

AGREEMENT

between
Southeastern Pennsylvania
Transportation Authority -
Frontier Division
and
Transport Workers
Union of
Philadelphia

Local 234 Frontier
Transport Workers Union
of America/AFL-CIO

November 7, 2016

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THIS AGREEMENT entered into November 7, 2016, by and between the SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY - FRONTIER DIVISION (hereinafter called the "Authority"), and TRANSPORT WORKERS UNION OF AMERICA, LOCAL No. 234 AFL-CIO, (hereinafter called the "Union") as the exclusive representative of all the employees of the Frontier Division comprising the Transportation and Maintenance Units for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment. The parties agree as follows:

ARTICLE I UNION

Section 101. Union Recognition

The Union having been certified by the Pennsylvania Labor Relations Board in case PERA-R-8244-E, year of 1976, is recognized by the Authority as the sole and exclusive representative for all employees of the Frontier Division comprising the Unit for the purpose of collective bargaining in respect of rates of pay, wages, hours of employment and other conditions of employment. This agreement relates to such employees.

Section 102. Maintenance of Membership

All employees covered by this agreement shall, as a condition of continued employment, remain members of the Union in good standing. Anyone hired into a job covered by this agreement shall become a member of the Union within thirty (30) days after the date of such employment.

Section 103. Probationary Period

The first ninety (90) days of an employee's employment with the Authority shall serve as a probationary period and the Authority shall have the unqualified right to suspend or dismiss such new employee, the exercise of which right shall not be subject to the grievance and/or arbitration procedures as set forth hereinafter.

During such probationary period, the employee shall not be entitled to any benefits hereinafter provided until satisfactory completion of said period.

Section 104. Bulletin Boards

The Authority agrees to provide suitable bulletin boards at the principal place of business. The Union may post notices relating to Union matters which notices are first submitted to the Authority's designated representative for approval of posting and which he then permits to be posted. Such notices shall be restricted to notices of meeting and elections of the Union, of Union appointments to office and the results of its elections, and of Union social, educational or recreational affairs; and no such notice shall contain anything political, controversial or argumentative, or reflecting upon the Authority, or any of its employees or any organization thereof.

Section 105. Check-Off

(a) The Authority will deduct Union dues from the pay of each employee who so authorizes in writing and shall pay over the amount deducted to the Union.

(b) Upon receipt of a proper written individual authorization from an employee, either directly or through the Union, the Authority will deduct from the wages of the employee such sum as the employee shall authorize as voluntary contribution for candidates of elected public office to the Union Committee on Political Education Fund. Such deductions shall be made each week and shall be promptly paid over by the Authority to the Union's TWU-COPE Fund.

The Authority agrees to the above language submitted by the Union and the deduction authorized by that paragraph. Because of logistical problems, the procedure will not be put into effect within the first six months of the new agreement.

Section 106. Additional Representatives

The Authority will pay five (5) employees designated by the Union at the specialist rate of pay for a maximum of forty-four (44) hours per week to perform work on grievances, health and safety and/or other labor management issues. These employees will be released full-time to perform this work and will report to the Union. These employees shall be entitled to benefits in accordance with the terms and conditions of this Agreement and will submit weekly time sheets to the Chief Labor Relations Officer on a weekly basis.

The foregoing provision regarding the abolishment of the ARC Committees and creation of the five new positions shall cover jointly all three divisions of the Authority represented by Local 234 (CTD, Frontier and Victory).

**ARTICLE II
GRIEVANCES; ARBITRATION**

Section 201. Grievance Handling

The following provisions of this Section 201 became effective for all grievances filed subsequent to November 1, 1998

(a) **Contract Grievances**

In any case where the subject matter of the dispute involves the application, implementation or interpretation of any of the provision(s) of the collective bargaining agreement, the Union may file the grievance directly to the Authority's Labor Relations Department (a filing hereinafter referred to as the "Labor Relations step"); provided, however, that prior to holding a grievance hearing, an informal meeting must be held at the location, at which time the parties, including the Chief Officer/Senior Director or designee of equivalent grade and the Union, will make an effort to resolve the matter. Any such informal meeting must be held no later than five (5) working days following the filing of the grievance.

When the subject matter of the dispute involves a policy change by the Authority which directly impacts this Labor Agreement, the Union shall have the right to initiate a grievance at the Labor Relations step. Such grievances shall be filed in writing and shall include relevant facts and the sections of the contract which are alleged to be violated and why. The grievance will also state the remedy requested.

All grievances shall be presented initially no later than the fifth day following occurrence of the event giving rise thereto. Any grievance not presented within such time shall not be considered.

A Labor Relations step hearing shall be scheduled by Labor Relations within ten (10) working days from filing of a grievance. At the hearing, the Union will present specific facts, information, documentation, testimony and witnesses in support of its position. No later than forty-eight (48) hours prior to the hearing, the Authority shall deliver to the Union at the Union's request copies of all documents, reports, memoranda, and other information requested by the Union reasonably related to the subject matter of the grievance. Upon request by the Union, Authority representatives will appear as witnesses at the Labor Relations step.

Not later than seven (7) working days following the hearing the Authority shall issue a written answer stating its disposition of the matter. If the disposition of the matter is not satisfactory, the Union may file the matter for arbitration within thirty (30) working days of receipt of the answer.

(b) Disciplinary Grievance Process

(a) Investigation/initiation of charges/informal hearing

(1) Upon receiving information that indicates an employee may have committed a disciplinary infraction, or upon an employee being barred from work under the provision of paragraph D of this Section 201, the Director, Deputy Director or Assistant Director will place a notice in the Union Section Officer's mail box indicating that he/she is initiating a comprehensive investigation to determine if disciplinary charges are appropriate. The Authority will provide a mail box at each location that has a Section Officer. Time limits under this section shall not begin to run until such notice has been afforded. In the case of an investigation triggered by the suspicion that an employee is engaged in knowingly improper fare registration, theft, fraud, or criminal misconduct, the Authority may conduct an investigation to gather evidence of new acts of misconduct that would serve as a basis to discipline an employee without prior notice to the Union, provided, however, that within two (2) working days of obtaining such evidence, notice shall be provided to the Union Section Officer along with all documents, reports and other information related to the matter.

(2) During the investigation, the Director, Deputy Director or Assistant Director will provide all relevant information, e.g. employee and witness statements to the Section Officer, as this information becomes available, and the Union will similarly provide such information to the Director, Deputy Director or Assistant Director. If, upon completion of the investigation, which must be completed within

thirty (30) calendar days of notification that an investigation has begun unless extraordinary circumstances exist, disciplinary charges are to be issued, the Director, Deputy Director or Assistant Director will meet with the employee being charged and the Section Officer at an informal hearing held within seven (7) calendar days of the completion of the investigation to discuss the charges, to provide copies of and review all the evidence supporting the charges, to obtain the employee's explanation, and to indicate a proposed disposition of the charges. If the disposition of the matter is not acceptable to the employee or the Union, either may request a formal hearing within five working days of being advised of the Authority's proposed disposition of the matter. No discipline will be issued prior to the formal hearing which will be scheduled by the Director, Deputy Director or Assistant Director.

(3) If an employee fails to respond to the interview list, to satisfy the obligation of conducting an informal hearing within seven (7) calendar days, a hearing will be scheduled thirty (30) minutes prior to his 1st or 2nd half report or thirty (30) minutes after his 1st or 2nd half finish during the next seven (7) days. If the employee fails to appear at the scheduled meeting, the informal hearing will be held in their absence.

(b) Formal Hearing

(1) A formal hearing will be conducted at the aggrieved employee's location by a Chief Officer/Senior Director or his or her designee, provide, however, that such designee (i) shall not conduct formal hearings at the location to which he or she is assigned and (ii) does not have a rank below Director, at a time mutually acceptable to the Chief Officer/Senior Director or his or her designee and Union Staff Officer. The Union will be represented at the hearing by two Section Officers and one or more Staff Officers of the Union.

Formal hearings shall be held on a weekly basis, if necessary, at the employee's location at a time mutually acceptable to the Chief Officer/Senior Director or his or her designee and Union Staff Officer. Formal hearings shall be held no earlier than three (3) working days and no later than ten (10) working days following receipt of the request for a formal hearing. If the Union Staff Officer postpones the scheduled hearing or is unavailable to schedule one within the prescribed time, the Authority may notify the Union President or his designee, who will schedule a meeting no later than five (5) working days after such notification.

(2) At the formal hearing in all disciplinary cases, the representative of the Authority who preferred charges will present the evidence upon which the Authority relies to support its position in the matter and the Union will present the evidence upon which it relies to support its position. Authority witnesses must be present and subject to cross examination by the Union. If a witness is not available to attend the hearing, the Director, Deputy Director or Assistant Director and a Union representative will arrange for a joint interview to be conducted by the Director, Deputy Director or Assistant Director and a Union representative at a mutually convenient date, time and place. The information and any documentation received at the joint interview may be considered in determining the results of the

hearing. Where a witness fails to appear, the Authority shall not be permitted to introduce reports containing statements by such a witness in support of the disciplinary action, unless such an arrangement is jointly agreed. The Grievant will have an opportunity to address the Chief Officer/Senior Director or his or her designee and to answer questions. In cases involving public complaints, if the public complainant fails to either testify or provide a Joint interview, no disciplinary action will be taken. However, the complaint will be placed in the employee's file with its disposition noted.

Chain of custody documents may be introduced at formal hearings without authentication of a witness representing the Authority's Medical Department, however Medical Department witnesses may be called to testify in cases where the chain of custody document itself is material to the dispute.

Police reports may be introduced without a witness on the basis of a joint interview with the officer who wrote the report.

The Chief Officer/Senior Director or his or her designee's decision with respect to charges heard at a formal hearing will be made in writing within five (5) working days of the conclusion of the hearing, a copy of which shall be faxed and mailed to the Union.

When an employee is to be discharged, such discharge will take place in the presence of a Section Officer if one is available. If a section officer is not available, or if an employee is discharged or dropped from the rolls by a letter, the Authority will notify the Union within three (3) working days. Such notification shall be done by mailing and/or faxing a copy of the letter to the office of the Union's President.

(c) Labor Relations Step

(1) If the disposition of the matter at the formal hearing is not satisfactory to the Union, it may be referred to the Labor Relations Step of the grievance procedure by the designated representative of the Union giving written notice to the Authority's Labor Relations Department. Such written notice shall be filed not later than three (3) working days following the receipt of the answer of the Chief Officer/Senior Director or his or her designee by the Union.

(2) No later than forty-eight (48) hours prior to the hearing, the Authority shall deliver to the Union at the Union's request copies of all documents, reports, memoranda, and other information reasonably related to the subject matter of the grievance.

(3) The Labor Relations step of the disciplinary grievance process will be conducted by SEPTA's Labor Relations Department. There shall be a meeting at least once each week at a time and place that is mutually convenient to discuss disciplinary grievances which have been appealed to such step. Grievances that are to be discussed must be properly scheduled at least two (2) working days prior to the Labor Relations Step hearing. Arrangements will be made to hold hearings on grievances appealing discharges of employees on more than one day each week, as

necessary. Either party shall have the right to call a special meeting to discuss emergency matters.

(4) At the Labor Relations step, the Union will be represented by one (1) Section Officers and at least one Staff Officer of the Union. The facts presented at the earlier steps will be presented by a representative of the Union and of the Authority, and additional information relevant to the case may be presented. Each side may present arguments. The grievant will also be given an opportunity to address the Labor Relations Step hearing officer.

(5) Not later than seven (7) working days following the Labor Relations Step hearing, the Authority shall give its answer stating its disposition of the matter.

(c) Progressive Discipline

(1) Positive Performance Counseling Program

(a)(1) Discipline and Discharge: The Authority shall have the right to discipline or discharge employees for just cause.

(a)(2) Progressive Discipline: When appropriate, progressive discipline will be imposed as follows:

- Verbal Warning
- Written Warning
- 1-Day Administrative Suspension
- 3-Day Suspension (2 days administrative and 1 day without pay)
- Discharge

All suspensions for attendance related infractions will be administrative. Disciplinary suspensions will not be served until the completion of the Labor Relations step.

(a)(3) Employees who commit six (6) SQR violations in a rolling one year period will be subject to discipline under the progressive discipline policy. Each violation on a single SQR report shall be counted separately. This provision shall be limited to the following types of violations on SQR reports: (1) uniform and appearance violations; (2) display of correct route and block number; (3) verification of proper senior citizen fares; (4) operational fare box and pass reader; and (5) the announcement of required stops (unless inconsistent with the ADA Consent Decree).

(a)(4) SEPTA will provide notice of a potential violation from an SQR ride to a representative of Local 234 within seven (7) days of the SQR ride.

(a)(5) Positive Performance Counseling Program: The parties recognize that the purpose of discipline is corrective, rather than punitive, and, for that purpose, have agreed to the Positive Performance Counseling Program set forth in this section to foster a more healthful and productive environment in which to

address problems in the work place. Counseling sessions convened in accordance with the following provisions shall be conducted with these purposes in mind. Employees will be counseled by a Director, Assistant Director, or Maintenance Manager.

The terms of this program shall not affect the right of employees and the Union to grieve and arbitrate any charge against an employee. Counseling on any matter shall not occur until disposition of a Labor Relations step grievance, if a grievance is filed.

An employee who is charged with acts or failure to act which would justify discharge only in the context of the employee's overall record and who, as a result thereof, is discharged shall be entitled to continue to work pursuant to the following provisions:

(i) Such discharge shall be assessed by the appropriate supervisor, but the employee shall be permitted to continue working until the grievance procedure is concluded.

(ii) If the discharge is upheld through the Labor Relations step of the grievance procedure, the employee's active employment will terminate unless the Union requests final settlement of the matter, with a "last chance." Such a request by the Union pursuant to this paragraph shall not be cited as, nor constitute a precedent with respect to any matter or discipline. Should the Union not request such a final settlement, the grievance concerning the discharge may be filed for arbitration pursuant to Section 202 of the Labor Agreement within thirty (30) working days from the receipt of the Labor Relations step answer.

(iii) A "last chance" will consist of a one (1) day suspension, in lieu of discharge, followed by a one year probation. Upon the Union's requesting final settlement of the matter with a "last chance," the employee will be required to report to his/her Director or designee for "Discharge/Decision Day," the final and most serious step in the PPCP. On "Discharge/Decision Day," the Superintendent shall inform the employee that the discharge will be implemented unless the employee executes a formal agreement to modify the objectionable performance or behavior. The employee will then be suspended without pay for one day, following which, as a condition of further employment, the employee will be required to execute a work resumption agreement, the terms of which will not in any way alter or affect any right granted to the Union or the employee by the Labor Agreement. Upon signing the agreement, the employee may be required to submit to an interview evaluation by Employee Counseling Services.

(iv) Should an employee on "last chance" probation be charged with committing an infraction for which discipline is justified, the employee shall be subject to an immediate discharge, which discharge will be subject to the grievance and arbitration procedure set forth in Sections 201 and 202 hereof, provided, however, that in an arbitration with respect to such a discharge, the impartial chairperson shall have jurisdiction only to determine if the employee committed the infraction and if that infraction justified any discipline and shall not have jurisdiction to modify the discharge.

(v) An employee shall be eligible for only one "last chance" in his or her career.

(d) Barred from work

Employees shall not be barred from reporting for work except for offenses set forth in Section 1203, theft, negligence in registration of fares, willfully leading an unauthorized work stoppage, being under the influence of drugs or alcohol, refusal to obey a direct order, violation of law, fighting, assaulting a supervisor, customer or other employee, and possession of a deadly weapon.

In all progressive discipline cases, employees shall be permitted to continue working until the grievance procedure is concluded.

Employees barred from work will receive a formal hearing not later than fifteen (15) working days from the date barred from work or be returned to work.

Employees who have been barred from work shall, upon reinstatement to employment, except in cases when an employee was operating without a valid license, be compensated for all time lost unless otherwise agreed by the Authority and the Union.

(e) Accidents

(1) For the purposes of determining discipline in the Transportation Department, two "preventable" accidents shall be treated as the equivalent of one "chargeable" accident. When an operator claims a vehicle defect contributed to an accident, a section officer, if one is available, will be present when the mechanical investigation is ongoing. Such investigation will take place before "No Trouble Found" (NTF) is issued and used as a justification for operator discipline.

(2) All accidents resulting in discipline must be classified by the time of the informal hearing. If they are not classified, the meeting will be rescheduled within twenty-four (24) hours.

Where it becomes necessary to reschedule the informal hearing due to an accident not being classified, and a discharge is reduced, the employee will be paid for each day he/she was held off beyond the discipline assessed in his/her case.

(f) Discharges

(1) In any case where an employee has been discharged, the hearing at the Labor Relations Step of the grievance procedure will not be held until one shall have turned into the Authority all property of the Authority theretofore delivered to one and the hearing will not be held until the employee shall have settled all accounts with the Authority. If the employee has not settled accounts, he/she will be permitted to settle the outstanding balance within the number of months equal to the total amount owed divided by \$50.00 or twelve months, whichever is less. If the employee fails to comply with the above, the employee will be deemed to have abandoned the grievance and it will be processed no further.

(2) In discharge cases, the Authority shall make available to the Union, within seven (7) days after the Labor Relations Step response, copies of the record of the employee for the last three years.

(g) Union Representation

The Authority will allow pay to working employees who are union representatives for loss of work time when attending grievance meetings with Authority representatives during their regularly scheduled working hours in an amount not to exceed 64 pay hours per month, the distribution of these hours to be mutually agreed upon by the Union and the Authority quarterly in advance. The allowance of time off with pay will be made in the following manner.

(1) MAINTENANCE GROUPS

Two (2) Union grievance representatives will be paid for time lost by them during their regularly scheduled work hours when attending scheduled formal grievance meetings with Authority representatives; provided however that no more than one (1) Union grievance representative at a time will be permitted to attend labor relations step hearings. The Union and the Authority shall cooperate in the efficient scheduling of all grievance meetings.

