, such payments shall commence thirty-one (31) days following the effective date or on the date of execution of this Agreement, whichever is the later, and for new employees, the payment shall start thirty-one (31) days following the date of employment.

Employer Recommendation

(f) In those instances where subsection (a) hereof may not be validly applied, the Employer agrees to recommend to all employees that they become members of the Local Union and maintain such membership during the life of this Agreement, to refer new employees to the Local Union representative, and to recommend to delinquent members that they pay their dues since they are receiving the benefits of this Agreement.

Business agents shall be permitted to attend new employee orientation. The sole purpose of the business agent's attendance is to encourage employees to join the Union.

Future Law

(g) To the extent such amendment may become permissible under applicable federal and state law during the life of this Agreement as a result of legislative, administrative or judicial determination, all of the provisions of this Article shall be automatically amended to include the greater Union security provisions provided by the amended federal or state.

No Violation of Law

(h) Nothing contained in this Section shall be construed so as to require the Employer to violate any applicable law.

Section 2. Checkoff

The Employer agrees to deduct from the pay of all employees covered by this Agreement the dues, initiation fees and/or uniform assessments of the Local Union having jurisdiction over such employees and agrees to remit to said Local Union all such deductions. Where laws require written authorization by the employee, the same is to be furnished in the form required. The Local Union shall certify to the Employer in writing each month a list of its members working for the Employer who have furnished to the Employer the required authorization, together with an itemized statement of dues, initiation fees (full or installment), or uniform assessments owed and to be deducted for such month from the pay of such member. The Employer shall deduct such amount within two (2) weeks following receipt of the statement of certification of the member and remit to the Local Union in one (1) lump sum within three (3) weeks following receipt of the statement of certification. The Employer shall add to the list submitted by the Local Union the names and Social Security numbers of all regular new employees hired since the last list was submitted and delete the names of employees who are no longer employed. Checkoff shall be on a monthly or quarterly basis at the option of the Union. The Local Union and Employer may agree to an alternative option to deduct Union dues bi-monthly.

When an Employer actually makes a deduction for dues, initiation fees and assessments, in accordance with the statement of certification received from an appropriate Local Union, the Employer shall remit same no later than three (3) weeks following receipt of

the statement of certification and in the event the Employer fails to do so, the Employer shall be assessed ten percent (10%) liquidated damages. All monies required to be checked off shall become the property of the entities for which it was intended at the time that such checkoff is required to be made. All monies required to be checked off and paid over to other entities under this Agreement shall become the property of those entities for which it was intended at the time that such payment or checkoff is required to be made.

Where an employee who is on checkoff is not on the payroll during the week in which the deduction is to be made, or has no earnings or insufficient earnings during that week, or is on leave of absence, the employee must make arrangements with the Local Union and/or the Employer to pay such dues in advance.

The Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE. DRIVE shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from his/her paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to DRIVE National Headquarters on a monthly basis, in one (1) check, the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from that employee's paycheck. The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer's actual cost for the expenses incurred in administering the weekly payroll deduction plan.

The Employer will recognize authorization for deductions from wages, if in compliance with state law, to be transmitted to Local Union or to such other organizations as the Union may request if mutually agreed to. No such authorization shall be recognized if in violation of state or federal law. No deduction shall be made which is prohibited by applicable law.

In the event that an Employer has been determined to be in violation of this Article by the decision of an appropriate grievance committee and/or arbitrator, and if such Employer subsequently is in violation thereof after receipt of seventy-two (72) hours' written notice of specific delinquencies, the Local Union may strike to enforce this Article. However, such strike shall be terminated upon the delivery thereof. Errors or inadvertent omissions relating to individual employees shall not constitute a violation.

Upon written request of an employee, the Employer shall make payroll deductions for the purchasing of U. S. Savings Bonds. The Employer hereby agrees to participate in the Teamsters National 401(k) Savings Plan (the "Plan") on behalf of all employees represented for purposes of collective bargaining under this agreement. The Employer is not required to participate in the Teamsters National 401(k) if Teamsters employees were eligible to participate in an Employer sponsored 401(k) as of January 1, 1998.

The Employer will make or cause to be made payroll deductions from participating employee's wages, in accordance with each employee's salary deferral election subject to

compliance with ERISA and the relevant tax code provisions. The Employer will forward withheld sum to State Street Bank or its successor at such time, in such form and manner as required pursuant to the Plan and Declaration of Trust (the "Trust").

The Employer will execute a Participation Agreement with the National Union Committee and the Trustees of the Plan evidencing Employer participation in the Plan effective prior to any employee deferral being received by the Plan.

Section 3. Electronic Funds Transfer

If the Employer institutes an electronic funds transfer (EFT) system, employees may participate.

Section 4. 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 VP of Labor 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 VP of Labor 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 agreements. The Company shall be free to rely upon such written authorization, 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.

Section 5. Union Visitation Privileges.

- A. Authorized agents of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions, collecting dues and ascertaining that the Agreement is being adhered to.
- B. For purposes of this Section 5.of the Agreement only, the term Union Representative refers to official Union representatives and excludes any and all actively employed unit employees, including stewards.
- C. Facility access under this Agreement shall be governed by the terms of the applicable Operational Supplement hereto, provided that in all circumstances the Union Representatives will comply with all applicable TSA and other regulatory requirements with regard to security and facility access.

Section 6. Printing of Agreement.

The cost of printing copies of the Agreement shall be split equally between the parties.

