

**NATIONAL AGREEMENT STATUS AND TENTATIVE AGREEMENTS**

**OCTOBER 15, 2007**

**ARTICLE 1  
PARTIES TO THE AGREEMENT**

**Section 1. Employer Covered**

The Employer signatory to this National Agreement (including operational provisions) and associated Local Supplements and/or riders 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") representing Local Unions 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 as additional operations become covered by this National Agreement.

**Section 3. 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.

**ARTICLE 2  
SCOPE OF AGREEMENT**

**Section 1. 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 the 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. Present supplements, riders, and addenda negotiated and approved shall remain in effect until renegotiated.

**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.

Accretion and recognition provisions shall be set forth in the attached memorandum of understanding regarding additional and non-covered operations.

**Section 3. Single Bargaining Unit**

It is the intent of the 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 4. 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 national grievance procedure.

**ARTICLE 3  
UNION SECURITY AND CHECKOFF**

**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 National Grievance Procedure.

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 National Grievance Procedure.

#### **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 assumes 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.

### **Savings Clause**

(c) If any provision of this Article is invalid under the law of any state wherein this Agreement is executed, such provision shall be modified to comply with the requirements of state law or shall be renegotiated for the purpose of adequate replacement. If, however, such negotiations shall not result in mutually satisfactory agreement, either party may submit the dispute to the National Grievance Committee, which shall issue a decision implementing one of the parties' final offers.

### **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. Probationary and Casual Employees**

Provisions regarding the use of probationary and casual employees shall be set forth in the appropriate operational supplement portions of this agreement.

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### **Section 3. 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 per pay period 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 4. Local Union**

The term "Local Union" as used herein refers to the IBT Local Union which represents the employees of the Employer for the purpose of collective bargaining at the particular place or places of business to which this Agreement and the Supplements thereto are applicable, unless jurisdiction over such employees, or any number of them, has been transferred to some other Local Union, in such a manner as may be recognized herein, in which case the term Local Union as used herein shall refer to such other Local Unions. Nothing herein contained shall be construed to alter the multi-union unit or single contract status of this Agreement.

#### **Section 5. Electronic Funds Transfer**

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

**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 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 agreement. 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 2. 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 2 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 3. Printing of Agreement**

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

**ARTICLE 5  
SENIORITY RIGHTS**

The Employer recognizes the principle of seniority. The application of seniority shall be set forth in the appropriate Operational Supplements.

**ARTICLE 6  
CONFLICTING AND EXTRA CONTRACT AGREEMENTS**

**Section 1. Maintenance of Standards**

Provisions regarding Maintenance of Standards shall be set forth in the appropriate operational supplement portions of this agreement.

**Section 2. Extra Contract Agreements**

(a) 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. Any such agreement shall be null and void.

(b) Every profit-sharing plan, condition, or incentive plan of any type, whether or not it alters or amends the economic conditions contained in this Agreement, must be negotiated and agreed to by TDHLNNC prior to implementation. Nothing in this Section shall be construed to apply to existing safety programs or other prizes or bonus items the receipt of which do not alter the economic terms of this Agreement.

**Section 3. Workweek Reduction**

If either the Fair Labor Standards Act or the Hours of Service Regulations are subsequently amended so as to result in substantial penalties to either the employees or the Employer, a written notice shall be sent by either party requesting negotiations to amend those provisions which are affected.

Thereafter, the parties shall enter into negotiations for the purpose of arriving at a mutually satisfactory solution. If the parties are unable to reach agreement the matter shall be resolved through the national grievance procedure.

**ARTICLE 7  
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, then the grievance automatically moves to Step 2. 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* - 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 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. 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 considered deadlocked. Regional Joint Grievance Committee meetings shall be heard in the same locations and days where the Freight hearings are held. 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 Committee are attached hereto as Attachment B.