(2) TRANSPORTATION GROUPS

Two (2) Union grievance representatives will be paid four (4) hours or their second half off with pay when attending scheduled formal grievance meetings with Authority representatives; provided however that no more than one (1) Union grievance representative at a time will be permitted to attend labor relations step hearings. The Union and Authority shall cooperate in the efficient scheduling of all grievance meetings.

(3) MAINTENANCE AND TRANSPORTATION GROUPS

In addition to the allowances of time off with pay outlined in (1) and (2) above and within the maximum extent of the allowance specified for the respective group, Section Officers who attend Labor Relations Step grievance hearings who are scheduled to work at night or who attend such hearings on one of their days off or during their vacations will be excused with pay for a half-day on the scheduled work day immediately preceding or following the day of the Labor Relations step grievance hearing.

(4) GENERAL

The individual Union representatives to whom the allowances will be made will be determined by the Union. Union grievance representatives as defined above will be duly elected or appointed section representatives and will be confirmed as such in writing by letter from the local Union President. Each month will be considered as a separate unit and no allowances will be made for any unused time allowance of any previous month or months.

Aggrieved employees whose presence at grievance hearings is requested by the Authority will be reimbursed by the Authority for loss of any regularly scheduled working time resulting from such attendance.

The word "group" as used herein means the employees, whether at one or more locations of work, who it is mutually agreed by the Authority and the Union shall be represented by particularly specified Union grievance representatives for them.

(h) Joint Labor-Management Alternative Dispute Resolution Program

Effective on November 1, 1998, the parties agree to establish a joint labor-management alternative dispute resolution program to be funded by the Authority at the rate of 0.7 cents (\$.007) multiplied by 40 hours multiplied by the number of bargaining unit members, payable weekly into a jointly administered fund. The program shall be chaired, and the funds administered, by the Chief Labor Relations Officer and the President of the Union. This fund will be used for the purpose of developing alternate dispute resolution mechanisms and the mediation of disputes arising under this labor agreement, including to pay the salary of one (1) Union staff person to assist in this effort.

The parties agree to form a Joint Labor-Management Committee, which, with a third-party facilitator, will consist of two (2) representatives appointed by the President of the Union and two (2) representatives appointed by the Chief Labor Relations Officer of the Authority, to consider issues relating to discipline and morale and to develop and recommend solutions that will cause a reduction in grievances. This Committee shall cover jointly all three divisions of the Authority represented by Local 234 (CTD, Frontier and Victory).

(i) Miscellaneous

(1) Any employee believing oneself to be aggrieved will be interviewed by their location Director or designee for the purpose of trying to resolve the matter without resorting to the grievance procedure.

(2) No employee or representative of the Union shall leave one's work or fail to appear for one's work for the purpose of presenting any grievance or in connection with the handling of any grievance without first having obtained the consent of one's Director or designee or Foreperson.

(3) The Union will notify the Labor Relations Department, in writing, when an employee who is dropped from the rolls for expiration of sick leave has a disputed workers compensation claim. The time limits for filing a grievance included in Section 201(A) for such employee will not begin until the workers compensation claim is resolved and the Union receives notice of resolution from the Authority.

(4) Once a grievance has been presented by any Section Officer and disposed of through the prescribed grievance machinery, the same subject matter shall not again be presented for reconsideration as a grievance by any other Section Officer. No grievance shall be discussed except in accordance with this procedure.

(5) In any case where an employee elects to appear on behalf of oneself, one's Union section officer shall be notified by the Director or designee or Foreperson, or if an employee has been represented by the Union Section Officer at a hearing before the Chief Officer and later elects to appear on behalf of oneself at a subsequent step of the grievance procedure, the Union shall be notified by the Authority, and the appropriate Union representative shall also have the right to be present at all hearings and negotiate with respect to the disposition of the grievance. In any case where an employee elects to appear on behalf of oneself and the Union representative does not find it convenient to attend a hearing within three days of such notification, such employee need not wait longer for such Union representative to attend the hearing and the same may then be held at the mutual convenience of such employee and the representative of the Authority.

(6) If a public complaint is entered in an employee's record, the employee will be given a copy of that complaint if he/she signs for such copy. Public complainants will be interviewed in the presence of a Union representative, provided that if a Union representative does not show up for the interview, the interview will proceed without the Union representative. Any evidence obtained at the interview will be admissible regardless of whether the Union representative was present.

(7) All discipline entries including white card verbals must be initialed by the employee or by his Section Officer if the employee refuses. Employees shall be given a copy, upon request, of everything they sign including documents signed at SEPTA Medical. This requirement shall not apply to Cashiers. Cashier interviews that do not involve discipline will be conducted on the telephone or in person by a Supervisor visiting the Cashier's work location.

Section 202. Arbitration

The following provisions of this section 202 became effective for all grievances submitted to arbitration subsequent to July 1, 1995.

(a) In the event the disposition of a grievance at the Authority's Labor Relations Step is not satisfactory to the Union, the Union may cause the grievance to be referred to a board of arbitration as hereinafter provided. The Board shall be comprised of three (3) members, one (1) designated by the Union, one (1) designated by the Authority, and an arbitrator. If the Union elects to go to arbitration, the Union shall refer the grievance in writing to the Authority no later than thirty (30) working days after the day of the receipt by the Union of the Labor Relations Step reply from the Authority stating its disposition of the matter. Whenever the subject matter of grievances involves identical factual situations, and the identical provisions of the collective bargaining agreement, the Authority and the Union may agree to consolidate such grievances for purposes of consideration in one arbitration.

(b) In the event of a disagreement between the Union and the Authority as to the interpretation, application or performance of this Agreement, either the Union or the Authority may cause such dispute to be referred to an arbitrator as

hereinafter provided. The party desiring to refer such a matter to arbitration shall refer such matter in writing to the other party.

Whenever the subject matter of grievances involves identical factual situations and the identical provisions of the collective bargaining agreement, either the Authority or Union may request arbitration of one of such grievances. The grievance to be arbitrated will be chosen by mutual agreement of the parties. However, if the parties are unable to agree, the grievance to be arbitrated will be chosen by lottery. The time limit for submitting the other identified grievances to arbitration will be extended to seven (7) working days following the date the award is received by the parties. This paragraph will not apply to discharge cases.

(c) The arbitrator shall be selected from a permanent panel of at least six (6) arbitrators, each of whom will initially designate two days per month in which he/she will hear TWU-SEPTA cases. A side letter shall be signed by the parties specifying the composition of the permanent panel and the panel referred to in para. (d) of this Section 202. All cases filed for arbitration will be assigned to the next available date of an arbitrator on the permanent panel or on the panel referred to in para. (d) hereof.

(d) For the purpose of eliminating any backlog of arbitration cases awaiting arbitration as of the effective date of this agreement, the parties shall utilize, in addition to the permanent panel of arbitrators, a second panel of arbitrators. The second panel of arbitrators shall also be composed of six (6) arbitrators who shall designate one (1) day per month in which they will hear TWU-SEPTA cases, all in accordance with the side letter referred to in para. (c) above.

(e) Between November 1, 1998 and November 30, 1998, the four arbitrators designated in the Memorandum of Agreement, dated October 22, 1998, will be removed from the arbitration panels. The Union will select two replacements from the second panel for Panel 1. Every eighteen (18) months thereafter, beginning in October 1999, each party may strike and/or protect one (1) arbitrator from the primary list.

The party who intends to strike shall go first. The non-striking party can then protect the arbitrator initially struck or choose to strike another arbitrator from the list. If the non-striking party protects the arbitrator initially chosen, the striking party can elect to strike a second arbitrator without objection. The non-striking party then selects a replacement from the Panel 2.

Replacement arbitrators for the Panel 2 will be selected by striking names from a list obtained from the AAA.

(f)(1) The Union shall determine the order in which cases proceed to arbitration, without reference to the initial filing date, except that discharge cases shall proceed in the order in which they are filed and three (3) discharge cases shall be heard for each contract grievance case, providing that there are a sufficient number of discharge cases pending arbitration. Effective January 1, 2017, two (2) discharge cases shall be heard for each contract grievance case. However, this

reduction shall lapse after twelve (12) contract cases have been arbitrated or after one (1) year, whichever occurs later.

(f)(2) Notwithstanding the above, upon written request of the Union, a grievance relating to subletting of bargaining unit work shall replace one of three discharge cases and be placed at the top of the arbitration list for scheduling purposes.

(g) The board shall conduct such hearings as may be necessary and, at the request of either party, cause a transcript of the testimony to be taken. The hearings shall be held at such times and places and in such manner as shall be mutually agreeable, or if agreement thereon cannot be reached, as shall be designated by the arbitrator. The arbitrator's award and opinion shall be rendered within thirty (30) calendar days after the record before the arbitrator is closed.

(h) The decision of the board of arbitration or of a majority of the board if there is no unanimous decision of the board or of the Chairperson if there is no majority decision of the board shall be final and binding on the Authority and the Union and on any employee or employees who may be concerned in the matter so arbitrated. However, neither the board, nor a majority thereof, nor the Chairperson shall have any power to add to, alter, amend or repeal this agreement or any provision thereof or to fix or change any rate or rates of pay and no such decision shall have any such effect. The decision shall be in writing and shall set forth the findings and the reasons for the decision.

(i) In the event there is dispute concerning the meaning or application of an Arbitration Award, either party shall have the right, within thirty (30) calendar days of the date of the Award, to request in writing, with a copy to the other party with an opportunity for written rebuttal that the arbitrator clarify his/her Award. The Authority will give the Union written notification of compliance in cases involving back pay awards including the computation of the money paid, the basis for the computation and a schedule of payments to the grievant. In such cases, the panel will retain jurisdiction for thirty (30) calendar days from the date of the notification in order to determine if such back pay computations are in compliance with its award. The panel shall retain jurisdiction of the Award for these purposes only. It will receive only written data, will not hold hearings, and will not permit the re-arguing of the grievance.

If there is a dispute over the amount of money owed to an employee by virtue of an award or settlement in a case listed for arbitration, the Authority, despite such dispute, shall within 14 working days issue a check to the employee for the period of back pay covered by the award or settlement calculated on the basis of a normal forty (40) hour week at the employee's 12 regular rate of pay, or the appropriate rate for which he/she was entitled during that period (e.g., sick benefits, etc.) less disputed offsets. The remaining amount owed, if any, will be paid over to the employee not later than thirty (30) working days from the date the dispute is resolved.

Whenever the initial (estimated) payment resulted in an overpayment to the employee, the amount overpaid will be repaid to the Authority by the employee

immediately, providing however, that no employee will be required to repay more than 50% of his/her net pay in any given week.

(j) In case any testimony by a secret investigator of the Authority is offered, it shall be given only before the arbitrator with no one else present except for the Authority advocate who shall conduct direct examination and the Union advocate who shall conduct cross examination, and such a witness shall be referred to only by number so that one's identity shall not be disclosed. The panel members shall have the right to hear the testimony of the investigator and to cross-examine the investigator, as in Arbitration Case #14-30 1855-80, in secrecy.

(k) In any case where the matter in dispute involves the question of knowingly improper registration of fares by an employee or of theft by an employee or of an employee having been under the influence of intoxicating liquor or drugs or of an employee willfully leading an unauthorized work stoppage which interrupts service to the riding public, the only question which shall be determined shall be with respect to the fact of knowingly improper registration of fares, theft, having been under such influence, or willfully leading an unauthorized work stoppage, as the case may be, and if it is determined that in fact there was knowingly improper registration of fares or was theft or such influence or such willful leading of a stoppage, then the action of the Authority based thereon shall be sustained.

(l) The following provisions will govern the compensation of the arbitrator and the payment of any charges:

(1) In the event a case which is filed for arbitration results in the Authority's Labor Relations step answer being upheld in full, the Union will pay the arbitrator's compensation and charges.

(2) In the event a case filed for arbitration results in the Authority's Labor Relations step answer being reversed in full, the Authority will pay the arbitrator's compensation and charges.

(3) In the event a case filed for arbitration results in the Authority's Labor Relations step answer being upheld in part and reversed in part, the compensation and charges of the arbitrator will be shared equally by the Authority and the Union and paid to the arbitrator individually.

(4) In cases of settlements, if the Labor Relations Step answer is overturned in full the Authority will pay the cost of the arbitrator if any; if the Labor Relations Step answer is upheld in part and reversed in part, the parties will split the cost of the arbitrator, if any. If the Union withdraws a case from arbitration and the Labor Relations Step answer stands, the Union will pay the cost of the arbitrator, if any.

(5) In cases of postponement, the party requesting the postponement will pay the arbitrator's charges, if any.

(m) Employee records older than three (3) years will not be considered in discharge cases.

(n)(1) It is agreed that once each month a Labor Relations Representative and Union representative will conduct a case review meeting for those cases scheduled for arbitration for two months hence. At this meeting the parties will undertake a comprehensive review and evaluation of the cases in an effort to resolve the dispute by mutual agreement.

(2) If within five (5) working days of this case review meeting, the parties agree to resolve, settle or drop any case and it is withdrawn from arbitration, another pending arbitration case will be scheduled into the vacancy created by the decision to withdraw.

(3) For purposes of designating the grievance to be substituted in place of the withdrawn grievance, the Union will identify to the Authority three (3) grievances awaiting arbitration of which, two (2) will be disciplinary or discharge grievances and one (1) will be a contract grievance, if available. One (1) of these three (3) grievances will be selected by the Authority to fill the open slot.

(4) A settlement agreement must be signed and dated by both parties before the case is withdrawn from arbitration and another case substituted.

(o) Within 30 days of the settlement of this Labor Agreement, the Authority and the Union shall schedule a washout meeting(s) at a mutually agreeable date and time. During this meeting(s) the parties shall attempt to resolve all of the contractual grievances pending arbitration.

(p) With respect to those cases remaining on the list after the washout meeting(s), the parties agree to schedule a contractual grievance mediation session every 6 months for the first 2 years of the agreement. Thereafter, the mediation sessions shall be convened at the mutual agreement of the parties. Each party shall have the right to bring up to 5 cases for mediation.

(q) The parties shall mutually agree on the mediator and shall equally split the cost of the mediation. Cases not resolved through mediation shall be returned to the list of cases pending arbitration.

Section 203. Expedited Arbitration

(a) The Expedited Arbitration Panel shall consist of one Authority-appointed member, one Union-appointed member and one neutral member. The neutral member will be selected by the parties to serve for a period of six (6) months and may be eligible for selection to a later panel. The other members of the panel may change from hearing day-to-hearing day or from case-to-case.

The parties agree to select two (2) neutral arbitrators to serve on the Expedited Arbitration Panels, with each arbitrator to provide one (1) date per month for hearings. The first invitation shall be extended to Alan A. Symonette. The second invitation shall be extended to an arbitrator selected by the Union from a list of labor arbitrators provided by the Philadelphia office of the American Arbitration Association, except the Union shall not select any arbitrator who previously served as an arbitrator on the parties' arbitration panels or as an expedited arbitrator.

(b) The Expedited Arbitration Panel shall meet no less frequently than once a month and will hear and decide all grievances submitted by the Union concerning disciplinary actions short of discharge and such other cases as are submitted by mutual agreement.

(c) By submitting a case to Expedited Arbitration, the parties waive their rights to arbitrate the grievance under Section 202. The decision to submit a case to expedited arbitration (whether by the Union as of right in disciplinary cases or by agreement in other cases) shall be made within thirty (30) days of receipt by the Union of a third level grievance reply.

(d) Expedited arbitration hearings shall be governed by Section 202, except as modified by the following procedures:

(i) The time and date of the hearing of a particular case must be agreeable to the parties.

(ii) Each party may select an advocate and will be limited to no more than two (2) additional witnesses. The Panel is prohibited from calling any additional witnesses. Each party shall inform the other, in writing and stating case name and number, of the identity of its witnesses at least ten (10) working days prior to the date of hearing.

(iii) Each party shall have no more than thirty (30) minutes to present its case, including all testimony, documents, rebuttal and argument. Once either party has presented evidence in support of its case, there will be no adjournments or postponements of the hearing. Post-hearing briefs will not be allowed.

(iv) There shall be no transcripts or electronic records made of the hearing.

(e) The Expedited Arbitration Panel shall issue a written Award and Opinion, not to exceed two (2) 8-1/2"x11" double spaced pages in length, no later than fifteen (15) days following the date of the hearing. Awards of the Panel shall be final and binding upon the Authority, the Union and any employee(s) affected by the grievance, but shall be non-precedential and shall not be used or referred to by either party in any other forum. However, the neutral arbitrator will consider himself/herself bound by decisions set within his/her six (6) month term and all such decisions shall be consistent.

(f) All cost of expedited arbitration will be shared by the parties in accordance with Section 202(k).

Section 204. No Strike

During the term of this agreement, no employee shall participate in any strike, slow-down, sit-down, stay-in, or other stoppage of work.

**ARTICLE III
SENIORITY; TRANSFERS**

Section 301. Authority Seniority

(a) Authority Seniority dates from the date of one's appointment following which one's service has been continuous and uninterrupted.

(b) The Authority will provide seniority and address list to the Union for Frontier operators and Maintenance employees twice a year in January and June of each year.

Section 302. Seniority (other than Authority)

(a) For the purpose of this contract, the following shall be taken as the Departments of the Authority:

1. Transportation Department
2. Maintenance Department

(b) Departmental seniority and job seniority date from the first day for assignment to a regular position in the department or job.

(c) If, during a period between general pickings, an employee covered under Section 302(a) 1, or 2, is temporarily assigned to a supervisory position which exceeds 30 days, the employee's run will be subject to a line move-up picking. Upon accepting such a temporary assignment, the employee will be notified that the employee is not entitled to Union representation by Local 234 during the period thereof. If, during said period, such employee returns to the employee's regular position, the employee shall be placed at the top of the slate and shall be subject to hold-down pickings.