Section .7. No Conflicting Agreement.

The Employer agrees not to enter into any agreement or contract with its employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement.

ARTICLE .
POSTING

Section 1. Posting of Agreement

A copy of this Agreement shall be posted in a conspicuous place in each garage and terminal.

Section 2. Union Bulletin Boards

The Employer agrees to provide suitable space for the union bulletin board in each garage, terminal or place of work. Postings by the Union on such boards are to be confined to official business of the Union.

All Union bulletin boards must be glass encased and the steward and Business Agent given a key.

ARTICLE
UNION AND EMPLOYER COOPERATION

The parties agree at all times as fully as it may be within their power to cooperate so as to protect the long-range interests of the employees, the Employer, the Union and the customers served by the Employer and employees covered by this Agreement.

ARTICLE
NON-DISCRIMINATION

The Employer and the Union agree not to discriminate against any individual with respect to hiring, compensation, terms or conditions of employment because of such individuals race, color, religion, sex, age, or national origin nor will they limit, segregate or classify employees in any way to deprive any individual employee of employment opportunities because of race, color, religion, sex, age, or national origin or engage in any other discriminatory acts prohibited by law. This Article also covers employees with a qualified disability under the Americans with Disabilities Act, although whether the Employer has complied with the ADA's statutory requirements shall not be subject to the grievance procedure.

ARTICLE
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) individuals 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.

ARTICLE .
EMPLOYER AND EMPLOYEE IDENTIFICATION

Company representatives, if not known to the employee, shall identify themselves to employees prior to taking disciplinary action.

Safety or other company vehicles shall be identified when stopping company equipment.

The Employer agrees to supply company identification to employees covered by this Agreement.

ARTICLE
HOLIDAYS

Section .1. Designated Holidays.

There are ___ () designated holidays for non-probationary full-time employees. These holidays are:

[INSERT LIST OF DESIGNATED HOLIDAYS]

Each of the Holidays shall be observed on the calendar day on which the holiday falls. Additional holidays may be set forth in different parts of this agreement or its supplements.

Section .2. Eligibility Requirements for Holiday Pay.

Additional issues related to eligibility for holiday pay are set forth in the various Operational Supplements to this Agreement.

Section .3. Holiday Pay.

All qualified full-time employees shall receive holiday pay for such holidays at their straight-time hourly rate. Such holiday pay shall be equal to the employee's regularly scheduled weekly hours of duty divided by the number of regularly scheduled weekly work days.

All qualified regular part-time employees shall receive holiday pay for such designated holidays at their regular straight-time hourly rate. Such holiday pay shall be equal to four (4) hours of holiday pay, regardless of the schedule worked.

Section .4. Pay for Working on a Holiday.

Employees may be required to work on a designated holiday. However, where senior employees do not elect to voluntarily work, the employer may draft employees to work in inverse seniority order.

Rate for working a holiday: [to be discussed – economics]

Section .5. Holidays Falling During Vacation Period or Day Off.

If a designated holiday is observed during an employee's scheduled vacation or scheduled day off, eligible employees shall be paid both vacation and holiday pay for the day.

ARTICLE
ADDITIONAL LEAVES OF ABSENCE

Section .1. Bereavement/Funeral Leave.

Non-probationary regular full-time employees shall be granted up to three (3) days of paid leave at regular straight-time rates of pay as compensation for actual work days lost due to the death of a member of the employee's "immediate family", as defined herein, provided that the employee attends the funeral or memorial service. One (1) day of paid leave at regular straight time rates of pay shall be provided for an actual work day lost to attend the funeral or memorial service for a member of the "extended family", as defined herein.

"Immediate family," as used herein, shall include: current spouse, domestic partner, mother, father, sister, brother or child.

"Extended family" as used herein shall include step-parents, mother-in-law, father-in-law, stepsisters, stepbrothers, grandparents, grandchildren, step grandparents, step grandchildren and legal guardian relationships.

All such bereavement leave must be taken within seven (7) calendar days after the death, or it is waived.

Should an employee require additional time off from work in connection with the death, the employee may request to use floating holidays or vacation time. Such requests shall not unreasonably be withheld.

A death certificate or other proof of death shall be submitted to the Employer, upon request.

An employee shall not be entitled to bereavement leave if, at the time of death, the employee is on a vacation, holiday, any other leave of absence, layoff, workers compensation or otherwise is not actively at work for the Employer.

Section .2. Jury Duty.

Non-probationary regular full-time employees will receive time off for jury duty at their straight-time hourly rate. Regularly scheduled employees will receive jury duty pay for either their regularly scheduled hours on such days, or the actual hours served on jury duty if such hours are less than a majority of their regularly scheduled hours for that day. Unassigned employees will receive jury duty pay for the number of hours averaged per day for the six (6) months preceding the week in which their jury duty begins. Employees will keep any jury duty compensation received from the court. Jury duty pay will be paid to a maximum of twenty (20) work days in each calendar year.

An employee is responsible to immediately notify his/her supervisor of the employee's summons for jury duty, and to provide the supervisor with a copy of the summons. Upon the completion of jury service, the employee is responsible to promptly provide a copy of his/her certificate of completion of jury duty to his/her supervisor.

Employees whose shifts do not interfere with serving on jury duty shall not be unreasonably required to report to work that particular day.

All time spent on jury service up to a maximum of twenty (20) work days in each calendar year shall count as time worked for purposes of Employer contributions to health and welfare and pension plans, vacation eligibility and payment, holidays and seniority, in accordance with applicable Supplemental Agreements, Riders and Addenda.