*Step 4* – If a grievance is deadlocked at Step 3, it will be advanced to the National Grievance Committee. The National Grievance Committee shall consist of an equal number, but no more than four (4), representatives from each party. The National Grievance Committee shall meet quarterly. Any grievance referred to the National Grievance Committee at least ten (10) calendar days before the next quarterly meeting will be considered at such meeting. The deadline for the National Grievance 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 majority decision of the National Grievance Committee in a written decision signed by members of the National Grievance Committee. A decision of the National Grievance Committee shall be final and binding on the Company and Union.

### **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 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.

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**

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 Grievance 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 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 Grievance 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. 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.

In the event the Employer fails to comply with a decision rendered by a grievance committee, 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 basis for the compliance failure. If the Employer believes that it is in compliance or that there is a clarification needed in order to comply, the matter of compliance and/or clarification shall be submitted to the grievance committee that decided the case. The question of compliance or clarification shall be determined by the grievance committee within forty-eight (48) hours after receipt of the Employer request. The forty-eight (48) hour period for the grievance committee to determine the question of compliance or clarification shall run concurrently with the

seventy-two (72) hour notice prior to a strike. The grievance committee may meet telephonically to consider and decide questions of compliance or clarification.

**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 Strike/No Lockout**

As a corollary to the national dispute resolution procedure, and unless specifically set forth otherwise in this Agreement (including Section 7 of this Article) 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 10. 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, 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 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.

The question of whether the International Union, TDHLNNC, Joint Council or Local Union have met its obligation set forth in the immediately preceding paragraphs, or the question of whether the International Union, TDHLNNC, and Joint Council or the Local Union, separately or jointly, participated in an unauthorized work stoppage, slowdown, walkout or cessation of work in violation of this Agreement by calling, encouraging, assisting or aiding such work stoppage, etc., in violation of this Agreement, or the question of whether an authorized strike is in violation of this Agreement, or whether an Employer engaged in a lockout in violation of this Agreement, shall be submitted to the grievance procedure at the national level, prior to the institution of any damage suit action. When requested, the co-chairpersons of the National Grievance Committee shall immediately appoint a subcommittee to develop a record by collecting evidence and hearing testimony, if any, on the questions of whether the International Union, TDHLNNC, Joint Council or Local Union have met its obligations as aforesaid, or of Union Participation or Employer lockout in violation of this Agreement. The record shall be immediately forwarded to the National Grievance Committee for decision.

A majority decision of the National Grievance Committee on the questions presented as aforesaid shall be final and binding on all parties. If such majority decision is rendered in favor of one (1) or more of the Union entities, or the Employer, in the case of lockout, no damage suit proceedings on the issues set forth in this Article shall be instituted against such Union entity or such Employer. If the National Grievance Committee decides that a strike was unlawful, it shall not have the authority to assess damages. Except as provided in this subsection, agreement to utilize this procedure shall not thereafter in any way limit

or constitute a waiver of the right of the Employer or Union to commence damage suit action. However, the use of evidence in this procedure shall not waive the right of the Employer or Union to use such evidence in any litigation relating to the strike or lockout, etc., in violation of this Agreement.

**Section 11. Disciplinary Penalties for Violation of No Strike Clause**

It is specifically understood and agreed that the Employer during the first twenty-four (24) - hour period of such unauthorized work stoppage in violation of this Agreement, shall have the sole and complete right of reasonable discipline, including suspension from employment, up to and including thirty (30) days, but short of discharge, and such employees shall not be entitled to or have any recourse to the grievance procedure. In addition, it is agreed between the parties that if any employee repeats any such unauthorized strike, etc., in violation of this Agreement, during the term of this Agreement, the Employer shall have the right to further discipline or discharge such employee without recourse for such repetition. After the first twenty-four (24) - hour period of an unauthorized stoppage in violation of this Agreement, and if such stoppage continues, the Employer shall have the sole and complete right to immediately further discipline or discharge any employee participating in any unauthorized strike, slowdown, walkout, or any other cessation of work in violation of this Agreement, and such employees shall not be entitled to or have any recourse to the grievance procedure. The suspension or discharge herein referred to shall be uniformly applied to all employees participating in such unauthorized activity. The Employer shall have the sole right to schedule the employee's period of suspension.

**ARTICLE 8  
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 TDHLNNC, 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.