(d) No employee shall perform bargaining unit work week during any part of a work week in which the employee was on temporary supervisory assignment.

(e) No employee temporarily assigned to a supervisory position at the time a picking commences shall be permitted to pick.

(f) If an employee is on a temporary Supervisory assignment thirty (30) days prior to the beginning of his/her picked vacation and is not expected to return prior thereto, the Authority shall post a notice advising the other employees that such vacation period is available for picking by seniority among employees with lesser seniority than employees on temporary assignment.

(g) After an employee accumulates 120 days in temporary supervisory assignments, the employee will accrue only Authority seniority. Adjustments to seniority will be made on a semi-annual basis.

Section 303. Craft Seniority

For all employees hired on or after November 17, 2005, craft seniority shall commence as of the day an employee is awarded a position of apprentice, helper or higher in a particular craft and may be used only for the purpose of bidding for positions vacated or new positions established within the craft. Jobs within a particular class shall be selected by persons of that class and craft according to their craft seniority. In the event of a tie, the job will be awarded according to the employees' class seniority. An employee cannot hold two craft seniorities at any time. Once an employee bids out of his or her craft and is awarded a position in another craft, he or she shall lose his or her craft seniority in the vacated craft and will be placed at the bottom of the craft roster in his or her newly selected craft. Except in instances of retrenchment or involuntary transfer, an employee's craft seniority shall be location-specific. Any employee who voluntarily transfers to a new location shall lose his or her respective craft seniority.

Employees hired before November 17, 2005, may utilize craft seniority against employees hired after the ratification date of this Agreement, but may not utilize it against other employees hired before the ratification date of this Agreement. No employee hired before the ratification date of this Agreement shall be bumped in any respect by virtue of an employee's craft seniority.

All corresponding sections of the Agreement shall be revised to reflect craft seniority.

One year after ratification of the Agreement and after each successive one-year period thereafter, either party may give notice that it does not wish this provision to remain in the Agreement. In the event either party exercises this right, employees' seniority rights shall be determined by reference to the seniority system in place in the parties' 2004 Agreement. In the event neither party exercises this right, upon the expiration of this Agreement, this sunset provision shall expire, and the craft seniority system shall be incorporated into the Agreement. In the event that SEPTA and the Union do not enter into a Joint Apprenticeship Training Program Agreement on or by November 1, 2007, this provision will cease to exist and be deleted from the Agreement, and employees' seniority rights during the term of this Agreement will be solely determined by reference to the seniority system in place in the parties' 2004 Agreement.

Section 304. Transfers

The current Section 303, with the changes to paragraph (f) will remain in force until such time as the new system becomes effective.

(a) An employee who desires to transfer to another department shall make written application to the immediate supervisor.

(b) Vacant or new jobs not filled by promotions will be filled by transfer of employees, by departmental seniority, who are fully qualified to perform all the work of the job whose transfer is on file at the time of such vacancy.

(c) There will be a probationary period of sixty (60) days to determine fitness for the job to which the transfer is made before the transfer will be permanent. At any time during the probationary period, if the employee is not fully qualified, the Authority may return the employee to his former job. The employee may voluntarily return to his former position within the probationary period, such returns within the probationary period shall be without loss of any seniority with respect to the former job.

(d) Before employees may transfer pursuant to this Section, employees who are Medically Disqualified pursuant to Section 504 will be given the right to transfer as provided in that Section.

(e) Employees will not be eligible for transfer until the completion of twelve (12) months of service in the department into which hired.

(f) If an employee voluntarily returns to his former position during the probationary period, he shall not be eligible for transfer again until six (6) months have elapsed since such return.

(g) Employees of the Frontier Division will be permitted to transfer to the City Transit Division after accruing six (6) months of service in the Frontier Division. In addition the quotas on transfers into the CTD shall read: Transportation: Four (4) in six (6) month period not to exceed eight (8) in one year; Maintenance: Two (2) in a six (6) month period, not to exceed four (4) in a year.

(h) The rate of pay for trainees will be the legally mandated minimum wage, except that Transportation employees shall be paid their regular rate the first time they voluntarily transfer to another Transportation location. Notwithstanding any prior transfer, the first time any bargaining unit employee transfers to the job of Subway-Elevated Trainperson, an employee shall immediately receive the wage rate of that job commensurate with their gradation rate of eligibility.

(i) In the maintenance locations of the Frontier division, the Authority shall make the employees of the location aware of known pending vacancies in the location by a bulletin board notice. This procedure is to afford the employees of that location the first opportunity to fill a pending vacancy. If the job is not filled within the location, notice will be given in all Frontier maintenance locations. A Section Officer will sign off and date notices of job vacancies prior to posting. The notices shall be posted for at least fifteen (15) days before the job is declared vacant, allowing employees an opportunity to take the preliminary written tests and submit a transfer to the position in accordance with this section. A written receipt will be given to an employee upon making application for the written test. Transfers made pursuant to this paragraph will be made on the basis of location seniority.

Alternate On-Line Transfer System

(a) An employee who desires transfer must first check the job posting to see if written test(s) are required. If the employee has not yet passed the required test(s), he/she must contact the Testing Center to schedule the test(s). Once the

employee is scheduled to take the test, or has already successfully completed the test, he/she can file a transfer request.

(b) Transfer requests are filed on-line through SEPTA's Intranet site, which can be reached through location kiosks or any internet-connected computer. Links to the transfer application will be provided on the bottom of all postings. In their application, employees will select the specific job and location desired. Employees will be able to file additional applications for other positions and/or locations.

(c) Upon receipt by the Recruitment Department, the application will be evaluated against the job posting to determine if the qualifications, including testing, have been met. An email showing that the application is accepted or not accepted will be sent to the employee's email address of record. If not accepted, the reason will be stated in the email correspondence. Upon application, SEPTA will request an email address for direct and private communication. If an email address is not provided, a paper receipt will be forwarded to his/her work location.

(d) Additionally, employees may file transfers for any position desired provided that the employee has met all qualifications requirements, including passing the required test(s), if any, Paragraphs (b) and (c) above outline the application procedure. These transfers, if accepted, will remain on file for any future vacancies, for a one-year period, from the date the transfer was accepted.

(e) Before employees may transfer pursuant to this Section 304, employees who are Medically Disqualified pursuant to Section 505 will be given the right to transfer as provided in that Section.

(f) Vacant or new jobs not filled by promotion will be filled by transfer of employees from other jobs within the Maintenance Department who meet all qualifications for the job and are fully qualified to perform all of the work of the job to which the transfer is to be made. Such transfers will be made from among those employees so qualified whose applications, made as provided in subsection (a, b and c), are on file at the time the vacancy or new job occurs, and will be made in the order of location seniority. If the job is not filled within the location, the vacancy will be posted Authority-wide for 14 days.

If such qualified employees are not available within the Frontier Division, the vacant or new jobs will be filled by transfers of employees from other TWU Bargaining units who meet all qualifications for the job and are fully qualified to perform all of the work of the job to which the transfer is to be made. Such transfer will be made from among those employees so qualified whose applications, made as provided in subsection (c), are on file at the time the vacancy or new job occurs and will be made in the order of division seniority (as defined in Section 302 of the CTD agreement). If such qualified employees are not available within the same division, the vacant or new jobs will be filled by transfer from among those employees so qualified in the same Department whose applications are on file at the time of vacancy or new job occurs; and such transfers will be made in the order of Departmental seniority. If such qualified employees are not available within the Maintenance Departments, the vacant or new jobs will be filled by transfer from

among those employees whose applications are on file at the time of vacancy or new job occurs; and such transfers will be made in the order of Authority seniority. Whenever there are no qualified employees on the transfer files, the Authority will fill the position with a newly hired employee.

(g) An employee can enter a transfer request for any position they desire, however, they will not be selected unless they have met all the preliminary requirements for the position.

(h) There will be a probationary period of sixty (60) days for any transfer which requires passing a performance test, to determine fitness and desire for the job to which the transfer was made, before the transfer will be permanent. At any time during the probationary period, if the employee is not fully qualified, one may be returned by the Authority to one's former job, or one may voluntarily return thereto if one desires; and such return shall be without loss of any seniority one had with respect to one's former job. The probationary period for transferred employees requiring formal instruction will begin at the completion of the training period. Any transferred employee who fails to work on at least three-fourths of the working days within the sixty (60) day probationary period may be required by the Authority to commence a new probationary period to prove one's fitness for the transfer, and in such a case one's new seniority will be related to such initial probationary period.

(i) During the probationary period the transferred employee's seniority with respect to one's former job will be maintained. If one is not returned by the Authority or does not voluntarily return to one's former job by the end of the probationary period the transfer will then become permanent. One's name will then be removed from the seniority list for one's former job and will be added to the seniority list for one's new job as of the first day of one's initial probationary period. An employee who is permanently transferred to another location, division or department will be permitted to take the vacation period picked at the releasing location.

(j) If an employee who has been so permanently transferred is later returned to one's former job by an act of the Authority one will resume the same seniority with respect to one's former job that one would have had had one remained there and not been so permanently transferred; but if one later voluntarily returns to one's former job one will not resume one's same seniority with respect to one's former job but will be placed at the bottom of the appropriate seniority lists.

(k) Where an employee is permanently transferred to a job in another collective bargaining unit of employees of the Authority and one is later returned to one's former job by an act of the Authority one will resume the same seniority with respect to one's former job that one would have had had one remained there and not been so permanently transferred; but if one later voluntarily returns to one's former position one will not resume one's same seniority with respect to one's former job but will be placed at the bottom of the appropriate seniority lists.

(l) No employee in the Transportation Department will be eligible for intradepartmental transfer until one shall have completed six (6) months of service in the job into which one was hired. At each transportation location, the six (6)

month requirement may be waived when employees desire to transfer to another transportation location which would require new hires. After completion of twelve (12) months of service, one will be eligible for interdepartmental transfer.

(m) Employees who elect to return to their former position during their probationary period, as identified in paragraph (h) will be prohibited from transferring again for twelve (12) months.

(n) No employee in the Maintenance Departments will be eligible for intradepartmental transfer until one shall have completed six (6) months of service in the department into which one was hired. Notwithstanding the time limits above, maintenance employees will be eligible for an intradepartmental transfer prior to the Authority filling a vacancy from outside the bargaining unit. After completion of twelve (12) months of service, one will be eligible for interdepartmental transfer. When all transfer applications from Transportation Department employees are acted upon, and before new hires are assigned as an operator, Maintenance Custodian Drivers may apply for the position of Bus Operator after he/she has completed six (6) months of service. Such employees will be transferred within sixty (60) days of acceptance for the job of Bus Operator.

(o) Employees will not be eligible for transfer if the result of such transfer places the employee under direct or indirect supervision of a relative (within the same chain of supervision). A relative for purposes of this agreement shall mean a person who is a spouse (whether by marriage, common law or domestic partnership), or by virtue of blood or adoption, a parent, child, brother, sister, aunt, or uncle.

Section 305. Qualification for Transfer

Qualification of an employee for transfer will be determined by the Authority. In the event that the Union believes that the Authority's determination as to such qualifications has been erroneously made in any case, the Union may take up the matter under the grievance procedure.

Section 306. Transfer with Work

The following procedure will govern the transfer of employees with work and with seniority between all Divisions, Departments and locations of the Authority as well as between all bargaining units which have a reciprocal agreement with Transport Workers Union.

(a) The number of employees who may transfer with work will be determined on the basis of the number of jobs eliminated at the location from which the work is being transferred. The total number of employees to be transferred shall not exceed the number of new employees required at the location to which the work is being transferred.

(b) Prior to the transfer of work from a Division, the employees of that Division may express their desire, in seniority order by job, to transfer with work.

(c) Eligible employees who have expressed a desire to transfer with the work will be trained for the allowed number of days at their new location so as to afford them an opportunity to qualify for the job to which they have been transferred. During such training period they will be paid their own rate or the rate for the job for which they are being trained, whichever is the lesser. Employees who do not qualify to perform all of the work in the job to which they have transferred will be returned to their former job at the releasing location if it is still existent, without loss of seniority, provided he/she is fully qualified to perform all of the work thereof, in which case he/she will resume the same seniority with respect to his/her former job that he/she would have had, had he/she remained there and he/she will be dropped back or not from such former job as would have been the case had he/she remained in such former job.

(d) Employees who transfer with work will be placed on the job or group seniority list at the receiving location in the position to which their job or group seniority at the releasing location entitles them.

(e) When, as result of change in type of equipment at the location at which an employee has been employed, or as the result of the transfer of work from said location, an employee fails, after reasonable effort, to qualify to perform the work assigned to his job or does not possess the qualifications necessary for training, such an employee will be permitted to transfer to any location where he is qualified to perform the work and his name will be placed on the job or group seniority list for the job in which he qualifies, in the position to which his job or group seniority at the releasing location entitles him. Upon such a transfer into a location, an opportunity will be given for an employee regularly assigned at that location who is qualified to perform the work and who has equal or less group or job seniority to transfer with seniority to the location from which the incoming employee transferred.

(f) Employees transferred under this Section will, at the time of the transfer, be subject to and covered by the provisions of the labor agreement with the Transport Workers Union of America currently in effect at the receiving location; or the labor agreement currently in effect with any other bargaining agent which has a reciprocal agreement with the Transport Workers Union of America.

Section 307. Retrenchment

(a) When a reduction in work force is to be made in the Transportation or Maintenance Departments of the Frontier Division, the number of employees who are to be laid off and retrenched will be determined by the Authority for each job thereof, and the retrenchment will be made as follows:

TRANSPORTATION DEPARTMENT

(1) The number of employees to be retrenched as determined by the Authority for each job within a division or department will be separated from such job in reverse order of job seniority within the division and will be separated by seniority within the department. An employee so separated will be (1) returned to

the job from which one transferred into the job from which one is being retrenched provided one transferred into such job under the provisions of Section 303 and provided also that such employee is fully qualified to perform all the work thereof; (2) laid off; (3) assigned to some other job as determined by the Authority.

(2) The number of employees to be retrenched from each job within a division or department will be separated from such job in reverse order of job seniority within the division and will be separated by seniority within the department. An employee so separated may elect to return to the job from which one transferred into one's present job provided one transferred into such job under the provisions of Section 303 and provided also that such employee is fully qualified to perform all the work thereof; or will be placed in a job where there is a vacancy and one will be placed there at the bottom of the job seniority list within the department.

(3) An employee who is laid off under (a) above will be placed on a recall list for a period of two years from the date of lay off during which time one will be recalled to a job for which one is qualified within the department from which one was laid off before any employee will be permitted to transfer into that department under the provision of Section 303 or before any employee is hired into the department.

(4) The union will be given copies of such recall lists.

MAINTENANCE DEPARTMENT

(1) The number of employees to be retrenched as determined by the Authority for each job within the Maintenance Department will be separated from such job in reverse order of job seniority. Employees so separated will, in departmental order, choose jobs among any vacancies remaining. An employee so separated will be (1) returned to the job from which one transferred into the department provided such transfer was made under the provisions of Section 303 and provided also that such employee is fully qualified to perform all the work thereof; (2) laid off; (3) assigned to some other job as determined by the Authority.

(2) An employee who is laid off under (1) above will be placed on the recall list for a period of two years from the date of lay off during which time one will be recalled to a job for which one is qualified within the department from which one was laid off before any employee will be permitted to transfer into that department under the provisions of Section 303 or before any new employee is hired into the department.

(3) The Union will be given copies of such recall lists.

Section 308. Layoff

(a) During the term of this agreement, the Authority will not layoff any employee represented by the Union except those who have not accrued greater than two (2) years Authority seniority.

(b) Any employee who is laid off from the Frontier Division and who is fully qualified will be given priority in hiring into another division of SEPTA within the jurisdiction of the Transport Workers Union. They will be given the benefit of their Authority seniority for the purposes of service so far as it pertains to pension and the amount of vacation entitlement.

**ARTICLE IV
PAY; ALLOWANCES; ASSIGNMENT OF WORK**

Section 401. Rates of Pay - Transportation

(1) The rates of pay after the completion of any training period are incorporated in the Wage Rate Manual.

- (a) Effective January 8, 2017, Employees will receive a 1% general pay increase.
- (b) Effective January 14, 2018, Employees will receive a 1% general pay increase.
- (c) Effective January 13, 2019, Employees will receive a 2% general pay increase.
- (d) Effective January 12, 2020, Employees will receive a 3% general pay increase.
- (e) Effective January 10, 2021, Employees will receive a 3.5% general pay increase.

Parity: Convert the above across-the-board wage increases to the equivalent classification in the City Transit Division on a cents-per-hour basis, to be reflected in the Wage Rate Manual.

(f) A premium of fifteen cents (\$.15) per hour will be paid for work hours performed between the hours of 6:00 p.m. and 6:00 a.m. in accordance with and subject to the following conditions: Payment of such premium will be made at the rate of fifteen cents (\$.15) per full hour of such work; and fractions of less than one (1) full hour will be treated as follows: from one (1) to and including twenty-nine (29) minutes will be dropped and not paid for; and from thirty (30) to and including fifty-nine (59) minutes will be counted as a full hour and fifteen cents (\$.15) paid therefore. The aforesaid premium will be paid at the said rate whether or not such work is overtime work or is for any reason paid at time and one-half, and no overtime premium will be paid on the said premium in any case; and the said premium will not be paid for or with respect to any allowance.

(g) Article IV will be amended to provide for COLA adjustments in accordance with the formula set forth in Article IV, due in the first payroll period subsequent to the publication of the indexes as amended in the attached "COLA Formula."