Section .3. Witness Appearance Leave.

Non-probationary regular full-time employees required, and appropriately documented, to appear in court or other legal proceedings, for other than jury duty, shall notify the Employer on their next work day after receiving notice requiring their attendance in court or other legal proceedings. If the employee provides such notice, the employee shall be permitted, at the employee's option, to utilize available vacation or floating holidays to remain in pay status for the day(s) of the witness appearance. provided the Employer is given reasonable advance notice.). If the employee is required to appear in a legal proceeding or arbitration arising out of his work at any proceeding and at the request of the Employer, he shall be paid for such time spent.

Section .4. Military Leave.

[HOLD TO ECONOMICS]

Section .5. FMLA Leave.

All employees who have worked for the Employer for a minimum of twelve (12) months and worked at least 1250 hours during the past twelve (12) months are eligible for unpaid leave as set forth in the Family and Medical Leave Act (FMLA) of 1993.

Eligible employees are entitled to up to a total of twelve (12) weeks of unpaid leave during any twelve (12) month period for the following reasons:

1. Birth of a child;
2. Adoption, or placement for foster care;
3. To care for a spouse, child or parent of the employee due to a serious health condition;
4. A serious health condition of the employee.

The employee's seniority rights shall continue as if the employee had not taken leave under this section, and the Employer will maintain health insurance coverage during the period of leave on the same terms as is available to active employees.

The Employer may require the employee to substitute paid sick leave, vacation or other paid leave for part of the twelve (12) week leave period.

The employee is required to provide the employer with at least thirty (30) days advance notice before FMLA leave begins if the need for leave is foreseeable. If the leave is not foreseeable, the employee is required to give notice as soon as practicable. The Employer has the right to require medical certification of a need for leave under the FMLA. In addition, the Employer has the right to require a second (2nd) opinion (relative to medical condition) at the employer's expense.

Section __.6. Unpaid Personal Leave of Absence.

Upon written request, an employee with at least one (1) year of continuous service in a full-time position covered by this Agreement may be given written permission, at the Employer's sole discretion, to take a special unpaid personal leave of absence, not to exceed thirty (30) calendar days, under such terms and conditions as the Employer and Union may establish and for such purposes as the Employer and Union may approve. Said leave may be extended for up to an additional thirty (30) calendar days at the Employer's discretion and with the approval of the Union.

Section __.7. Non-Employment Elsewhere.

Except as provided in Section __.6 immediately above, a leave of absence will not be granted to enable an employee to try for or accept employment elsewhere or for self-employment, without prior written approval of the Employer. Failure to comply with this provision shall result in the complete loss of seniority rights of the employee.

ARTICLE
WAGE PAYMENT PROVISIONS

[TO BE DISCUSSED IN OPERATIONAL SUPPLEMENTS]

ARTICLE .
SEPARATION OF EMPLOYMENT

Upon discharge, the Employer shall pay earned wages due to the employee on the next payroll following the date the employee quits or is discharged. Vacation pay for which the discharged employee is qualified shall be paid no later than the next payroll following final determination of the discharge.

Upon a permanent terminal closing and/or cessation of operations, the Employer shall pay all money due to the employee on the next payroll following the date of the terminal closing and/or cessation of operations.

Failure to comply shall subject the Employer to pay liquidated damages in the amount of eight (8) hour's pay for each day of delay. Upon quitting, the Employer shall pay all money due to the employee on the next regular payday for the week in which the resignation occurs.

ARTICLE
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 (72) - hour period, such past practice shall be applicable in those cases.

ARTICLE
WORKERS COMPENSATION

Section 1. Compensation Claims

(a) The Employer agrees to cooperate toward the prompt disposition of employee on-the-job injury claims. The Employer shall provide worker's compensation protection for all employees even though not required by state law, or the equivalent thereof, if the injury arose out of or in the course of employment. No employee will be disciplined or threatened with discipline as a result of filing an on-the-job injury report. The Employer or its designee shall not visit an injured worker at his/her home without his/her consent.

(b) An employee must report any work related injury or illness to their supervisor or manager immediately and promptly complete an injury report. At the time an injury report is turned in, the Employer shall provide the injured employee with an information sheet briefly outlining the procedure for submitting a worker's compensation claim to include the name, address and phone number of the company's worker's compensation representative and other pertinent information relative to claim payment.

(c) An employee who is injured on the job, and is sent home, or to a hospital, or who must obtain medical attention, shall receive pay at the applicable hourly rate for the balance of his/her regular shift on that day. An employee who has returned to his/her regular duties after sustaining a compensable injury who is required by the worker's compensation doctor to receive additional medical treatment during his/her regularly scheduled working hours shall receive his/her regular hourly rate of pay for such time. Where not prohibited by state law, employees who sustain occupational injury or illness shall be allowed to select a physician of their own choice and shall notify the Employer in writing of such physician.

(d) The Employer agrees to provide any employee injured locally transportation at the time of injury, from the job to the medical facility and return to the job, or to his/her home if required.

Section 2. Light Duty

The Employer may require an employee who is on Worker's Compensation to return to work in an available light duty assignment that the employee is qualified to perform (or the employee may request to do so), provided the Employer's physician (and/or the employee's physician, at the Employer's option) has determined that the employee is physically able to perform the light duty assignment in question without significant risk, that such return to work will not aggravate any pre existing injury and that there is a reasonable expectation that the employee will be able to fully resume his normal duties and responsibilities within six (6) months. The Employer reserves the right to specify the

anticipated duration of the light duty assignment. Failure of the employee of report for a light duty assignment shall be cause for termination.