[PLACEHOLDER HERE ON EXTENSION OF PICKET LINES]

**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 9  
LOSS OR DAMAGE**

**Section 1. Loss, Damage or Theft**

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. Responsibility and Liability**

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 \_\_\_\_\_  
BONDS AND INSURANCE

[RESERVED FOR APPLICABLE OPERATIONAL SUPPLEMENTS]

**ARTICLE 10  
APPEARANCE AND UNIFORMS**

[HOLD]



**ARTICLE \_\_\_\_\_**  
**PASSENGERS**

[RESERVED FOR APPLICABLE OPERATIONAL SUPPLEMENTS]

**ARTICLE 11  
WORKERS COMPENSATION**

[TO BE DETERMINED/CONFIRMED BASED ON NEGOTIATIONS IN SUB-COMMITTEE]

**ARTICLE 13**  
**MILITARY CLAUSE**

**[HOLD FOR ECONOMICS]**

ARTICLE \_\_\_\_  
EQUIPMENT, SAFETY AND HEALTH

[RESERVED FOR APPLICABLE OPERATIONAL SUPPLEMENTS]

**ARTICLE 14  
PAY PERIOD**

[HOLD]

**ARTICLE 15  
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. The Employer shall have 90 days to comply.

**ARTICLE 16  
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 17  
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 18  
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 19  
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 20  
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 submit the dispute to the National Grievance Committee, which committee shall issue a decision implementing one of the parties' final offers. The No Strike/No Lockout provisions of Article \_\_\_ shall remain in full force and effect in the event of such negotiations.

ARTICLE \_\_\_\_\_  
**DISCIPLINE AND DISCHARGE**

[TO BE ADDRESSED IN EACH OPERATIONAL SUPPLEMENT]

**ARTICLE 21  
EMERGENCY REOPENING**

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.

ARTICLE       
SUBCONTRACTING

[RESERVED FOR APPLICABLE OPERATIONAL SUPPLEMENTS]

**ARTICLE \_\_\_\_\_**  
**WAGES**

[RESERVED FOR APPLICABLE OPERATIONAL SUPPLEMENTS]

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



**ARTICLE 23  
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.

[HOLD DISCUSSION OF PAYMENT FOR LICENSES/BADGING FOR ECONOMICS]

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 consistent only in accordance with 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 consistent 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 testing of such employee.

**ARTICLE 24  
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 individual's 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 25  
LEAVES OF ABSENCE**

**Section 1. Sick Leave**

[HOLD FOR ECONOMICS]

**Section 2 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, child, step-child (providing persons in such relationship were raised in the same home and have continued an active family relationship), mother-in-law, or father-in-law.

"Extended family" as used herein shall include step-parents, sister-in-law, brother-in-law, step-sisters, step-brothers, 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 3. Jury Duty

All regular employees called for jury duty will receive the difference between eight (8) hours pay at the applicable hourly wage and actual payment received for jury service for each day of jury duty to a maximum of fifteen (15) days pay for each contract year.

When such employees report for jury service on a scheduled workday, they will not unreasonably be required to report for work that particular day.

Time spent on jury service will be considered time worked for purposes of Employer contributions to health & welfare and pension plans, vacation eligibility and payment, holidays and seniority, in accordance with the applicable provisions of the Supplemental Agreements to a maximum of fifteen (15) days for each contract year.

### Section 4. 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 5. FMLA Leave

#### [OPEN - EMPLOYER'S PROPOSAL FOLLOWS]

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.

~~Unless otherwise prohibited by federal or state law, the Employer may require the employee to substitute utilize paid sick leave, vacation or other paid leave for part of the twelve (12) week leave period.~~

Comment [IBT1]: Still Open

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 (2<sup>nd</sup>) opinion (relative to medical condition) at the employer's expense.

#### Section 6. Unpaid Personal Leave of Absence

Comment [IBT2]: Still open.

#### [OPEN - EMPLOYER'S PROPOSAL FOLLOWS]

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 26  
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: [HOLD FOR 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 27  
GENERAL PROVISIONS**

[OPEN]