There will be an increase in the cost-of-living allowance formula with an accompanying offset against anticipated health care costs. The time period on which the cost-of-living allowance will be annually computed will be changed to ten months, and will be calculated as follows:

(1) four tenths of a cent (.4) per hour multiplied by the number of point increase in the Philadelphia All Urban Consumers Index (CPI-U) (1967=100) between the December 2000 and October 2001 indices, minus twenty percent (20%) of the increase, if any, in the total amount of Authority payments for medical costs (health, prescription, dental) for the year ending July 31, 2001 as compared to the year ending July 31, 2000, such increase divided by the total pay hours of bargaining unit employees for the current twelve month period; provided, however, that the health care offset shall not exceed five cents (5¢) per hour, and provided, further, that the net increase in the cost-of-living adjustment shall not exceed ten cents (10¢) per hour. Any payment due will become effective in the first payroll period in December 2001. Any adjustment will be reflected in the Wage Rate Manual.

(2) four tenths of a cent (.4) per hour multiplied by the number of point increase in the Philadelphia All Urban Consumers Index (CPI-U) (1967=100) between the December 2001 and October 2002 indices, minus twenty percent (20%) of the increase, if any, in the total amount of Authority payments for medical costs (health, prescription, dental) for the year ending July 31, 2002 as compared to the year ending July 31, 2001, such increase divided by the total pay hours of bargaining unit employees for the current twelve month period; however, that the net increase in the cost-of-living adjustment shall not exceed ten cents (10¢) per hour. Any payment due will become effective in the first payroll period in December 2002. Any adjustment will be reflected in the Wage Rate Manual.

(3) four tenths of a cent (.4) per hour multiplied by the number of point increase in the Philadelphia All Urban Consumers Index (CPI-U) (1967=100) between the December 2002 and October 2003 indices, minus twenty percent (20%) of the increase, if any, in the total amount of Authority payments for medical costs (health, prescription, dental) for the year ending July 31, 2003, as compared to the year ending July 31, 2002 such increase divided by the total pay hours of bargaining unit employees for the current twelve month period; however, that the net increase in the cost-of-living adjustment shall not exceed ten cents (10¢) per hour. Any payment due will become effective in the first payroll period in December 2003. Any adjustment will be reflected in the Wage Rate Manual.

The total amount which will be paid above will not exceed \$75,000 over the term of the contract, of which not more than \$52,000 will be paid to offset medical costs over the term of the contract.

Section 402. Spread Time Allowance

A time allowance of one (1) minute pay time will be made for each two (2) minutes of spread in excess of twelve (12) hours overall spread of a swing run. Such allowance will not be included for the computation of overtime.

Section 403. CDL Inspection Allowance

(a) The Authority will pay employees based on actual start and finish time of work performed, including required pre-trip and post-trip activities. The pre-trip time, for each operator who conducts a CDL Inspection, will include a CDL Inspection Allowance consisting of 10 minutes. The parties agree to implement this change in all districts as soon as administratively feasible following ratification of the agreement. After the change has been in effect for 12 months following installation of time clocks, the parties will confer over the change and, by mutual agreement, may agree to adjust the schedules. The CDL Inspection Allowance will be treated as time worked under Section 405 (a).

(b) An allowance of three (3) hours' pay time will be paid an employee who is called in for emergency work outside of one's schedule work hours and who reports for duty as required and is then not assigned any work of any kind. If one is assigned work the pay time for which is less than three (3) hours, one will, nevertheless, receive three (3) hours' pay time for the work assigned and performed. In calculating overtime, only the work hours performed will be counted.

Section 404. Straight Time Hourly Rates - Maintenance

(1) The rates of pay after the completion of any training period are incorporated in the Wage Rate Manual.

- (a) Effective January 8, 2017, Employees will receive a 1% general pay increase.
- (b) Effective January 14, 2018, Employees will receive a 1% general pay increase.
- (c) Effective January 13, 2019, Employees will receive a 2% general pay increase.
- (d) Effective January 12, 2020, Employees will receive a 3% general pay increase.
- (e) Effective January 10, 2021, Employees will receive a 3.5% general pay increase.

Parity: Convert the above across-the-board wage increases to the equivalent classification in the City Transit Division on a cents-per-hour basis, to be reflected in the Wage Rate Manual.

(f) A premium of fifteen cents (\$.15) per hour will be paid for work hours performed between the hours of 6 p.m. and 6 a.m. in accordance with and subject to the following conditions: Payment of such premium will be made at the rate of fifteen cents (\$.15) per full hour of such work; and fractions of less than one (1) full hour will be treated as follows: from one (1) to and including twenty-nine (29) minutes will be dropped and not paid for; and from thirty (30) to and including fifty-nine (59) minutes will be counted as a full hour and fifteen cents (\$.15) paid therefore. The aforesaid premium will be paid at the said rate whether or not such

work is overtime work or is for any reason paid at time and one-half, and no overtime premium will be paid on the said premium in any case; and the said premium will not be paid for or with respect to any allowance.

(i) Longevity-Maintenance Custodian Driver (MCD)

3 years	\$.30/hour
6 years	\$.80/hour
9 years	\$1.70/hour

(g) Article IV will be amended to provide for COLA adjustments in accordance with the formula set forth in Article IV, due in the first payroll period subsequent to the publication of the indexes as amended in the attached "COLA Formula."

There will be an increase in the cost-of-living allowance formula with an accompanying offset against anticipated health care costs. The time period on which the cost-of-living allowance will be annually computed will be extended from four to eleven months (December to November), and will be calculated as follows:

(1) four tenths of a cent (.4) per hour multiplied by the number of point increase in the Philadelphia All Urban Consumers Index (CPI-U) (1967=100) between the December 2000 and October 2001 indices, minus twenty percent (20%) of the increase, if any, in the total amount of Authority payments for medical costs (health, prescription, dental) for the year ending July 31, 2001 as compared to the year ending July 31, 2000, such increase divided by the total pay hours of bargaining unit employee for the current twelve month period; provided, however, that the health care offset shall not exceed five cents (5¢) per hour, and provided, further, that the net increase in the cost-of-living adjustment shall not exceed ten cents (10¢) per hour. Any payment due will become effective in the first payroll period in December 2001. Any adjustment will be reflected in the Wage Rate Manual.

(2) four tenths of a cent (.4) per hour multiplied by the number of point increase in the Philadelphia All Urban Consumers Index (CPI-U) (1967=100) between the December 2001 and October 2002 indices, minus twenty percent (20%) of the increase, if any, in the total amount of Authority payments for medical costs (health, prescription, dental) for the year ending July 31, 2002 as compared to the year ending July 31, 2001, such increase divided by the total pay hours of bargaining unit employees for the current twelve month period; however, that the net increase in the cost-of-living adjustment shall not exceed ten cents (10¢) per hour. Any payment due will become effective in the first payroll period in December 2002. Any adjustment will be reflected in the Wage Rate Manual.

(3) four tenths of a cent (.4) per hour multiplied by the number of point increase in the Philadelphia All Urban Consumers Index (CPI-U) (1967=100) between the December 2002 and October 2003 indices, minus twenty percent (20%) of the increase, if any, in the total amount of Authority payments for medical costs (health, prescription, dental) for the year ending July 31, 2003, as compared to the year ending July 31, 2002 such increase divided by the total pay hours of bargaining

unit employees for the current twelve month period; however, that the net increase in the cost-of-living adjustment shall not exceed ten cents (10¢) per hour. Any payment due will become effective in the first payroll period in December 2003. Any adjustment will be reflected in the Wage Rate Manual.

The total amount which will be paid above will not exceed \$75,000 over the term of the contract, of which not more than \$52,000 will be paid to offset medical costs over the term of the contract.

(h) The leaderperson shall receive ten cents (\$.10) per hour above his regular rate while performing leaderperson duties.

(i) Effective March 30, 1981 all employees hired on that date and thereafter will be subject to a new progression rate that is reflected in the Wage Rate Manual.

Section 405. Overtime

(a) Overtime (time and one-half time) will be paid for all work performed in excess of forty (40) hours in any one calendar week or for work performed on day off.

(b) Where any provision provides that work is classed as overtime, or is to be paid at time and one-half it will be paid for at the maximum rate of time and one-half notwithstanding any other provisions that may provide for overtime or time one-half, that is to say, overtime or time and one-half will not be paid more than once in respect of the same hour of work and overtime or time and one-half will not be paid on top of overtime or time and one-half in any case; nor shall there be any pyramiding of weekly overtime payments for the same hours worked; nor shall the same allowance be paid more than once in respect to the same work; nor shall any allowance be paid at time and one-half in any case or counted in calculating overtime.

Section 406. Clothing and/or Tool Allowance

(a) Effective with the January 2017 payment, the tool and clothing allowance will increase to three hundred eighty-five dollars (\$385.00). Effective with the January 2018 payment, the tool and clothing allowance will increase to three hundred ninety dollars (\$390.00). Effective with the January 2019 payment, the tool and clothing allowance will increase to three hundred ninety-five dollars (\$395.00). Effective with the January 2020 payment, the tool and clothing allowance will increase to four hundred dollars (\$400.00). Effective with the January 2021 payment, the tool and clothing allowance will increase to four hundred five dollars (\$405.00). Those who complete six (6) months of service between July and October 31 will be paid promptly following completion of such service.

(b) The uniform will be prescribed by the Authority and the types of required tools will be designated by the Authority and in no case will any employee receive more than one C/T credit in any one calendar year.

(c) When and if required, the Authority will provide all metric tools over 2.54 centimeters.

(d) If the Authority institutes a uniform change, it either will provide all impacted employees with two (2) uniforms or compensate employees for the purchase of two (2) uniforms, within its discretion.

Section 407. Holiday Allowance

(a) According to the provisions stated below employees will be paid a holiday allowance of eight (8) hours pay for each of the following days (or the day such holiday is observed); New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas; provided that such allowance will not be paid with respect to any such holiday to an employee who does not perform all one's assigned work or a days' work as defined in Section 401 (d)(5) on the last day one is scheduled to work preceding the holiday and the first day one is scheduled to work following the holiday, or to an employee who is scheduled to work on the holiday and does not perform all of one's assigned work or a days' work as defined in Section 401 (d)(5) on said holiday; provided, further, that in determining for this purpose whether such assigned work has been performed its non-performance by an employee will be excused if its non-performance was because of any of the following causes: jury duty, answering draft board summons, death in immediate family, absence with Authority approval or at Authority instructions, authenticated injury or illness, properly reported, which makes one unable to perform one's assigned work and which originates not earlier than the six (6) calendar days immediately preceding the holiday, and having been excused by the Authority to transact business for the Transport Workers Union. An employee who is scheduled to work on any such holiday and performs all of one's scheduled work or a days' work as defined in Section 401 (d)(5) on said holiday will be paid the foregoing holiday allowance in addition to one's regular pay for said work performed, except only that an employee who is scheduled to work on New Year's day, Independence day, Thanksgiving day or Christmas day, and performs all of the scheduled work on said holiday will be paid the foregoing holiday allowance in addition to one and one-half one's regular pay for said work performed.

Effective in April, 1981 Section (a) will be amended to provide an additional holiday; Good Friday.

Effective January 1990, Section 407(a) will be amended to provide for the addition of Martin Luther King Day and the employee's birthday holiday. For the purpose of this Section, the employee's birthday holiday is taken to be the employee's actual birthday, whenever the employee is scheduled to work that day. If the employee's birthday falls on a day that would normally be a day off for such employee, or falls on another holiday, or during such an employee's vacation; the employee will have the option of having the next regularly scheduled work day off or request eight (8) hours pay in lieu of the time off.

Employees who are required to work on their birthday or Martin Luther King Day, and who perform all of their scheduled work on such holiday will be given the opportunity to trade another day off in lieu of receiving the holiday

allowance. The day off must be taken on a day mutually agreeable to the employee and the Authority at which time the employee will receive the holiday allowance indicated in this subsection. Such day must be taken in the same calendar year, but no later than December 15th, or be paid. The Authority shall make a good faith effort to adjust quotas at each location so as to allow, to the extent practicable and consistent with operating requirements, a maximum number of employees to be off on any given day.

Effective January 1, 1999, the employee's birthday shall be converted to an additional paid personal holiday.

Effective January 1, 1999, employees will be given the opportunity to take Veteran's Day as an additional personal holiday at a time agreeable to the employee and the Authority. This holiday must be taken between January 3rd and December 15th of a particular year, or will be paid.

Effective January 1, 2002, employees will be given the opportunity to take Good Friday as an additional personal holiday at a time agreeable to the employee and the Authority. This holiday must be taken between January 3rd and December 15th of a particular year, or will be paid.

(b) An employee who is scheduled to work on any such holiday and performs all of such scheduled work on said holiday will be paid the foregoing holiday allowance in addition to their regular straight time pay for such work performed.

(c) An employee who is scheduled to work on New Year's Day, Independence Day, Thanksgiving or Christmas, and performs all of the scheduled work on said holiday will be paid the foregoing holiday allowance in addition to one and one-half one's regular pay for said work performed in accordance with other provisions of Section 407.

(d) Employees are entitled to two additional holidays to be taken at a time agreeable to the employee and the Authority. These holidays must be taken between January 3 and December 15 of that particular year.

(1) Any employee taking the personal holiday off will be paid the regular run or shift.

(2) Any employee requesting pay in lieu of the time off will receive eight (8) hours pay.

(3) Those who have not requested either the time off or the pay, therefore, by December 15, will be paid eight (8) hours in the pay period subsequent to December 15.

(4) Employees who request pay instead of time off must do so prior to Wednesday of the previous week in order to receive the pay in the paycheck to be received the following week.

(5) In no case will pay for the personal holiday be considered in the computation of overtime. Such personal holidays will be in accordance with other sections of Section 407.

Section 408. Court Work

Employees required by the Authority to appear in court as a witness or who are summoned to appear in court as a result of their performance of assigned duties for the Authority will be paid for such attendance in accordance with the following provisions:

(a) Pay time for such attendance at Municipal, State (including the Youth Study Center and depositions) or Federal Courts will be:

1. For a regular transportation employee, the pay time for the run picked by such employee;
2. For an extra transportation employee, eight (8) hours or the pay time for the run to which one would have been assigned had one not so attended court, whichever is the greater;
3. For a maintenance employee, eight (8) hours.
4. Where such attendance is required of an employee during such employee's picked vacation week, one will have the option of either being paid a day's pay at time and one-half for each day so spent during the picked vacation week or changing that vacation week and picking any open vacation week to which one's seniority would entitled one. The Authority will in no way be restricted or penalized in making any necessary adjustments in hold-downs.
5. Where such attendance is required of an employee on such employee's scheduled day off one will be paid for such attendance at the rate of time and one-half with a guaranteed minimum of eight (8) hours straight time pay.

(b) If an employee performs any platform or scheduled work on a day one so attends any said court such work will be paid for at the overtime rate.

(c) A pay allowance of four (4) hours will be made for a transportation employee for such attendance at a Magistrate's Court. In case such attendance by a regular transportation employee interferes with the performance of platform work assigned to one, one may be relieved from such assigned work for the period necessary to enable one to attend Magistrate's Court. The pay time for such attendance at a Magistrate's Court and for the platform work performed by one will be the said four (4) hour's allowance for such attendance plus the hours actually worked at one's assigned platform work, or the pay time for one's regular assigned run, whichever is greater, provided one reports for and performs the part of one's assigned platform work which is not so interfered with and is required by the Authority.

(d) Pay time for a maintenance employee for attendance at a Magistrate's Court will be the scheduled work hours not worked because of such attendance, or,

to the extent that any scheduled work hours are not worked because of such attendance, the time spent in such attendance will be added to the work hours for work performed on that day; and, if all the scheduled work hours of that day are worked, the time spent in such attendance will be added thereto.

(e) Employees who are victims of an assault or other criminal behavior as a result of their performance of assigned duties for the Authority, upon prior notice and approval, will be compensated for time spent in pursuit of criminal legal action against the perpetrator. Compensation will not be due in cases where the employee is criminally charged.

Section 409. Pay for Accident Reports

The Authority will pay two dollars and twenty five cents (\$2.25) for each written report of a public accident with which the Authority is concerned, which is properly made on a form furnished by the Authority for the purpose, and which report the Authority requires be made outside of the scheduled work hours of the employee. Effective April 8, 1993 twenty-five (\$.25) will be added for each written report.

Section 410. Assignment of Work-Maintenance

(a) Work will be assigned to individual employees or numbers or groups of employees in accordance with the requirement of the work and the job to which they are assigned.

(b) The rate of pay for work performed by an employee will be the established rate of pay for the job to which one is regularly assigned and to which one is entitled by the length of one's service with the Authority. An employee disqualified as the result of injury or illness from performing the work to which one is regularly assigned will be paid the regular full rate of pay for the classification for which one is being trained while being trained for such other work for which one can qualify.

(c) When an employee is temporarily assigned for a period of one or more full days to a job the hourly wage rate for which is higher than that for one's regular assignment and performs the work of such other job one will be paid such higher rate for work performed in such temporary assignment for such period. When an employee is temporarily required to perform, for one-half or more of the scheduled work hours for a day, the work of a job the hourly wage rate for which is higher than that of one's regular assignment, one will be temporarily assigned to such other job for such day. When an employee is temporarily required to perform for one (1) hour or more the work of a job the hourly wage rate for which is higher than that for one's regular assignment, one will be paid the higher wage for the time one performs such work, provided the work is assigned to one. When an employee is temporarily required to perform work of a job the hourly wage rate for which is lower than that of one's regular assignment and performs such work without being assigned to such other job, one will be paid for such other work performed the wage rate of the job to which one is regularly assigned. When an employee is temporarily incapacitated to perform the work of the job to which one is regularly assigned, and

is assigned to another job the work of which one can perform, so that one will not be out of work, one will be paid the wage rate for the job to which one is so temporarily assigned for work performed therein.

(d) The Authority will not delay an employee's scheduled lunch period for more than one and one half hours. The lunch period for employees working on a track maintenance project will not be delayed for more than one hour unless the employees are involved in correcting an unforeseen emergency that is causing an interruption of service to the riding public or would cause damage to masonry materials delivered to a construction site. If such lunch period is delayed beyond the periods cited above, the employee will have one's choice of (1) taking one's lunch, (2) being paid for one's lunch, or (3) going home one half hour before one's regular quitting time.