If an employee returns or is required to return to work in a light duty assignment and if the Employer subsequently discontinues the particular light duty assignment, or if the need for the light duty work is exhausted or if the employee's performance in the light duty assignment is unsatisfactory, the Employer retains the right to return the employee to Workers Compensation (and/or to impose appropriate discipline in the event of unsatisfactory performance).

Nothing in this Article ___ is intended in infringe on the Employer's discretion to create or not create light duty assignments for an employee. Employees will only be assigned to light duty assignments when the Employer determines that the need exists and only as long as such need exists.

Any individual participating in the company light duty program will be prohibited from doing bargaining unit work unless mutually agreed to by the Company and the Union.

The Local Riders will address the particular rates of pay, and health, welfare, and pension contributions.

It is understood that any disagreement between the company's doctor and the individual's physician will be decided by a qualified third party physician chosen by both doctors. The third party opinion will be final and binding.

Seniority will be recognized as the determining factor for qualified employees eligible for the light duty program. It is understood that if someone is already assigned to the light duty program who is junior, the senior person must wait until the next available position becomes available before he can exercise his seniority rights.

Light duty will be considered as time worked for sick leave and vacation eligibility requirements at the employee's regular rate of pay. Holiday pay will be paid at the light duty rate of pay. Sick leave and funeral leave will be paid at the modified work rate if taken during the employee's participation in the light duty program.

Alleged abuses of the light duty program shall be subject to the grievance and arbitration procedures.

While on light duty, employees shall be kept on the same work week currently assigned. The company will make reasonable attempts to keep employees on the same hours of work the employee was scheduled before the injury.

Section 3. Americans with Disabilities Act

The Union and the Employer recognize their obligations under the Americans with Disabilities Act. It is agreed that the Employer shall determine whether an employee is a qualified individual with a disability under the ADA and, if so, what reasonable accommodations, if any, should be provided. In the event that the Employer determines that a reasonable accommodation is necessary, the Employer shall notify the Local Union before providing the reasonable accommodation to a qualified bargaining unit employee to ensure that the reasonable accommodation selected by the Employer does not impact another employee's seniority or other contract rights. Any dispute over whether the Employer complied with its duty to notify the Local Union before implementing a proposed reasonable accommodation or whether providing the reasonable accommodation violates any employee's rights under any other provision of this Agreement shall be subject to the grievance procedure. Disputes over whether the Employer has complied with its legal requirements under the ADA, including the ADA requirements to provide a reasonable accommodation, however, shall not be subject to the grievance procedure.

ARTICLE
SPECIAL LICENSES AND DRUG/ALCOHOL TESTING

If the Employer or government agency requests a regular employee to qualify on equipment requiring a classified or special license, or in the event an employee is required to qualify (recognizing seniority) on such equipment, the Employer shall allow such regular employee the use of the equipment so required in order to take the examination on the employee's own time.

Costs of such license required by a government agency will be paid for by the employer. The Employer will identify any required licenses for a bid. Only employees who have the required license shall be qualified for the bid. If no qualified employee bids on a route requiring such license, the Employer may force the least senior qualified employee to take that bid.

For any employee required to obtain a classified or special license or security clearance requiring DOT mandated drug or alcohol testing, the Employer shall have the right to perform drug and alcohol testing of such employee in accordance with the terms of Article 35 of the National Master Freight Agreement (NMFA).

For any other employee covered by the terms of this Agreement, the Employer shall have the right to perform drug and alcohol testing of such employee in accordance with the terms of Article 35 of the NMFA, provided that such testing shall be consistent with applicable state and federal law and the Employer shall not have the right to conduct random drug or alcohol testing of such employee.

ARTICLE
APPEARANCE AND UNIFORMS

Section .1. Clean and Neat Appearance.

The Employer retains the right to make and enforce reasonable rules and regulations governing employees' personal appearance and dress while on duty.

Section .2. Uniforms.

The Employer agrees that if any employee is required to wear any kind of uniform as a condition of his/her continued employment, such uniform shall be furnished by the Employer, free of charge, at the standard required by the Employer. Said uniforms shall have the Teamster emblem appropriately applied and shall be provided in good and presentable condition.

Additionally, the climate appropriateness of uniforms will be subject to the grievance arbitration procedure.

The Employer has the right to establish and maintain reasonable standards for wearing apparel and personal grooming.

ARTICLE
DISCIPLINE AND DISCHARGE

Section .1. Discipline.

A. Just Cause Standard/Progressive Discipline. The Employer shall not discharge, suspend or take any other disciplinary action against any non-probationary employee, excluding casuals, without just cause. With respect to discharge or suspension without pay, the Employer shall give at least advance one (1) warning notice of the complaint(s) against the employee to the employee in writing by personal delivery and/or certified mail (return receipt requested) with a copy of same to the Local Union.