Section 411. Assignment of Work-Transportation

For hold-down and relief run pickings, day off pickings, and line pickings, one (1) Section Officer will be excused from work with pay to assist the Union with the picking.

(a) The Authority will hold not less than two (2) pickings during each calendar year. General pickings will be held in the months of April and October, or as close to such months as the Authority finds to be practical for required changes in service.

(b) If an employee's picked run is reduced to a lower paying run, the employee will receive the pay hours of the run he/she originally picked.

(c) A tripper is a scheduled run that is less than a day's work and for which the pay time is less than that of a minimum day. The pay time for a tripper will be one and one-half times the scheduled work hours thereof, whether performed as overtime or not. Pay time for any tripper will not be less than two (2) hours.

(d) Each employee will present oneself at the district at the time scheduled to pick or will leave in writing with the dispatcher, on a form furnished by the Authority, at least three (3) choices of open runs for which one is qualified and of open days off and shall indicate the order of one's choice. The Authority will assign runs and days off to any employees who fail to leave three (3) choices as required and who fail to present themselves at the picking when in turn to pick; or who refuse to pick promptly; or who refuse to pick for any reason. The runs and days off so assigned shall conform as closely as possible to the runs and days off picked at the previous picking (e.g., Fall picking will relate back to previous Fall picking).

(e) Regular operators shall pick their days off with the regulations established for the location. The number of operators who may be off each day of the week will be determined by the Authority and quotas will be established by the Authority. When such quotas are filled, no additional regular operators may pick that day off.

(f) Regular employees will be subject to assignment for work on only one of their scheduled days off. Such work assignments will be made on a rotating basis to equitably distribute such assigned work. When assigned work on their scheduled days off regular employees will be assigned to their regular runs unless such runs have been included in a relief run in which case they will be assigned to open runs.

(g) Platform work performed by an employee on any day which is a regular day off-duty for one will be classed as overtime and paid as such, unless the employee has previously turned in sick that week in which case the employee will be treated as having switched his days off and paid at straight time for the work on the scheduled day off.

(h) A picking will be held each calendar month for all routes or lines on which vacancies occur prior to the eighteenth day of the calendar month in which case employees who follow on the district seniority list the employee creating the vacancy will be permitted to pick a vacant weekday run which they did not have an opportunity to pick at the previous picking, in the order of their district seniority and in accordance with these regulations. Employees who pick such vacant weekday runs shall also pick the Saturday run, Sunday run and days off assigned to the employee who vacated the weekday run so picked.

(i) Hold-Down Picking. Any scheduled straight or swing run that is open for three days is a hold-down and will be assigned to the first extra person on the district seniority list entitled to receive an open-hold-down run and available for work on the day for which the first assignment is to be made. Hold-downs shall be picked each month by the extra persons who are available to work such runs, in the order of their district seniority. Each extra person shall present oneself at the district at the time scheduled to pick or shall leave in writing with the dispatcher, on a form furnished by the Authority, three (3) choices. Open runs that may be picked shall include relief runs in addition to regular runs classed as hold-downs. The picking will be conducted on the Monday preceding the first Sunday of the next succeeding calendar month. Any run becoming a hold-down after hold-down picking has started may only be picked by extra persons who have not already picked a hold-down.

(j) A day off picking will be held by the Authority each month at the completion of the hold-down picking. The Authority may require additional pickings to meet changes in working conditions. Each extra busperson shall present oneself at one's reporting location at the time scheduled to pick or shall leave in writing with the designated Authority representative, on a form furnished by the Authority, three (3) choices of days off and shall indicate the order of one's choices.

The day for which work will be regarded as done will be the day for which it commences.

(k) The trading of runs between two (2) employees is permitted with notice given to the Dispatcher no later than the preceding day. Approval for such trading of runs beyond one day at a time will not be permitted if there is more than

two (2) years difference in depot seniority between the two (2) employees who wish to trade, and if there is not a valid reason for such trading.

(l) Extra persons will pick in order of their location seniority two (2) days off each week within the limitations of quotas fixed by the Authority for each day of the week. Days off will be assigned to each new extra person until the next day off picking.

(m) Any extra person terminating work will not be assigned a reporting time earlier than nine (9) hours after the scheduled finishing time of one's assigned run on the previous night. Furthermore, any extra person terminating work will not, if one so elects, be assigned a reporting time earlier than ten (10) hours after one terminates one's work, with the understanding that the Authority may balance its manpower requirements by assigning Saturdays and Sundays as days off for extra persons when required, and Sunday work will be assigned as on weekdays.

(n) Effective as soon as can be practically arranged the Bucks County runs will not be scheduled to exchange vehicles. In the event of unforeseen circumstances the Authority will discuss with the Union any change to this practice in the future.

(o) Transportation employees who have been injured on duty or on sick leave for more than sixty (60) days shall not pick at scheduled General, Line or Line Move-Up pickings unless they can be expected to return to work within sixty (60) days after the date such picking is effective and they present themselves at the district when in turn to pick, provided, however, that no such employee will be permitted to pick a second time if one picked under these regulations at the previous picking and failed to return to work. Such employees who have not picked runs and return to work will be placed at top of the extra list in the order of their district seniority until a picking is held.

(p) Extra employees will not be assigned work which finishes more than fifteen (15) hours after his or her report time. If total run assigned would exceed fifteen (15) hours, the Authority may assign part of his run and shall provide relief if requested. The operator will be paid until turn-in. The fifteenth hour will include pull-in and turn-in.

(q) Swing runs will not be scheduled on New Year's Day, July 4th, Thanksgiving or Christmas Day.

(r) Nothing in this Agreement shall be interpreted to prevent employees from volunteering on report on one or more of their days off.

Section 412. Meal Allowance

(a) A meal allowance of four dollars (\$4.00) will be made to an employee in the Maintenance Unit when one is unexpectedly required to work two hours (2) or more in addition to working one's scheduled work hours for the day, and thereafter at intervals of five (5) hours; except that no meal allowance will be made (a) if one is given notice that such extension of work would be assigned to one, not later than during the calendar week preceding the calendar week during

which it is to be performed, with a minimum of two days' notice or (b) when the extension of work is performed as an accommodation to one's relief. Effective July 1, 1993, the meal allowance will be increased to four dollars and twenty-five cents (\$4.25).

(b) During emergency work in snow and ice storms or other emergencies a meal allowance will be made to an employee performing such emergency work at intervals of five (5) hours or as close to such intervals as is practical. Meal tickets representing the meal allowance may be furnished to such an employee in payment of the meal allowance.

(c) For purposes of this Section only, other emergencies as set forth in (b) above are defined to exist when:

1. The work begins during the same calendar day that an employee worked one's regular shift, and notice of the extra work was not given the employee prior to the start of one's shift.

2. The extra work is performed on an employee's regular day off, and notice of the extra work was not given the employee before the end of one's last regular scheduled shift prior to the day off.

3. An employee is called at home and asked to come right in to perform extra work.

(d) A meal allowance of four dollars (\$4.00) will be paid to an Operator in the Transportation Unit when he is required to work in excess of 2 hours past the finishing time of his regular run. During emergency work in snow and ice storms a meal allowance will be paid to an operator performing such emergency work at the end of 2 hours of overtime work and thereafter at intervals of 5 hours or as close to such intervals as practicable, so long as the work continues to be overtime work. Effective July 1, 1993, the meal allowance will be increased to four dollars and twenty-five cents (\$4.25).

Section 413. License Suspension

(a) Transportation employees whose job duties require a driver's license who suffer a license suspension of up to eighteen (18) months will remain on the rolls of the Authority and be assigned other work in the bargaining unit in accordance with the provisions below. The employee whose license has been suspended will be assigned, at the sole discretion of the Authority, to any vacant budgeted position they are qualified to perform, at the rate of pay of the job to which they are assigned. When the employee's license is restored, the employee will be returned to his/her regular job without loss of seniority.

(b) Maintenance employees for whom driving is an essential function of their job, as determined by the Authority, may remain on the rolls of the Authority and may be assigned other work in the bargaining unit. The employee whose license has been suspended for up to eighteen (18) months may be assigned, at the sole discretion of the Authority, to any vacant budgeted position they are qualified to perform, at the rate of pay of the job to which they are assigned. When the

employee's license is restored, the employee will be returned to his/her regular job without loss of seniority.

(c) Maintenance employees who must drive intermittently or not at all, and whose driver's license is suspended for 180 days or less, will remain on the rolls of the Authority and may be permitted to work their regular job with a driving restriction, at their regular rate, provided it does not impose a hardship to the Authority. If the suspension is for a period greater than 180 days for up to eighteen (18) months, the employee may remain on the rolls of the Authority and be assigned to other work in the bargaining unit. This assignment will be at the sole discretion of the Authority to a vacant budgeted position the employee is qualified to perform, at the rate of pay of the job to which they are assigned. When the employee's license is restored, the employee will be returned to his/her regular job without loss of seniority.

(d) Transportation or Maintenance employees temporarily reassigned under (a), (b), or (c):

1. Will be required to perform all of the duties of the job to which they are assigned.

2. Will have their days off and shifts determined by the Authority and not be eligible to move to a temporary position at another location.

3. Employees who choose not to be reassigned or abide by subparagraph (a, b or c) above, will be dropped from the rolls of the Authority.

(e) An employee whose license is suspended for more than eighteen (18) months may transfer to any vacant position in the bargaining unit for which they qualify, or will be dropped from the rolls of the Authority.

(f) Whenever necessary to qualify an employee to transfer to a vacant position for which a driver's license is not an essential function of the job, as determined by the Authority, the Authority may temporarily waive the licensing requirements for that employee.

(g) If there are no vacant budgeted positions available at the time an employee who has lost his/her license would be subject to reassignment or voluntary transfer, the employee will be dropped from the rolls of the Authority subject to reinstatement with seniority but no back pay or benefits when a budgeted position becomes available. Employees will be recalled in the same order in which they were dropped.

(h) Any delays in effectuating a transfer under this provision will result in unpaid leave for the employee.

ARTICLE V
SICK LEAVE; SICK BENEFITS; WORKERS' COMPENSATION;
EARNED DAYS OFF; PAID EXCUSED DAYS

Section 501. Sick Leave

(a) Employees will be entitled to maximum sick leave as follows: The maximum sick leave to which an employee is entitled during one's entire service with the Authority will be:

Thirty (30) days for the first six (6) months of service,
Thirty (30) days for the second six (6) months of service,
Thirty (30) days for the third six (6) months of service,
Thirty (30) days for the fourth six (6) months of service,

Then, Sixty (60) days at the beginning of each year thereafter, to be used for illness or personal injury which precludes an employee from performing one's regular duties.

(b) Discipline for attendance infractions will be as per the Attendance Point System (See Appendix).

(c) The period of Authority service on which an employee's sick leave is computed will be from the day of regular employment to and including the last day worked before absence due to illness or personal injury. No additional sick leave allowance may accrue during such an absence period.

(d) Employees will be credited sick leave earned during their probationary periods only after completion of said probationary period.

(e) To determine the balance of sick leave due the employee involved, each absence will be added to the previous absences and the total days absent will be deducted from their accrued allowable sick leave. Absences will be counted only in whole days and fractions of a day accumulated will be dropped in determining balance of sick leave.

(f) Each employee who has accumulated more than thirty (30) days sick leave will be notified by certified mail (or by personal interview at which time one will sign for and be given a copy of the report of interview) at least thirty (30) days prior to the expiration of one's allowable sick leave.

(g) Any employee whose absence due to illness or personal injury exhausts the amount of sick leave to which one is entitled under this section will be automatically dropped from Authority service and placed on the Priority Recall List in accordance with Section 505.V.

(h) Whenever doubt or uncertainty shall arise concerning the nature or extent of an employee's disability, the Authority reserves the right to conduct such independent investigation or physical examination as it may deem necessary.

(i) Time lost by an employee because of compensable injuries, i.e., injuries which one receives while on duty, will not be charged against one's sick leave.

(j) Sick leave specified throughout this section is on the basis of calendar days and not scheduled work days.

(k) An employee who has been absent due to illness and who is required to visit the Authority's Medical Department before returning to work will not be prevented from returning to work because of this requirement if one's absence has been for thirty (30) days or less and the Medical Department is closed between the time the employee gets well and one's starting time for work. Employees who are authorized to return to work from illness or injury in less than thirty (30) days must provide their work location with doctor's proof of illness and return to work status. The work location reserves the right to review the matter with the Medical Department.

(l) Transportation employees who are required to report to the Medical Department before returning to work by virtue of being absent from work for more than thirty (30) days due to illness or injury may report out of the sickbook prior to reporting to the Medical Department by telephoning their location prior to 12:30 p.m. on the day before they will be reporting to work. They will then be permitted to return to work the following day, subject only to the approval of SEPTA's Medical Department.

(m) Maintenance employees who are required to report to the Medical Department before returning to work by virtue of being absent from work for more than thirty (30) days due to illness or injury and who have to wait at SEPTA's Medical Department more than one and one-half hours from the time of reporting to Medical until being cleared to return to work, will be compensated at their regular rate for any time lost from work in excess of one and one-half hours.

(n) Employee absences as a result of entry into a drug/alcohol rehabilitation program will count as sick leave. An employee who expires his/her sick leave as a result of participation in such a program will be granted a leave of absence not to exceed one (1) year in order to complete a prescribed treatment.

Section 502. Sick Benefits

(a) Sick Benefits shall be paid by the Authority to an employee for disability caused by illness or personal injury, for a period not to exceed the number of days accumulated under Section 501 above and further not to exceed a maximum of one hundred eighty (180) days in any 365 day period.

(i) Sick benefits shall be paid after a three (3) day waiting period.

(ii) On or after December 23, 2001, employees who become sick shall receive sick benefits amounting to fifty percent (50%) of the employee's regular straight time hourly rate times eight (8) hours per day. However, in no case will an employee receive less sick benefits than he/she would have received under the provisions of the 1992-1995 Agreement, i.e. effective with new cases

commencing April 8, 1994 there will be paid two hundred and twenty-two dollars, seventy five cents (\$222.75) for the first 28 days and two hundred and one dollars, fifty cents (\$201.50) for the remaining 152 days.

(b) The period of Authority service on which an employee's sick leave is computed will be from the day of regular employment to and including the last day worked before absence due to illness or personal injury. No additional sick leave allowance may accrue during such an absence.

(c) Benefits may be withheld in all cases where sickness or disability was brought about by any grievous neglect or imprudent or indiscreet act of the employee. No benefits shall become payable for disablement due to immoral conduct or to the use of intoxicants and/or drugs, or to an employee who is injured while performing work for an employer other than SEPTA.

(d) All requests for sick benefits must be made in writing and must be received by the Division Superintendent or Department Head on or before the fifth (5th) calendar day of illness. If an employee is hospitalized and unable to submit the request for sick benefits on or before the fifth (5th) calendar day of illness, the employee may submit the request no later than five (5) calendar days following the date of discharge from the hospital. Any requests not so received will become effective for benefits only on and from the date received.

(e) When an employee turns in a fully completed application for sick benefits (including physician's statement) to their appropriate location managerial representative, they shall be provided receipt of delivery upon request.

(f) Sick benefits will not be allowed where employees depart from the address from which they report for work, without first notifying the Authority and affording an opportunity of a physical examination or investigation of their disability. Doctor's certificate sworn to before a Notary Public will be required every fourteen (14) days during the disability of employees out of reach of the Authority's regular examining physician, except where employees are confined to an institution.

(g) Sick benefits specified throughout this Section are on the basis of calendar day and not scheduled work days.

(h) Any sick benefits which are paid to an employee as the result of an accident or injury will be subrogated to the Authority from any third party source.

(i) Reporting off sick to the Division Director or such designee of Foreperson or reporting to the Medical Department will not be construed as an application for sick benefits. The responsibility for requesting sick benefits is strictly up to the employee.

Section 503. Workers' Compensation

I. Purpose

It is the intent of this Agreement to provide employees who claim compensable personal injuries or illnesses covered by the Pennsylvania Workers' Compensation Act (the Act) with improved access to high-quality medical care and to reduce the number and severity of disputes concerning such claims.

II. Medical Network

(a) In accordance with the Pennsylvania Workers' Compensation Act, the Authority will continue to make available to employees with compensable injuries and illnesses a panel of authorized medical providers for the treatment of such injuries and illnesses (hereinafter "authorized medical providers"). Effective January 1, 1999, the Authority will establish a network-based panel of authorized medical providers for treatment of employees with compensable injuries or illnesses under the Workers' Compensation Act. Before awarding the contract, the Authority will meet with TWU leadership and discuss the selection of the network administrator, including further consideration of Comp Services Inc. The Authority in its sole discretion shall determine the authorized medical providers who will serve on the panel.

(b) The Authority will post at all locations a list of the authorized medical providers and shall deliver to employees who report compensable injuries or illnesses a copy of the list.

(c) The network, at a minimum, shall include specialists in the following areas: orthopedics, neurology, neurosurgery, ophthalmology, cardiology, internal medicine, dermatology, radiology, chiropractic, endocrinology, psychiatry-psychology, pulmonary/respiratory, occupational medicine and oncology.

(d) Pursuant to the Pennsylvania Workers' Compensation Act, employees seeking treatment for compensable injuries or illnesses shall be obligated to utilize authorized medical providers on the panel for the first ninety (90) days of the injury or illness. Failure to utilize authorized medical providers shall render any medical treatment non-compensable; provided that when an employee requires emergency medical treatment due to a compensable injury or illness, the employee may be transported to a hospital immediately; however once the employee's condition has been stabilized, he or she must utilize authorized medical providers on the panel.

(e) Employees who incurred compensable injuries or illnesses before January 1, 1999, and on that date are within the initial ninety (90) day period of their claim and are treating with medical providers who are not authorized medical providers on the new panel, will be permitted to continue treating with such providers for the balance of the initial ninety (90) day period. If the employee seeks treatment from an authorized medical provider after the ninetieth (90th) day of the claim, he/she shall be eligible for supplemental compensation in accordance with the following section.

(f) The third-party administrator will provide monthly reports listing all workers' compensation bills authorized for payment to the Authority and the Union showing the employee's name, account number, health care provider, date of service and amount and status of each medical bill.

III. Supplemental Compensation

(a) Except as provided in this Section, all compensation payable to employees who incur compensable workers' compensation injuries or illnesses shall be paid in accordance with the Pennsylvania Workers' Compensation Act.

(b) During the first seven (7) days of an absence due to a compensable workers' compensation claim, the employee will be entitled to supplemental compensation at the weekly rate of 75% of the applicable statutory "average weekly wage," if the employee returns to work within eight (8) days from the date of the injury. If the employee returns to work between the 8th and 13th day of the injury, inclusive, the employee will be entitled to supplemental compensation for the first seven (7) days, the gross amount of which shall equal the applicable statutory rate. Employees who continue to be absent after the 13th day, will receive no supplemental compensation for the first seven (7) days of the absence.

(c) For those compensable injuries or illnesses that continue beyond the ninetieth (90th) day, supplemental compensation will be paid to any employee for so long as he/she continues to treat such injury or illness through an authorized medical provider on the panel commencing on the 91st day through and including the one-hundred and eightieth (180th) day of such claim. Supplemental compensation shall consist of additional payments to each statutory workers' compensation payment received by the claimant equal to ten (10) percent of the claimant's statutory "average weekly wage." The Authority shall pay supplemental compensation to the claimant through payroll.

(d) Employees who continue to treat with an authorized medical provider on the panel beyond the one-hundred and eightieth (180th) day will receive no additional supplemental compensation.

IV. Prescription Medication

Prescribed medication for an employee's compensable injury or illness shall be provided at no cost to the employee. The Authority shall establish a prescription drug program administered by a third-party administrator for the provision of such medication with the requirement that claimants accept generic substitution for brand drugs when available and prescribed.

V. Medical Dispute Resolution

Section 1101 of the labor agreement will not apply to employees involved in a dispute who are at the time receiving workers' compensation indemnity benefits.

If the employee's treating physician considers the employee unable to work a job assigned to him/her by the Authority, including Transitional or Alternate

Duty or the employee's regularly assigned position, the employee will be placed on IOD leave. In addition to all other rights under the Pennsylvania Workers' Compensation Act, the Authority shall have the right to petition to have the employee's workers' compensation benefits suspended or terminated. If, during the pendency of any litigation, the employee's treating physician changes his/her opinion regarding the employee's ability to perform the job offered by the Authority, the employee immediately will be required to return to work.

If the workers' compensation dispute is resolved in favor of the employee, the employee will continue on IOD leave or continue on the Priority Recall List until the applicable time periods have expired, as described in this labor agreement, or if the employee had been performing an Alternate Duty Position when the dispute arose, he/she will be returned to such position.

If the Authority prevails, and at the time of the determination the employee is on IOD leave or on the Priority Recall List, the employee must return to his/her regular position or be deemed to have resigned from employment with the Authority. If, at the time of the determination, the employee has exhausted all IOD leave and all applicable time on the Priority Recall List and has been dropped from the Authority's rolls, he/she will not be reinstated.

Section 504. Earned Days Off - Paid Excused Days

(a) Effective July 1, 1989, all hourly employees will be entitled to one (1) earned excused day (without pay) for every ninety (90) calendar days with no sick days, I.O.D. days, misses or suspension days. These days could be used with a minimum of forty-eight (48) hours' notice. Up to four (4) days may be accumulated. Quotas will be established in the particular location based on the number of outstanding "earned" excused days at that location, the daily number of requests to use those days, and the needs of the service. "Earned" excused days will be given a priority which is less than personal days but more than other excused days and can be used to address child care and other personal needs.

(b) All employees will receive one (1) paid excused day for each one hundred and eighty (180) consecutive days of perfect attendance achieved thereafter. Paid excused days may be taken by an employee like any other personal day or floating holiday. Alternatively, employees may cash in a paid excused day at any time and receive eight (8) hours pay at their straight time rate. Paid excused days may be accumulated and carried over from year to year.

(c) In the event an employee reports I.O.D. from work and is precluded by the Authority from returning to work the same or next working day, such absence will not be counted as an I.O.D. for the purposes of consecutive months attendance.

(d) Employees entitled to an earned excused day can take one of these days whenever the quota set for such days remains unfilled at their location.

Section 505. Alternate Duty Program

I. Definitions

As used in this Article, the following terms mean:

1. *Alternate Duty Position:* A reserved, light duty position for Medically Disqualified employees. An Alternate Duty Position can be any position for which the employee is qualified and medically capable of performing, including a different permanently budgeted position in the bargaining unit. In addition, the parties agree that the following full-time classifications shall be Alternate Duty Positions: Vehicle Readiness Coordinator (VRC), Loader, Scrapper and Cashier.
2. *Medically Disqualified:* Based on the employee's medical condition and prognosis, the employee cannot return to his or her former permanently budgeted position with the Authority, as determined by the Authority's Medical Director or his/her designee. Employees eligible for this classification will be those with IOD injuries regardless of seniority and sick employees with five (5) or more years of seniority at the time of disqualification.
3. *MD List:* The list of Medically Disqualified employees awaiting assignment to a permanently budgeted Alternate Duty Position.
4. *Temporarily Disqualified:* Based on the employee's medical condition and prognosis, the employee cannot return to his or her former permanently budgeted position with the Authority for a temporary period of time, as determined by the Authority's Medical Director or his/her designee.
5. *Transitional Duty:* A temporary alternate duty assignment for IOD employees not to exceed ninety (90) days per assignment at a wage rate of \$5.64/hour. Such employees, if eligible, also will receive a partial disability payment pursuant to the Workers' Compensation Act. Transitional duty assignments may entail less than a full-time schedule.

II. Transition of Employees in MDTD Program

All temporary duty assignments in the MDTD program at the time this Alternate Duty Program takes effect will cease. Employees performing such assignments at that time will be treated as follows:

1. Temporarily disabled employees working in the MDTD program when the MDTD program ceases will be classified as Medically Disqualified, if applicable, returned to their regular permanently budgeted positions if medically capable of performing the work, or placed on sick leave or IOD leave. For sick employees performing MDTD jobs on the ratification date of this agreement, the Authority will permit such employees to remain in their MDTD assignment for a period not to exceed sixty (60) days and, upon return to sick leave, an employee who has no accrued leave, will be advanced sixty (60) days of sick leave from the employee's future entitlement.

2. For employees classified as MDPD, the Authority will make available fifty-seven (57) Alternate Duty Positions. Such employees will be offered the opportunity to transfer to one of the Alternate Duty Positions on the basis of Authority seniority, provided that the employee has the requisite skills and is medically capable of performing the duties of the Alternate Duty Position. Employees in an Alternate Duty Position will be permitted to pick their work assignments, including location and shift, based on Authority seniority.

3. An employee who was classified as MDPD but was not placed in one of the 57 positions (either because all 57 positions were filled or because the employee was not capable of performing in any of the 57 available positions) will be placed on the MD List and permitted to remain in their current MDTD assignment for a period not to exceed six (6) months from the date of ratification of this labor agreement. Thereafter, any such employee will be placed on sick leave or IOD leave, as applicable, and continue on the MD List. While on the MD List, such employees will have priority for placement in an available Alternate Duty Position over any employee who subsequently is Medically Disqualified. Also, if during the first sixty (60) days of the new assignment to an Alternate Duty Position, the Authority determines that the employee is not medically capable of performing the duties of the position, the employee will be placed on sick leave or IOD leave and will be placed on the MD List.

4. Employees who transfer to one of the 57 positions will not be precluded from placing their names on the MD List to await transfer to another Alternate Duty Position. Such employees will be placed on the MD List in order of Authority seniority.

5. MDPD employees who transfer to one of the 57 Alternate Duty Positions will be paid at the applicable wage rate for such Alternate Duty Position, as adjusted for across-the-board wage increases under the Labor Agreement.

III. New Alternate Duty Program

Under the new Alternate Duty Program, employees who are medically incapable of performing their regular permanently budgeted job due to illness or injury will be treated as follows:

1. Employees who are Temporarily Disqualified will utilize sick leave or IOD Leave, if otherwise eligible, but will not be placed on the MD List. The Authority may offer Transitional Duty assignments to IOD employees. Any IOD employee who declines a Transitional Duty assignment that he/she is medically capable of performing will be dropped from the Authority's employment, and the Authority may petition to terminate or modify his/her workers' compensation benefits.

2. Employees who become Medically Disqualified will be placed on the MD List while awaiting assignment to an Alternate Duty Position. Employees may remain on the MD List for the duration of any sick leave or IOD Leave for which they are eligible and for the duration of any time period for which the employee is eligible to be on the Priority Recall List. When such periods have expired, the employee will be removed from the MD List.

3. When Alternate Duty Positions are to be filled from the MD List, three (3) IOD employees will be placed for every one (1) sick employee who is placed. Subject to the foregoing, the most senior IOD or sick employee on the MD List who possesses the requisite skills and is medically capable of performing the job will be offered the vacated position. Medically Disqualified employees on the MD List will have first priority to transfer into an existing Alternate Duty Position which becomes vacant, but only if the Authority determines, in its sole discretion, that the position will be filled. Nothing in this Article will obligate the Authority to create an Alternate Duty Position, remove an employee from an existing Alternate Duty Position or fill a vacated Alternate Duty Position.

4. The wage rates for employees assigned to Alternate Duty Positions will be as set forth in the Wage Rate Manual. Employees in the VRC, Loader, Cashier or other Permanently Budgeted positions will be subject to the wage progression. Employees in the Scrapper position will be subject to the MCD wage progression and longevity schedule. All such employees will be eligible for across-the-board wage increases provided in the Labor Agreement.

5. If an Alternate Duty Position is to be filled, and no employee remains on the MD List, the Authority shall be entitled to offer the position to any employee who is medically capable of performing the duties of the position, including Transitional Duty assignments.

6. Any IOD employee who turns down an Alternate Duty Position that he/she is medically capable of performing, regardless whether or not Medically Disqualified, will be dropped from the Authority's employment, and the Authority may petition to terminate or modify his/her workers' compensation benefits. A sick employee who is Medically Disqualified and offered an Alternate Duty Position that he/she is medically capable of performing may refuse the assignment only if the wage rate for the position is less than the wage rate for the permanently budgeted position held by the employee prior to the sick leave, in which case the employee will remain on sick leave and on the MD List.

7. The Authority may offer a Medically Disqualified employee a job in another bargaining unit, but the employee is not required to accept such job. If an employee agrees to accept such job, the employee must accept the conditions of the applicable labor agreement. If an IOD employee turns down such job, he/she will be dropped from the Authority's employment, and the Authority may petition to terminate or modify his/her workers' compensation benefits. If a sick employee turns down such job, he/she will be returned to sick leave. An employee who accepts an assignment to another bargaining unit will have his/her name placed on the MD List with the right to return to the bargaining unit if an Alternate Duty Position becomes available.

8. Except as modified herein, transfers of Medically Disqualified employees into Alternate Duty positions shall be subject to the transfer provisions of Section 303; provided that, under Section 303(e), sick employees who voluntarily opt to return to leave status will be placed back on sick leave, and IOD employees who voluntarily opt to return will be deemed to have turned down available Alternate Duty work.

Under no circumstances will an employee be permitted to return to a former MDTD assignment.

9. Employees who have transferred into an Alternate Duty Position pursuant to this Section and are deemed no longer to be Medically Disqualified shall return to their regular permanently budgeted position with no loss of seniority.

10. The Medical Dispute Resolution Procedures will not apply to the assignment of Medically Disqualified IOD employees to Alternate Duty Positions or to the assignment of Temporarily Disqualified IOD employees to Transitional Duty assignments.

11. The Medical Review Board established pursuant to Section 1104 (c) of this Labor Agreement shall convene within fourteen (14) days of ratification of this agreement to review the medical status of all employees currently in the MDTD program. The Medical Review Board will be responsible for reviewing the classifications of employees as Medically Disqualified. SEPTA's Medical Department or its designee shall retain final authority for making medical classifications under this Section.

IV. IOD Leave

1. Injured on duty employees receiving workers' compensation benefits will be entitled to "IOD Leave," on a career basis, during which the employee will continue to participate in the Authority's fringe and employee benefit plans/programs (except vacation, which is subject to Section 701(f) of this labor agreement) and accrue seniority during such leave.

2. For employees hired before November 1, 1998, the total career entitlement of IOD Leave will be fifty-two (52) weeks upon hire for the first year of active service, plus ten (10) weeks for each year of active service thereafter.

3. For employees hired on or after November 1, 1998, the total career entitlement of IOD Leave will be fifty-two (52) weeks upon hire for the first year of active service, plus nine (9) weeks for each year of active service thereafter.

4. For purposes of this Section, an employee completes a year of active service when he/she has been actively at work for the entire year. An employee may earn IOD Leave on a pro-rated basis in 1/12 increments for each completed calendar month of active service when he/she has been actively at work for the entire calendar month.

Authorized periods of leave for sick leave, military leave, jury leave and union leave, pursuant to the terms of this labor agreement, count as active service and will not disqualify the calendar year or month in question. All other forms of personal leave including but not limited to IOD leave will not qualify as active service, thereby disqualifying the calendar year or month in question for purposes of calculating IOD Leave entitlement. Periods of continuous leave before ratification of this agreement for compensable injuries or illnesses under the workers' compensation act will be counted as active service at half rate (e.g., two years of leave equals one year of active service), provided that any employee will be granted

no less than one (1) year of IOD Leave commencing with the ratification of this agreement.

5. Once an eligible employee has expired his/her career entitlement to IOD Leave, all Authority benefits and seniority accrual will stop, and the employee shall be placed on the Priority Recall List for the length of his/her IOD Leave entitlement, not to exceed two (2) years. Any employee who is recalled to active employment from the Priority Recall List will have his/her benefits reinstated upon return to active employment.

6. The period of IOD Leave will be measured as the total cumulative number of lost-time work weeks from the commencement of a lost-time claim with one (1) lost-time work week being counted for each work week in which the employee's lost time exceeds twenty (20) hours.

7. Nothing in this section obviates the rights previously held by the Authority in regards to dropping employees when it is appropriate.

V. Priority Recall List

1. Upon expiration of sick leave (or IOD Leave), an employee will be kept on the Priority Recall List for a period equal to the employee's original amount of sick leave (or IOD Leave), not to exceed two (2) years. During the recall period, the employee will not accrue any seniority or be entitled to any Authority benefits.

2. While on the Priority Recall List, an employee may be recalled to his/her former permanently budgeted position, if medically capable of performing the job, or assigned to an Alternate Duty Position, if eligible under the terms of this Article. Once recalled, an employee will not be eligible to return to the Priority Recall List.

Section 506. Family and Medical Leave Act

The Authority will grant leaves of absence to eligible employees in accordance with the Family and Medical Leave Act of 1993 (FMLA or Act) for the serious health condition of the employee or to care for the employee's qualifying family member, or for the birth, adoption or placement of a foster child in the care of the employee.

All terms of this Article shall be construed in accordance with the statutory provisions of the FMLA and regulatory and judicial interpretations of such provisions without reducing or expanding upon the leave benefits provided thereunder including provisions relating to notice, medical certification of a serious health condition, designation, qualifying events, amount of leave available, continuation of group health benefits, job restoration and non-discipline for use of FMLA leave.

Eligible employees will be entitled to take up to twelve (12) weeks of FMLA leave in each year, defined under the rolling backward methodology.

In accordance with the FMLA notice provisions, the employee will notify the Authority of the reason for leave and the anticipated timing and duration of the

leave. It is the responsibility of the Authority to determine whether the leave requested by an individual is covered by the FMLA. If FMLA leave applies, the Authority must designate the leave in writing, as FMLA leave and inform the employee of this designation.

Eligible employees who use FMLA leave will not be required to utilize accrued and unused vacation or personal days prior to, or concurrently with FMLA leave. Eligible employees who use FMLA leave for their own serious health condition, including disability related to maternity, will be required to utilize accrued and unused sick leave concurrently with FMLA leave.

An eligible employee may elect to utilize accrued and unused vacation or personal days concurrently with the FMLA leave to care for a qualifying family member with a serious health condition, or to care for a son or daughter within 12 months of the birth, adoption or placement of a foster child in the care of the employee, provided that the employee notifies SEPTA's FMLA Administrator of such election at the commencement of the leave.

Section 507. Death in Family

Upon proof of death of the employee's spouse, parent or child, such employee will be granted up to five (5) work days' leave of absence with pay. Upon proof of death of another member of the employee's immediate family (which will be taken to include only mother-in-law, father-in-law, sister, brother, grandchild, or grandparent), such employee will be granted three (3) work day's leave of absence with pay. The pay for such leave will be eight (8) hours pay per day except that a regular transportation employee will be paid the pay of one's picked run. Employees will be entitled to three or five consecutive scheduled work days off with pay, as indicated (i.e. days on which the employee otherwise would be required to work under his/her regular schedule). One of the three or five consecutive scheduled work days must be the funeral day if the employee is scheduled to work that day, and if not, the calendar day immediately before or after the funeral day must be one of the three or five consecutive scheduled work days.

If a death in the family occurs while an employee is on vacation, the employee may elect to cancel his/her vacation and receive pay for a death in the family instead of vacation pay. The affected employee's vacation will be rescheduled at a time mutually agreeable to the Authority and the employee.