B. Cardinal Infractions. It is recognized, however, that certain serious acts of misconduct may result in immediate termination, without the need for a prior warning notice, including but not limited to:

- proven dishonesty (including but not limited to falsification of company documents or records);
- theft;
- use or possession of firearms on Company property or while on duty;
- using or being under the influence of alcoholic beverages, and/or use or possession of illegal narcotics or other illegal drugs while on duty (including while on meal break);
- failure to submit to a sobriety/drug test in accordance with the substance abuse testing provisions of this Agreement (Article ____), upon request, if the employee appears to be under such influence or if testing is otherwise authorized by the Substance Abuse Policies and Procedures of Article ____, or tampering with such testing procedures;
- a serious preventable accident while on duty caused by the employee's negligence that results in personal injury;
- the carrying of unauthorized passengers on Company vehicles/equipment;
- the failure to report an accident of which the employee was aware;
- violation of the no-strike provisions of this Agreement (Article ____);
- preventable physical damage to aircraft, vehicles, equipment or other Company property in excess of \$20,000 or which renders the aircraft non-airworthy or takes a vehicle, equipment or other Company property out of service, where such damage was caused by gross negligence of the employee;
- committing any error in the weight and balance and/or load verification process, discovered after an aircraft has taken off, or a second offense regardless of when discovered;
- failure or refusal, upon reasonable suspicion, to submit, in the presence of a steward or a bargaining unit employee of the employee's choice, to a search of person, property, desk, locker or employee vehicle (located on Company premises) in connection with an investigation by management/supervisory personnel or security agents (If a search of the person is required, it may only be performed by a professionally trained, non-DHL employee such as a security

- professional or law enforcement official. Any such search must be conducted in the presence of a steward or bargaining unit member of the employee's choice.);
- willful damage or destruction of Company property or equipment;
 - unauthorized use of Company property or equipment;
 - fighting while on Company property or on duty;
 - gross insubordination;
 - Being convicted of a felony involving theft, violence, dishonesty, sexual abuse or sexual assault, distribution or intent to sell illegal or controlled substances, or use or possession of weapons. However, this provision does not apply to any felony resulting from picket line conduct [**OPEN-COMPANY DOES NOT AGREE TO LAST SENTENCE**];
 - revocation or suspension of a drivers license required for the employee to perform their duties for more than one (1) calendar year (during which time the employee shall be on an unpaid leave of absence);
 - revocation, suspension or non-renewal of required government-issued clearances, identification badges or privileges related to work because of the employee's fault which are not cured within ninety (90) calendar days (during which time the employee shall be on an unpaid leave of absence);
 - misuse of official identification, or entering or assisting others to enter restricted or closed areas without proper authority;
 - driving a Company vehicle with a suspended or revoked license;
 - gross misconduct constituting just cause which would necessitate the need for immediate discharge.

C. Survival of Prior Disciplinary Action for Future Use in Progressive Discipline.

The warning notice(s) or suspensions as provided herein shall not remain in effect to support further progressive disciplinary action for a period of more than nine (9) months. All warning notices, discharges, suspensions or other disciplinary action shall be confirmed in writing to the employee and Union.

D. Deadline for Filing a Grievance Protesting Disciplinary Action. Appeal from a discharge, suspension or written warning notice must be taken within ten (10) calendar days of the employee's receipt of notice of same.

E. The Employer must issue all discipline within ten (10) calendar days of knowledge, with the exception of issuing a letter of investigation. Letters of investigation cannot exceed thirty (30) days, with the Employer having the right to one (1) written thirty (30) day extension..

Section .2. Investigatory Interviews of Unit Employees by Management and Supervision.

In the event an employee is required to attend an investigatory interview with a supervisor or other management official which he/she reasonably believes will result in disciplinary action, any readily available Local Union steward employed at the Employer's facility or another bargaining unit employee designated by the employee and

who is available at the time of the meeting shall be present and participate at such investigatory interview, unless waived by the employee in writing.

Section .3. Use of Devices to Monitor Employee Work Activity.

Employees are provided by the Employer with an increasingly sophisticated set of equipment, vehicles and other devices with which to perform their job functions. Employees do not have any expectation of privacy with the regard to the use of such equipment, vehicles and other devices, and the Employer may use information contained in or generated by such devices for appropriate disciplinary purposes. This information may include, but is not limited to, computer tracking devices in vehicles (commonly known as “Black Boxes”), information stored on computers, records from Company-issued cell phones and two-way radios, and information generated by GPS (Global Positioning System) Devices. However, the Employer may not use such devices as the sole basis for discipline.

Section .4. Polygraph Test.

No employee covered by this Agreement can be subjected to a polygraph test administered by the Employer or conducted on the Employer’s behalf.

ARTICLE
GRIEVANCE AND ARBITRATION PROCEDURE

Section .1. Definition.

A “grievance” is defined as any complaint or dispute arising under and during the term of this Agreement raised by the employee or Union against the Employer involving an alleged violation, misinterpretation or misapplication of a provision of this Agreement. All such disputes shall be adjusted and settled solely and exclusively in accordance with the procedures set forth in this Article.

Section .2. Procedure.

Step 1 – With regard to disciplinary matter, a grievance must be filed within ten (10) calendar days of the receipt of discipline. With regard to all other matters, a grievance must be filed within thirty (30) calendar days of when the Union or affected employee(s) should have become aware of the events giving rise to the dispute. The grievance shall be reduced to writing and presented to the Facility Manager or his designee. The Steward, employee(s) involved and the Facility Manager or his designee(s) shall meet within ten (10) calendar days after the grievance is presented to attempt to resolve it. The Facility Manager or his designee shall provide a written answer to the Steward within ten (10) calendar days of such meeting.

Step 2 – If the grievance is not resolved at Step 1, the Union may appeal to Step 2 within ten (10) calendar days of receipt of the Step 1 answer. The Appeal shall be filed with the Facility Manager. Within ten (10) calendar days after a Step 2 appeal is filed, the Facility Manager and a Business Agent of the Local Union shall meet and attempt to resolve the grievance. The Facility Manager or his designee shall provide a written answer to the Business Agent within ten (10) calendar days of such meeting

Step 3 – The Union may appeal any grievance unresolved at Step 2 to the appropriate Regional Joint Grievance Committee within ten (10) calendar days of receipt of the Step 2 answer. 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. The Regional Joint Grievance Committee shall consider all grievances at its next quarterly meeting which are appealed by the Union to Step 3 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 considered deadlocked. Regional Joint Grievance Committee meetings shall be heard in the same locations where the previous Freight hearings were held. Records of the Regional Committee hearings shall be comprised of a written transcript and exhibits. The Rules and Procedures of the Regional Joint Grievance Committee and are attached hereto as Attachment B.

Step 4 – If a grievance is deadlocked at Step 3, it will be advanced to the National Review Committee. In addition, either the Union or the Company may refer to the National Review Committee any settlement of a grievance at Step 1, 2 or 3 that (i) involves the interpretation or application of an express provision of this National Agreement or any of its Operational Supplements and (ii) which the referring party believes is inconsistent with such National Agreement and/or Operational Supplement. Such referral of settled grievances must be filed within thirty (30) calendar days of any settlement reached at Steps 1, 2 or 3. The National Review Committee shall consist of the Vice President of Labor Relations of DHL or her designee, and [insert appropriate National Union Committee Chair] or designee. The National Review Committee shall meet quarterly. Any grievance appealed or referred to the National Review Committee at least ten (10) calendar days before the next quarterly meeting will be considered at such meeting. The deadline for the National Review Committee to issue a written decision shall be thirty (30) calendar days after it meets on a case. Grievances can be resolved at Step 4 only by unanimous decision of the National Review Committee in a written decision signed by members of the National Review Committee. A decision of the National Review Committee shall be final and binding on the Company, Union and employees.

Section .3. Arbitration.

A mutually agreed upon arbitrator shall be present with the National Review Committee when it considers its cases. If the National Review 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 within seventy-two (72) hours of 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 compensating its own representatives and witnesses.

The parties shall agree to a panel of five (5) permanent arbitrators, who will rotate quarterly in the hearing of cases arising under this Agreement. Attached as Attachment ___ is 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.

Section .4. Advance Level Filing in the Case of National Disputes.

If the parties agree that a timely-filed grievance involves a dispute over the interpretation or application of this National Agreement or any of its Operational Supplements that is not simply local in nature, but involves or could involve more than one facility or Local Union, then the parties may mutually agree to advance the grievance directly to Step 3 so that the appropriate record can be made. Upon completion of the record, the matter will proceed directly to Step 4 (including arbitration if necessary). The Parties agree that the grievance will be presented at the Joint Regional Grievance Committee solely for the purpose of developing the record and a transcript for the National Review Committee.

Section __.5. Grievant's Bill of Rights.

All employees who file grievances are entitled to have their cases decided fairly and promptly. In order to satisfy these objectives and promote confidence in the integrity of the grievance procedures, all employees who file grievances are entitled to the following rights:

1. A Grievant may attend a Step 1 meeting without loss of pay if it is held during the Grievant's regularly scheduled work hours.
2. Grievants and local stewards shall be informed by their Local Union of the time and place of any Step 3 Regional Joint Grievance Committee hearings in which they are involved.
3. Grievants and local stewards are permitted to attend, at their own expense and on their own time, the hearing at Step 3 before the Regional Joint Grievance Committee in cases in which they are involved.
4. The Employer shall provide any non-privileged information relevant to a grievance containing specific factual allegations within fifteen (15) calendar days of receipt of a written request by the Local Union, steward or grievant. The Local Union or grievant shall provide any information relevant to such a grievance within fifteen (15) calendar days of receipt of a written request by the Employer.
5. All cases heard at Step 3 before the Regional Joint Grievance Committee (or at the National Review Committee under Section __.4 of this Article) shall be transcribed by a certified court reporter or otherwise reliably recorded, except for executive sessions. Transcriptions of those proceedings shall be prepared in response to a written request by the Local Union at the reasonable cost of transcription. No recording devices shall be used in any Regional Joint Grievance Committee hearing except as specifically authorized under the Rules of Procedure of the Regional Joint Grievance Committee or by mutual consent of the co-chairpersons.

6. A grievant or steward may request permission to present evidence or argument in support of their case to the Regional Joint Grievance Committee in addition to the evidence or argument presented by the Local Union.
7. The Regional Joint Grievance Committee shall, upon request, issue a copy of the grievance decision or transcript pages containing the hearing proceedings and the decision to the grievant and/or a Local Union.
8. A copy of the Rules of Procedure of the Regional Joint Grievance Committee, including the Grievant's Bill of Rights, shall be provided, upon request, to the grievant prior to the commencement of the grievance hearing before the Regional Joint Grievance Committee.

Section .6. Time Limit for Filing.

A grievance shall be considered waived if not filed within the time limits set forth in this Agreement and if not appealed to the next step of the grievance procedure within the time limits set forth in this Article. If a grievance is not appealed to the next step of the procedure, it shall be considered settled (on a non-precedent, non-cite basis) on the basis of the Employer's last answer. The parties may by mutual written agreement extend any of the time limits set forth in this Article.

Section .7. Authority of Arbitrator.