ARTICLE VI HOSPITALIZATION; GROUP LIFE INSURANCE; PRESCRIPTIONS

Section 601. Hospitalization

(a) Medical Plans. For the duration of the labor agreement, eligible employees and their qualifying dependents may select from among the following medical plans, except as provided below:

PPO. Independence Blue Cross - Personal Choice 15/30/70 Plan, with the following modifications: emergency room co-payment of \$100, waived if admitted; removal of all \$75 co-payments; physical, speech and occupational therapist services, \$30 co-payment for visits 1-60 (per calendar year); and chiropractic visits limited to 20 (per calendar year).

HMO. Independence Blue Cross - Keystone 10 Plan.

In addition, those grandfathered employees who had opted to remain in the Independence Blue Cross traditional indemnity medical plan consisting of the 365-day preferred comprehensive Blue Cross plan and the Blue Shield "100" plan and One Million (\$1,000,000) Major Medical coverage may remain in that plan, provided that such employees will be required to pay one-hundred percent (100%) of the difference between the cost of that plan and the PPO Plan (in addition to other employee contributions required under this Article). New hires and all other current employees will not be permitted to enter the traditional indemnity medical plan.

Provided, however, that any employee who is enrolled in the PPO Plan on the ratification date of this Agreement shall be eligible to move voluntarily to the HMO Plan until August 6, 2006, in exchange for which the employee will receive a payment of One-Thousand Dollars (\$1,000.00), less applicable taxes, on the condition that such employee shall be eligible only for coverage in the HMO Plan for the duration of this Agreement. Employees who opted to enroll in the HMO Plan in exchange for the \$1000 payment shall remain in that plan for the balance of their service with the Authority.

Provided, further, however, that the Independence Blue Cross medical plans will be continued unless an equal benefit can be provided by a competitor insurer at significant savings.

All such plans will provide cost containment features such as second opinions, outpatient surgery, hospice care, pre-admission certification, weekend admission restrictions, etc. The Authority may offer to bargaining unit employees, at its expense, as an alternative to the above plan, comparable plans. Employees may annually, during the month of November, elect to change coverage from either plan to the other, subject to the coverage rules of the elected plan.

(b) New Hires: New hires will become eligible for medical plan benefits no later than the 90th day of employment service with the Authority, including any training period. Any employee hired on or after November 7, 2005, shall be eligible for participation only in the HMO Plan for the balance of their service with the Authority.

(c) Employee Contributions: Effective April 1, 2006, active employees with medical coverage shall contribute to the cost of such coverage at the rate of one percent (1%) of forty (40) hours at the employee's hourly wage rate as set forth in the Wage Rate Manual. Contributions shall be made on a weekly basis by payroll deduction.

(i) Effective with the January 2019 wage increases the employee contribution increases by 0.5% to 1.5%.

(ii) Effective with the January 2020 wage increases the employee contribution increases by 1.0% to 2.5%.

(iii) Employees on leave of absence without pay shall be required to make their normal contribution of one percent (1%) of forty (40) hours at the employees' hourly wage rate as set forth in the Wage Rate Manual on a weekly basis. If such contributions are not made, the Authority shall cancel their medical coverage.

(d) Active Employees/Spouses - Age 65: For active employees who are sixty-five (65) years of age or whose spouses are sixty-five (65) years of age, the Authority will substitute for such sixty-five (65) year old person in lieu of Blue Cross and Blue Shield, payment for the Medicare B Plan and the Blue Cross 65 Special.

(e) Retiree Medical Coverage:

(1) Employees going on pension on or after December 1, 2016, and their qualifying spouses who are eligible for retiree medical coverage, will have such coverage either in a PPO plan or in an HMO plan for a period of forty (40) months from the date of retirement. The plans offered will be the medical plans in effect for active employees at the time of the employee's retirement while they are below age sixty-five (65), and 100% of the Blue Cross 65 Special or HMO/PPO equivalent after they reach age sixty-five (65). This benefit will be guaranteed for each such retiring employee and his/her spouse for the term of the agreement and is subject to renegotiation upon the expiration thereof. The Cost Containment Committee will review this benefit on a periodic basis. Any change in covered months will not affect prior pensioners.

(2) For employees less than age sixty-five (65) retiring on disability pension, the Authority will pay the same rate as described in (d) above, until eligible for Medicare, but not to exceed a two (2) year period.

(f) Compliance with Laws: All covered plans will be amended to comply with the federal Health Insurance Portability and Accountability Act and the Mental Health Parity Act.

(g) Opt-Out Incentive: Effective January 1, 2017, employees will be able to opt out of medical coverage if they have alternative coverage. The opt out payment will be capped as follows:

Single	\$2,000
All other tiers	\$4,000

Section 602. Group Life Insurance

Effective as soon as can practically be arranged, the Authority agrees that during the term hereof the following group life insurance plan shall be effective.

(1) Employees hired before November 1, 1998 covered by this Agreement with at least ninety (90) days of service and who are in and remain in active service of the Authority will be eligible for group life insurance of:

(a) Effective on April 10, 1995, sixteen thousand dollars (\$16,000.00).

(b) Effective on or after March 15, 1996, the group life insurance of \$16,000 will be increased by \$8,000 to \$24,000.

(c) Effective on or after November 7, 2005 the group life insurance will be increased to \$40,000.

(2) Employees hired on or after November 1, 1998, will qualify for life insurance coverage based on the following schedule:

- 90 day probation no coverage
- Next 12 months \$16,000
- Next 12 months \$24,000
- Next 12 months \$40,000

Such new hires may opt to buy additional coverage for a total of \$24,000 or \$40,000 in the group life insurance plan by electing such coverage during the thirty (30) day period following successful completion of their probationary period, but shall pay the difference in cost for such additional coverage.

(3) All such employees who are eligible for and subscribe to insurance under this plan, will each contribute one dollar (\$1.00) per month toward the cost and the Authority will pay the balance of the premium.

(4) Any employee who retires on pension on or after the effective date of this agreement who shall have been contributing to this plan, will upon such retirement, be eligible for a group life insurance of Three Thousand Dollars (\$3,000) for new retirees after July 1 1989.

(5) All such employees who cease to be in active service of the Authority and retire on pension on or after November 1, 1998, and who shall have been contributing to this plan will upon such retirement be eligible for group life insurance of Ten Thousand Dollars (\$10,000.00).

Section 603. Death Benefits

Effective December 13, 2009, a death benefit payment in the amount of Five Hundred Thousand Dollars (\$500,000), will be paid in accordance with the insurance policy governing this benefit, if in the course of one's employment, the employee suffers: (1) death from injury as a result of assault or robbery; or (2) death due to an injury which was caused solely by an accident, where the injury is the sole cause of the loss, and the loss occurs within one year of the accident.

Section 604. Prescriptions

(a) Employee co-payments for prescriptions will be based on the following three-tier formulary program:

Retail Co-Payments (up to 30-day prescription):

\$10 - generic

\$20 - preferred brand

\$40 - non-preferred brand

Mail Order Co-Payments (up to 90-day prescription):

\$20 - generic

\$40 - preferred brand

\$80 - non-preferred brand

(b) Employees purchasing brand name prescriptions will pay the difference between the full cost of the brand-name prescription and the generic co-payment, unless the prescribing physician orders no generic substitution based on medical necessity or no generic substitution exists. Another physician authorization will not be required for refills, but will be required if the physician re-prescribes after a prescription runs out.

(c) Specialty prescriptions will be filled through a specialty pharmacy benefit program administered by the pharmacy benefits manager.

(d) Effective January 1, 2014, employees will become eligible for the current prescription benefit coverage no later than upon completion of 90 days of service.

(e) For employees who retire on or after November 7, 2016, and are eligible for retiree prescription coverage, the employee and his or her eligible dependents will participate in the same prescription plan as active employees described above.

(f) For employees hired on or after November 7, 2005, the employee and his or her eligible dependents will be eligible for prescription coverage until the employee reaches Medicare enrollment age.

(g) The parties have agreed to implement cost containment measures for the prescription program that include a pharmacy intervention feature to encourage use of generic and/or preferred brand drugs. In addition to the pharmacy intervention feature, the following health management and/or cost containment features will be implemented as soon after November 7, 2016 as administratively feasible:

Rx Plan – Clinical Programs: The Authority will adopt, as soon as administratively feasible following ratification of this agreement, the following clinical management programs, or such similar programs as offered from time to time by the Pharmacy Benefits Manager (PBM) that administers the prescription plan:

- Advanced Control Formulary Review
- Care Management (e.g., Accordant)

- Pharmacy Advisor Counseling

Compound medications, made by combining, mixing or altering ingredients to create a customized medication that is not otherwise commercially available, will be subject to the then-prevailing PBM clinical management program to control costs associated with compound medications, as applied to the PBM's book of business generally. If the compound medication does not receive prior authorization and/or the ingredients are not covered, coverage will be denied.

Section 605. Dental Plan

(a) The Authority shall provide dental coverage to active employees comparable to the Dental Plan in effect on April 6, 2014, except that the current maximum annual benefit per covered person will be increased from \$2,000 to \$2,150. As soon as administratively feasible, the Authority shall have the right to self-insure the Dental Plan, initially using United Concordia as the third party administrator. Thereafter, the delivery system for the Dental Plan may be changed in accordance with Section 607.

(b) Any provider must meet all requirements and qualifications of applicable laws and regulations as well as those of the Pennsylvania Dental Association, Pennsylvania Dental Council and Examining Board, and the Pennsylvania Insurance Commission.

(c) Effective November 7, 2005, any employee who has completed fifteen (15) months of service will become eligible for the then current dental benefit coverage.

Section 606. Vision Plan

(a) Each employee, spouse, and dependent child will be entitled to vision services through the Authority's vision program.

(b) Effective November 7, 2005, any employee who has completed fifteen (15) months of service will become eligible for the then current vision benefit coverage.

(c) Employees assigned to maintenance positions who avail themselves of glasses will be required to secure safety lens glasses from the Authority's vendor. Such glasses will be available without charge to the employee unless he selects features in excess of the standards set forth in the plan.

Maintenance employees will be able in accordance with this section, to purchase regular glasses twelve (12) months after they first purchased safety glasses. This provision in no way changes the requirements of the Authority with respect to safety glasses.

(d) Operating employees may elect to secure corrective lenses under the same procedure as described in paragraph (c).

(e) Charges for features selected by eligible participants which are in excess of the standard features provided in the plan, must be borne by the employee.

Section 607. Joint Labor Management Cost Containment

A joint Labor-Management Cost Containment Committee is established consisting of one (1) member to be appointed by the Authority, one (1) member to be appointed by the Union, who shall represent jointly all three SEPTA divisions represented by Local 234, and a third neutral member to be jointly appointed by the parties, as necessary. The Authority will provide to bargaining unit members the current level of benefits, no less than the current degree of employee choice and current arrangements as to out-of-pocket expenses, as modified by the terms of this labor agreement. The Committee shall review the Authority's current Dental, Hospitalization, Prescription and Vision Programs, in order to negotiate terms with medical carriers. In the event the parties are evaluating a change in the delivery means for these benefits, the parties will convene the joint Labor-Management Cost Containment Committee to decide upon such change. All programs developed and implemented will provide bargaining unit employees with health benefits that are no less than those provided to management. All arrangements negotiated will require approval by the SEPTA Board. The parties agree that a change in the delivery means to bargaining unit members will require the approval of both the Union and SEPTA.

In the event that national health care reform legislation is enacted which would result in expenditures by the Authority in excess of the negotiated health care rates with its carriers/vendors, the parties shall meet to discuss strategies for addressing such changes to maintain the existing cost structure of these benefits. In the event the parties are unable to agree on a strategy, the dispute shall be resolved through the Joint Labor Management Cost Containment Committee.

Section 608. Same Sex Spousal Benefits

The Authority will extend health care, pension, FMLA, and other employee benefits to same-sex spouse in the same manner as such benefits currently apply to opposite sex spouses.

**ARTICLE VII
VACATIONS**

Section 701. Vacations

(a) Vacations will be taken and vacation allowances will be paid to those employees in the Unit who qualify in accordance with the following provisions.

(1) After one (1) full year of service an employee will be entitled to one (1) week vacation.

(2) After three (3) full years of service an employee will be entitled to two (2) weeks' vacation.

(3) After five (5) full years of service an employee will be entitled to three (3) full weeks' vacation.

(4) After thirteen (13) full years of service an employee will be entitled to four (4) weeks' vacation.

(5) After twenty-three (23) full years of service an employee will be entitled to five (5) weeks' vacation.

(b) The vacation allowance will be forty (40) hours straight time pay at the employee's regular rate, provided, however, that operators' vacation allowance will be forty-four (44) hours straight time pay at the operator's regular rate.

(c) Vacation will be selected by the employee in the order of Authority appointment from quotas established by the Authority.

(d) Employees of the Schuylkill Valley Line (SVL) Company who left that Company's service to be hired as Frontier Division employees on or before March 1, 1976 will be granted vacation weeks on the basis of what they would have been entitled to in 1976 if they had remained with SVL. These vacation periods will be red circled for these specific employees in the future.

(e) Effective January 1, 1990, any employee eligible for four or more weeks of vacation will be allowed to take one week's vacation in days at said employee's regular rate for forty (40) hours. Such intention must be made known at the time of vacation picking.

Effective January 1, 1990, any employee eligible for four or weeks of vacation will be allowed to sell one week back to the Authority at said employee's regular rate for forty-four (44) hours. Such intention must be made known at the time of vacation picking.

By mutual agreement, this program may be extended as follows:

Effective January 1, 1990, any employee eligible for three or more weeks of vacation will be allowed to take one week's vacation in days at said employees regular rate for forty (40) hours. Such intention must be made known at the time of the vacation picking.

Effective January 1, 1990, any employee eligible for three or more weeks of vacation will be allowed to sell one week back to the Authority at said employee's regular rate for forty-four (44) hours. Such intention must be made known at the time of the vacation picking.

(f) For employees hired May 15, 1986 and thereafter, vacation allowance will be paid provided the employee works no less than 120 days for an employee with less than two years of service, 110 days for an employee with two or more and less than nine years of service, and 100 days for an employee with nine (9) years or more of service in the preceding calendar year.

(g) Employees who are entitled to receive three (3) weeks of vacation or more and who wish to sell back a vacation may give notice at the time of the vacation picking of their intention to do so. Employees who sell back a week of vacation will select one (1) week less than their normal vacation allotment. e.g.: an

employee who is entitled to five (5) weeks of vacation and sells back one (1) week will pick only four (4) weeks of vacation at the time of the picking.

An employee, who decides after the vacation picking has been concluded that he/she wishes to sell back a vacation, will designate which week is to be surrendered.

Employees who sell back a week of vacation will give the Authority at least two (2) weeks' notice prior to the week during which they wish to receive the vacation allowance.

Subsequent to the vacation picking, any employee who changes his/her mind and wishes to revoke the decision to sell back a vacation to the Authority, may select an open vacation week with the mutual consent of the location Director or such designee.

The above conditions do not cover emergency requests for vacation sell back. These circumstances will be discussed on a case by case basis.

No more than 3% per each section's manpower, with a minimum of two (2) employees, will be permitted to sell back any vacation week with the two (2) week notification mentioned above.

(h) Accurate completion of vacation pickings, scheduled and prepared by the Authority, will be conducted by the Authority in accordance with the picking criteria set forth in this section. The Authority will conduct transportation and maintenance vacation pickings with the assistance of one (1) Section Officer, who will be excused from his/her regular assignment with pay.

ARTICLE VIII PENSIONS

Section 801. Regular Pension

(a) Effective for those who retire December 1, 2016, and thereafter:

(1) Normal retirement with an unreduced pension at: (i) age sixty-two (62) with at least five (5) years of credited service; or (ii) when the employee completes thirty (30) years of credited service regardless of age.

(2) The normal retirement benefit is to be calculated as ninety-four dollars (\$94) per month for years of Continuous Service accrued up to the date of ratification of this agreement, and one-hundred dollars (\$100) per month for years of Continuous Service accrued after the date of ratification of this agreement.

(3) Early retirement after completion of twenty-five (25) full years of service, regardless of age.

(4) Early retirement benefit reduction of four percent (4%) for each year prior to the age at which the employee would be eligible for normal retirement. Employees are to be fully vested (100%) after five (5) years of service.

(5) Employees are to be fully vested (100%) after five (5) years of service.

All employees will contribute fifty dollars (\$50.00) per week by payroll deduction toward the cost of maintaining the pension plan. Employees shall not be entitled to borrow against their contributions to the Plan or to withdraw any part of their contributions to the Plan so long as they remain eligible to participate in the Plan. However, an employee who has become eligible to participate in the Plan and who is transferred to other duties with the Authority which do not require the employee to be a member of the Union may, with the consent of the Authority, withdraw from this Plan for the purpose of participating in such other plan as may be provided for employees not members of the Union, and in the event of such withdrawal there shall be transferred to such other plan on behalf of such employee an amount equal to the employee's total contributions to the Plan together with interest at the rate of four percent (4%) compounded annually, less any amount which shall have been paid to such employee under the provisions of the Plan.

Employees on leave of absence without pay (including workers compensation) shall be required to contribute to the pension fund using the same formula as actively employed employees. If such contributions are not made, the Authority shall collect any arrears through payroll deduction when the employee returns to work or, if the employee does not return to work, by deduction from the employee's pension.

Any employee leaving the service of the Authority for any cause prior to the date he is 100% vested, shall be entitled upon request to have refunded to the employee or his beneficiary if deceased, out of the Fund an amount equal to the employee's total contribution to the fund together with interest computed at the rate of four percent (4%) compounded annually.

In the event a vested employee is deceased, his beneficiary would have the option of receiving out of the Fund an amount equal to the employee's total contribution to the fund together with interest computed at the rate of four percent (4%) compounded annually, or to remain as part of the Pension Plan and receive any benefits forthcoming. Once the option is exercised, under no circumstances can it be changed and in the event the beneficiary requests the contributions, there shall be no other claim to the Pension Fund whatsoever.