The decision of the arbitrator on any matter which shall have been submitted in accordance with the provisions of this Agreement shall be final and binding on the Employer, Union and the employees, and the decision of the Union not to proceed to arbitration shall also be binding on the employees. The arbitrator shall have no authority to add to, subtract from or otherwise alter the provisions of this Agreement.

Either party may file a federal court lawsuit seeking to vacate or enforce an arbitration award, and the prevailing party in such suit shall have their fees and costs paid by the other party.

Section .8. Timely Payment of Grievances

All monetary grievances that have been resolved either by decision or through settlement shall be paid within twenty-one (21) calendar days of formal notification of the decision or date of settlement. If the Employer fails to pay a monetary grievance in accordance with this Section, the Employer shall pay as liquidated damages to each affected grievant eight (8) hours straight time pay for each day the Employer delays payment, commencing the date the grievant(s) notified the Employer of such non-payment.

Section .9. No Lawyers

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 make presentations on behalf of either party during any step of the grievance procedure.

ARTICLE
NO STRIKE/NO LOCKOUT

Section .1. No Strike/No Lockout.

As a corollary to the national dispute resolution procedure, and unless specifically set forth otherwise in this Agreement or any Supplements or Riders hereto, the Local Union agrees that it shall not call, institute, or authorize any strikes, walkouts, sitdowns, slowdowns or other concerted refusals to work, and the Employer will not lockout, over any matter that can be resolved through the national grievance procedure during the life of this Agreement.

Section .2. Union Responsibility in the Event of Unauthorized Strike.

The Local Union shall not authorize any work stoppages, slowdown, walkout, or cessation of work in violation of this Agreement. It is further agreed that in all cases of an unauthorized strike, slowdown, walkout, or any unauthorized cessation of work which is in violation of this Agreement the Union shall not be liable for damages resulting from such unauthorized acts of its members.

In the event of a work stoppage, slowdown, walkout or cessation of work, the Employer shall immediately send a wire or fax to the Chairman of the TDHLNNC to determine if such strike, etc., is authorized. No strike, slowdown, walkout or cessation of work alleged to be in violation of this Agreement shall be deemed to be authorized unless notification thereof by facsimile has been received by the Employer and the Local Union from the Chairman of the TDHLNNC. If no response is received by the Employer within twenty-four (24) hours after request, excluding Saturdays, Sundays, and holidays, such strike, etc., shall be deemed to be unauthorized for the purpose of this Agreement.

In the event of such unauthorized work stoppage or picket line, etc., in violation of this Agreement, the Local Union shall immediately make every effort to persuade the employees to commence the full performance of their duties and shall immediately inform the employees that the work stoppage and/or picket line is unauthorized and in violation of this Agreement.

The TDHLNNC, and Local Unions shall make immediate efforts to terminate any strike or stoppage of work as aforesaid which is not authorized by such organizations, without assuming liability therefore. For and in consideration of the agreement of the TDHLNNC and Local Unions affiliated with the International Brotherhood of Teamsters to make the aforesaid efforts to require Local Unions and their members to comply with the law or the provisions of this Agreement, including the provisions limiting strikes or work stoppages, the Employer agrees that it will not hold the International Brotherhood of Teamsters, the TDHLNNC and Local Unions liable or sue them in any court or before any administrative tribunal for undertaking such efforts to terminate unauthorized strikes or stoppages of work as aforesaid or for undertaking such efforts to require Local Unions

and their members to comply with the law or the provisions of this Agreement. It is further agreed that the Employer will not hold the International Brotherhood of Teamsters, TDHLNNC or Local Unions liable or sue them in any court or before any administrative tribunal for such unauthorized work stoppages alleging condonation, ratification or assumption of liability for undertaking such efforts to terminate strikes or stoppages of work, or requiring Local Unions and their members to comply with the law or the provisions of this Agreement.

It is understood and agreed that failure by the International Brotherhood of Teamsters, and/or the TDHLNNC to authorize a strike by a Local Union shall not relieve such Local Union of liability for a strike authorized by it and which is in violation of this Agreement.

Section 3. Disciplinary Penalties for Violation of No Strike Clause.

It is mutually agreed that the Company shall have the right to discipline and discharge, any or all employee(s) engaging in or participating in any such unauthorized strike, slowdown, walkout, stoppage of work or other activity prohibited by Section 1 of this Article.

ARTICLE
PROTECTION OF RIGHTS

Section 1. Picket Lines: Sympathetic Action

It shall not be a violation of this Agreement, and it shall not be cause for discharge, disciplinary action or permanent replacement in the event an employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any primary picket line sanctioned by the TDHLNNC [or appropriate name of committee], including the primary picket line of Unions party to this Agreement, and including primary picket lines at the Employer's places of business. In such circumstances, the Employer may exercise its lawful rights to get the work done.

The DHLNNC agrees that it will not sanction any picket line or other concerted activity against the Employer by any Local Union not signatory to this Agreement to the extent the activity is in furtherance of demands greater than the terms set forth in this Agreement.

Section 2. Struck Goods

It shall not be a violation of this Agreement and it shall not be cause for discharge, disciplinary action or permanent replacement if any employee refuses to perform any service which his/her Employer undertakes to perform as an ally of an Employer or person whose employees are on strike and which service, but for such strikes, would be performed by the employees of the Employer or person on strike.

ARTICLE
GENERAL PROVISIONS

Section .1. Reopener in the Event of Material Legislative Change.

In the event of national health care insurance, mandatory economic controls (such as a wage or price freeze) or other state or federal legislative or executive action (including without limitation changes in wage and hour laws) which is applicable to employees and/or the Company during the term of this Agreement and which has an unanticipated material impact on the financial structure of the Company or materially alters the cost or level of wages, benefits or job security of employees, either party may reopen the provisions of this Agreement directly affected thereby with a sixty (60) day written notice of intent to renegotiate said provisions. If the parties reach agreement in such reopener negotiations but government approval is required for the revisions to become effective, the Union and Employer will cooperate fully to obtain such approval. In the event the parties are unable to reach agreement in such reopener negotiations within one-hundred-eighty (180) days of the notice, either party shall be permitted all lawful economic recourse to support its position.

Section .2. Claims Following Termination of Employment.

To the maximum extent permitted by law, the parties agree that any employee must file an employment related claim against the Company (whether arising under any federal, state or local statute or regulation, or under any common law claim) within one hundred and eighty (180) days of their termination date or it will be waived.

ARTICLE
LOSS OR DAMAGE

Section 1.

In the event loss, damage or theft of freight, equipment, materials, or supplies is incurred as a direct result of a willful gross negligent act by an employee in the performance of assigned work, when such act knowingly may result in such loss, damage or theft, the employee may be held responsible for such acts and may be required to assume liability for any such loss, damage or theft, in whole or in part. The term “willful, gross negligent acts” is intended to describe independent actions of any employee who knowingly violates established rules or policies that, when adhered to, clearly prevent loss, damage or theft described herein. Employees shall not be held responsible or required to assume liability for loss or damage or theft unless clear proof of willful, gross negligence is shown. In no event will an employee be held responsible for, or required to assume any liability for any loss, damage or theft when performing assigned work in a manner as specifically instructed by a supervisor. This Article shall not be utilized in any manner to hold an employee liable for any loss or damage of equipment under any conditions or for any damage to cargo as a result of a vehicular accident.

Section 2.

Prior to an employee being charged with the responsibility and liability for any loss, damage or theft because of willful gross negligent acts on the part of the employee, a hearing shall be held with the Local Union, the employee and the Employer. Employees who are found to be liable and required to make restitution for such liability, shall not then be subject to any further disciplinary action. Any disputes between the parties may be referred to the grievance procedure.

ARTICLE
SEPARABILITY (SAVINGS CLAUSE)

If any provision of this Agreement, or the application of such provision, is subsequently determined to be contrary to or unauthorized by law, or held invalid or unenforceable by operation of law or by decision of any tribunal of competent jurisdiction, then such provision shall not be applicable, performed or enforced, except to the extent permitted or authorized by law, and such provision shall be deemed to be temporarily modified to the extent necessary to conform to law; provided that in such event all other provisions of this Agreement shall continue in effect. The parties shall enter into immediate collective bargaining negotiations after receipt of written notice of the desired modification of the provision held invalid or unenforceable for the purpose of arriving at a mutually satisfactory replacement. If, however, such negotiations shall not result in mutually satisfactory agreement, either party may directly submit the dispute for binding and final arbitration under the arbitration provisions of this Agreement (Section __.3 [Arbitration]). In any such arbitration proceeding each party shall present its final offer for the replacement provision in question at the commencement of the arbitration hearing, and the arbitrator shall be limited to selecting between the parties' final offers. The arbitrator shall select the final offer which most closely restores the parties' original intent. The provisions of Article __ (No Strike/No Lockout) shall remain in full force and effect in the event of such negotiations.

ARTICLE .
VIDEO CAMERAS

The Employer may use video cameras to discipline or discharge an employee. If the information on the video tape is to be used to discipline or discharge an employee, the Employer must provide the Local Union, prior to the hearing, an opportunity to review the video tape used by the Employer to support the discipline or discharge.

The Employer shall not install or use video cameras in areas of the Employer's premises that violate the employee's right to privacy such as in bathrooms or places where employees change clothing or provide drug or alcohol testing specimens.

ARTICLE
DURATION

Section .1. Term of Agreement.

This Agreement shall be effective _____, 2007 (the ratification date, following the procedures and threshold approval requirements specified in Section ____1 [Ratification and Amendment]) and shall continue in full force and effect, without reopening of any kind, except as expressly provided herein, to and including twelve midnight on _____, 20___. Except as expressly provided herein, no provision of this Agreement shall have any retroactive application.

Section .2. Notification Requirements.

Either party desiring to modify, change, or terminate this Agreement shall notify the other, in writing, not more than ninety (90) calendar days and not less than sixty (60) calendar days prior to the expiration date of this Agreement. In the absence of such notice, this Agreement shall continue from year to year thereafter unless written notice of the desire to modify, change, or terminate this Agreement is served by either party upon the other not more than ninety (90) calendar days and not less than sixty (60) calendar days prior to _____, 20__ [insert one year after stated expiration date] or _____th [insert month and day of stated expiration date] of any subsequent contract year.

Should the parties fail to reach an agreement on proposed modifications by the expiration date after timely notice of a desire to modify, change or terminate this Agreement has been provided, this Agreement shall terminate, unless extended in writing by the mutual consent of authorized representatives of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this _____ day of _____, 2007.

[Insert appropriate Signature Lines, Names & Titles for both parties]

C:\Documents and Settings\JLAMBREMONT\Desktop\DHL National Negotiations\All Table Documents\8-2 National Proposal 2 3-29-2007.doc