For employees going on pension on or after May 16, 1989, and their spouses, the Authority will pay health benefits for three years, 100% of the Blue Cross/Blue Shield or HMO equivalent benefits afforded by paragraph (a) while they are below age 65, and 100% of the Blue Cross 65 Special or HMO equivalent after they reach age 65 "this benefit" will be guaranteed for each such retiring employee and his/her family for the term of the agreement and is subject to renegotiation upon the expiration thereof.

(1) Post-Retirement Survivor Benefit

(a) The normal retirement option for married employees is assumed to be an actuarial reduced retirement benefit with 50% of such reduced benefit continued to the spouse. Employees may exercise an option for the spouse benefit to 75% or 100% of the retirement benefit, actuarially reduced.

(b) If an employee retires on/after his/her early retirement date or normal retirement date and commences to receive his/her benefit in the form of a joint and survivor annuity with his/her spouse and his/her spouse dies, commencing with the first payment after his/her spouse's death such employee shall receive a monthly payment equal to the monthly payment he/she would have received had his/her benefit been paid as if he/she had not selected the option on his/her retirement date.

(c) Effective December 13, 2009, if an employee separates from SEPTA service after vesting in his or her pension, but before reaching the date upon which the terminated vested benefit could be commenced, the employee may elect a joint and survivor annuity benefit, with the appropriate actuarial reduction, upon reaching age 62.

Section 802. Disability Pension

Effective April 8, 1992, any employee who is permanently incapacitated and has at least fifteen (15) years of continuous service will be retired on a pension rate of five hundred dollars (\$500.00).

Section 803. Disability Severance Allowance

Employees who are permanently incapacitated will be given a one-time lump sum severance payment at the rate of one hundred dollars (\$100.00) per year for each full year of continuous service.

A permanently incapacitated employee with fifteen (15) or more full years of service will have the option of taking the disability pension or the severance pay, but in no case will one be entitled to both.

Section 804. Former S.V.L. Employees

For those employees who retire on or after April 1, 1978 and who were employed by and who resigned from the Schuylkill Valley Lines Company to be hired by the Authority on or before March 1, 1976 the following shall apply:

Each full year of continuous service with the former company will be counted as service for the purposes of pension calculations only.

For pension amounts in accordance with sections 801, 802, and 803, two dollars (\$2) per month additional will be given for each full year of continuous and uninterrupted service with the former company.

Section 805. Offset Against Workers' Compensation Payments

Except as provided in the following paragraph, any person who shall hereafter be put on a pension and who is also then or at any time thereafter contemporaneously receiving workers' compensation, employer's liability, occupational disease or similar compensation payments from the Authority or from its insurance coverer, the amount of such payments shall be a credit against the amount of pension payment to which one shall be entitled.

For compensable injuries arising on or after June 24, 1996, employees receiving unemployment compensation benefits, social security "old age" benefits, severance benefits and/or pension benefits shall have such credited against the amount of an award of compensation consistent with the provisions of the Pennsylvania Workers' Compensation Act, 77 P.S. § 71(a).

Section 806. Broken Seniority

In the event an employee's employment with the Authority terminates for any reason and the employee is thereafter rehired, the employee shall be deemed, for purposes of Article VIII, upon completion of five (5) years of service subsequent to rehire, as having accrued seniority from the date of his/her original employment and excluding all time during which he/she was not employed by the Authority.

Section 807. Summary Plan Description

Effective January 31, 1999, the Authority will publish and distribute a Summary Plan Description and an annual Summary Annual Report to all bargaining unit employees participating in the pension plan, modeled on the pension plan reporting and disclosure provisions of the Employee Retirement Income Security Act (ERISA) which does not apply to SEPTA's pension plan. Summaries of Material Modifications will be issued within six (6) months of any such modification in the Plan.

**ARTICLE IX
MISCELLANEOUS**

Section 901. Effect of Waiver

No waiver of any term or condition of this Agreement on any occasion shall be deemed to be a waiver of any such term or condition or of any other term or condition of this Agreement on any other occasion.

Section 902. Casual Labor Not Covered

This Agreement will not cover persons who may be hired for casual and common labor work.

Section 903. Employees Covered

(a) This Agreement is applicable solely to employees comprising the Unit when performing work in a department or occupational classification within said Unit. In the event that an employee in the said Unit is transferred to or

performs work in any department or occupational classification not included within said Unit, the provisions of this Agreement shall be inapplicable to such employee for the effective period of such transfer or during the period in which the employee performs such other work.

(b) The Authority's policy is to deal fairly and justly with every employee and does not condone nor will it tolerate favoritism in the treatment of any particular employee or group of employees.

(c) The Authority will provide the Union with an opportunity to give an orientation address to all new hires into the bargaining unit.

Section 904. Schedule Review

(a) The Authority will post schedules in the depot at least forty-eight (48) hours prior to a general picking as a result of general schedule changes. The depot Chairman or Union designated representative may discuss recommendations for changes for those schedules with the Authority's depot representative.

(b) In the event of a change in the present picking procedure in the Transportation Department, the Authority will discuss such change during the Schedule Review with the Chairman or the Union designee.

(c) Two (2) Union representatives will be paid for time spent at such meetings to a maximum of four (4) days per year.

Section 905. Maintenance Picking

(a) Employees of the Frontier Division shall have the right to pick their primary work assignments as scheduled by the Authority in accordance with their classification seniority. Schedules prepared by the Authority will list the primary work assignment, reporting location, starting times, finishing times and scheduled days of the week on which assigned work is to be performed. Such pickings will be held at least twice per year with no more than eight (8) months between any pickings.

(b) Picking schedules for all maintenance employees will be posted seven (7) days prior to a schedule review. Schedule reviews will be conducted seventy-two (72) hours prior to a general picking. Schedule reviews will be held with the Section Officers (2) designated by the Union and a Staff Officer of the Union. It will be the responsibility of the Union's section officer to notify the Staff Officer of the schedule review meeting and if it is inconvenient for a Staff Officer to attend, the meeting will nevertheless be held as scheduled. Picking schedules will be re-posted 24 hours prior to the general picking.

(c) When the Authority determines that a vacancy in a picked work assignment, shift, days off or location needs to be filled, such vacancy will be filled within fourteen (14) calendar days by a divisional move-up picking within the appropriate job classification. Should the individual whose absence created the vacancy return to work the employee(s) filling-in will be dropped back to the

position they selected in the general picking. No move-up picking will be held if one month or less remains until the next general picking.

(d) Work performed by an employee whose picked shift or days off are changed with less than two (2) weeks' notice will be classified as overtime work on the first three (3) days on which such work is performed after such change. This work will not be classed as overtime when, (1) the change is agreed to by the Union; (2) where the change is a result of employees picking the changes under the Labor Agreement.

With respect to the changes in shifts referred to above, overtime will be paid only on the hours worked which are outside the hours of the previously scheduled shifts.

(e) In the event the Authority determines a special reduced complement of employees is required to work on a holiday on a shift or in a specific work group or location, the following will apply:

1. The Authority will determine the complement of employees to work.
2. Volunteers will be solicited with senior employees having first preference to work on the holiday.
3. If there are an insufficient number of volunteers, the Authority will assign employees in reverse order of class seniority.
4. Lists of employees who will work the holiday will be posted at least five (5) calendar days before the holiday.
5. Changes after that date will be made only for unforeseen circumstances or by mutual agreement.

Section 906. Subletting

Except in unforeseen emergencies, or when there are not fully qualified employees in the particular department, or when a situation arises pertaining to repair of equipment which requires work or specialized training, skills, and repair not normally found in the Frontier Garages, the Authority and the Union will completely discuss and investigate the necessity for subletting before the equipment is sent out for repair.

Effective December 13, 2009, the parties agree that, no less than on a quarterly basis, the Assistant General Manager for Operations, upon request from the Union, will meet with the President of the Union to discuss the performance of work using the Authority's workforce or outside contractors. It is understood that nothing in this paragraph shall be used by either party in arbitration to advance their respective interpretations of the meaning of the foregoing paragraph; nor shall the meeting contemplated by this paragraph be construed to satisfy the respective rights and obligations of the parties under the foregoing paragraph. It further is

understood that nothing in this agreement shall be interpreted to alter the parties' rights under this Section.

Section 907. Retained Rate

Any maintenance employee who has six (6) months continuous assignment as a regular employee unless laid off shall continue to receive the rate of pay of the job from which he was removed by the Authority. The retained rate shall continue and be subject to any pay adjustments for the higher Job, so long as the employee makes him/herself available for temporary assignment to the higher job and so long as the employee remains in the Maintenance Department.

Section 908. Maintenance Overtime

(a) The responsibility for determining if any employee is to work overtime will rest solely with the Authority.

(b) Overtime work shall be offered as equitably as possible on a rotating basis in the order of class seniority, on the shift working when overtime is determined by the Authority to be necessary.

(c) Should the Authority determine that an employee working a particular job can reasonably be expected to finish that job in less than two hours, such assignment will not be counted under the rotation provisions of this section.

(d) Employees who desire not to share in the distribution of overtime shall communicate their desire to their foreperson in writing; such employees will not be required to work overtime except in the following areas.

1. Emergency situations
2. When the Authority determines that the full complement of employees is needed to work beyond their regular shift.

(e) A record shall be maintained of all overtime offered under the provisions listed in this section. This record will be available for review upon request by the employee or the Union.

(f) If an employee is overlooked and/or bypassed in the offering of overtime, such employee will be given the opportunity of being the first employee offered overtime on the next assignment of overtime in the employee's work group.

(g) Winter storm emergency work performed at the overtime rate will not be considered under the rotation provisions.

(h) Any disagreement arising from the application of this provision will not be subject to the grievance procedure until and unless an attempt is made to resolve said disagreement through the Joint Productivity Committee procedures outlined in Section 1001 of the contract.

Section 909. Health and Safety

The Authority and the Union agree that the safety of its employees and the riding public is of paramount importance to the successful accomplishment of the mission of providing transit service to the citizens of the region. Therefore, the Authority and the Union agree to work together to establish joint health, safety, workers' compensation and accident/personal injury claims cost containment programs that will maximize the safety and health of the Authority's employees, passengers, and visitors while simultaneously protecting SEPTA's facilities and equipment.

The Authority will abide by applicable Federal, State and Local laws, and make available protective equipment required by such laws. Prevailing occupational health and safety standards will be used in determining the presence of health hazards or unsafe conditions in the workplace.

In accordance with this section, the parties agree that in response to the Pennsylvania Department of Transportation's request that the Authority adopt limits on hours of service, the issue will be referred to and considered by the Joint Health and Safety Committee, with the mutual intent of developing an appropriate standard to replace the interim policy addressing this issue.

The Authority and the Union will continue to develop and implement a comprehensive health and safety program, including at a minimum, the Joint and Location Health and Safety Committees, hazard identification and correction procedures, employee training and education, and safety awards and rewards programs; and under the policy direction of the Accident Reduction Committee, Workers' Compensation and accident/personal injury claims cost containment programs.

The following provisions regarding the JHSC and LSCs shall govern the establishment, operation and duties of such committees which shall act jointly for all three divisions of the Authority (CTD, Frontier and Victory) represented by Local 234. The provisions regarding safety incentive programs similarly shall govern the rights and entitlements of employees in all three of the same divisions on a joint basis. No additional committees or incentive programs shall be created for Frontier Division.

I. Joint Health and Safety Committee (JHSC)

1. A Frontier Division (FD) rank and file employee will be appointed by the Union President to sit on the SEPTA / TWU Joint Health and Safety Committee. The Frontier representative should have prior experience as a Location Safety Committee member as well as knowledge, familiarity, and experience in the operating environment. The appointee must have demonstrated a good record in attendance, discipline, safety, and accident prevention. The Union's Chairperson shall be responsible for overseeing the Union's commitment to the Committee. The Chief Officer of Safety and Risk Management will serve as the Authority's Co-Chair. Permanent Authority members of the Committee will also include the Chief Bus Operations Officer, the Chief Subway/Light Rail Operations Officer, the Chief

Engineer, and the Director/Assistant Director of System Safety. Representatives of System Safety, Workers' Compensation, Claims, Medical and other departments will attend as required by issues scheduled on the agenda.

2. The functions of the Joint Health and Safety Committee will be as follows:

a. Establish mutual goals to reduce health hazards in the workplace, occupational injuries, vehicle accidents, and passenger claims.

b. Working pursuant to the policy direction of the Joint Labor-Management Accident Reduction Committee, establish pro-active programs with employees to:

- (1) Keep the maximum number of employees injury-free and productive.
- (2) Reduce the number and severity of accidents.
- (3) Insure employees receive prompt and complete medical attention and follow-up.
- (4) Return injured employees to full duty as soon as possible.

c. Conduct annual training of new location safety committee members to ensure familiarity with processes, procedures and current issues.

d. Conduct periodic evaluations to assess progress toward committee goals and develop means to evaluate Location Safety Committee performance.

e. Make periodic inspections of Authority vehicles and/or facilities in accordance with Authority rules and regulations, and promptly report hazardous conditions.

f. Provide guidance, direction and support to the Location Safety Committees, and work to resolve complaints they are unable to resolve.

3. Joint Health and Safety Committee meetings will be scheduled at least once a month. Seven (7) days prior to the monthly meeting, the Co-Chairs of the Committee shall exchange a written agenda or list of items to be discussed at the meeting. The minutes as reported by the Authority will address items discussed by the parties at the meeting.

4. The Authority agrees to share with the Union accident and injury statistics, final reports on accidents, workplace environmental test results, and reasonable requests for information related to agenda items that are legitimate subjects for discussion at Joint Health and Safety Committee meetings, provided this information is not privileged information, i.e., restricted under doctor/patient or lawyer/client relationships.

5. The Authority will pay each Union committee member at his/her regular rate of pay, the equivalent of one (1) eight (8) hour day per month, for their attendance at the Joint Health and Safety Committee meeting and for performing safety-related work assigned to them by the Union.

6. As part of the Joint Health and Safety Program, the Authority will make forms available to all employees to report safety hazards in the workplace. Such forms will be placed at locations determined by the Joint Health and Safety Committee and location committees.

7. The Committee recognizes that under certain circumstances, the presence of employees who are not regular members of the Committee would be useful in the Committee's deliberations. The invitee(s) will be mutually agreed to by the Co-Chairs and such requests will be made a minimum of seven (7) days prior to a scheduled meeting.

8. Proposed changes or additions to the Joint Health and Safety Program must be submitted to the Joint Health and Safety Committee for review and approval.

II. Location Health and Safety Committees (LSCs)

1. Location Health and Safety Committees (LSC) will be established at designated Authority locations. The number of Union personnel assigned to each LSC will be determined by the following formula: (1) Transportation: one (1) member for every one-hundred (100) authorized heads, or portion thereof, at the location, and (2) Maintenance: one (1) member for every fifty (50) authorized heads, or portion thereof, at the location, provided that there be a minimum of two (2) union representatives on each LSC, or a minimum of three (3) in locations with more than 100 employees. The Union may determine the mix of maintenance and transportation representatives on each LSC, provided that there shall be at least one (1) Maintenance representative on each LSC for locations with at least fifty (50) authorized Maintenance heads and at least one (1) Transportation representative on each LSC for locations with at least one-hundred (100) authorized Transportation heads. Management will be represented at LSC meetings by the Director or Assistant Director of Transportation, the Director or Assistant Director of Maintenance, and the Buildings Foreman, or their respective equivalents. Committee meetings will be held once per month, with an agenda composed of safety and accident reduction topics. Committee meetings will be chaired by a facilitator chosen by the Location Safety Committee. Any change to the structure of the committee must be agreed upon by the Co-Chairs of the Joint Health and Safety Committee.

2. Location Health and Safety Committees are advocates for improved safety and health conditions and workers' compensation and accident/personal injury claims cost containment in their locations. The functions/goals of the Location Health and Safety Committees under the direction of the Joint Health and Safety Committee will include:

- a. Setting goals and developing programs to reduce workers' compensation claims and liabilities as well as accidents and personal injury claims.
- b. Identifying, evaluating and recommending controls for safety and health hazards in the workplace.

- c. Promoting safety and health education in the location.
- d. Making periodic inspections of facilities and/or vehicles in accordance with Authority rules and regulations and promptly reporting hazardous conditions.
- e. Making recommendations for employee safety and health training programs.
- f. Assisting management by ensuring compliance with safety procedures such as Personal Protective Equipment (PPE) which are applicable to that particular location committee.
- g. Involving pro-active participation by the Union in all of the above.

3. Rank-and-file members of the Location Health and Safety Committees are selected by the Union from a list of volunteers solicited jointly. When selecting committee members, the Union will consider the employee's safety, discipline, attendance, and accident history/record. Members should have knowledge, familiarity and experience in the operating environment. The Authority agrees to pay Union rank and file members to attend location committee meetings at their regular rate of pay, for one meeting per month. Periodically, additional assignments may be made or meetings held by the Location Safety Committee.

4. Periodic meetings between the Joint Health and Safety Committee and a representative of each Location Health and Safety Committee to guide, train, identify problems and evaluate the performance of the location committees will be scheduled by mutual agreement of the Co-Chairs of the Joint Health and Safety Committee.

III. Education and Training

1. The Authority and the Union recognize employee training and education as a critical element in safety, health, and claim reduction programs. The Authority agrees to provide such education to all of its employees on a regular basis. In determining what training is required, requests will be considered from the following sources: the Joint Labor-Management Committee, the Joint and Location Health and Safety Committees, the Union staff, Section Officers and location management personnel.

2. Training topics will also be based on a review of location accident and injury statistics and the findings of hazard identification observations. The topics and frequency of the training will depend upon the individual accident experience of a location and requests of the location safety committees. Upon request by the Union, the Authority will pay the cost for the publication and distribution to employees of safety related literature such as brochures, leaflets, and booklets.

3. In conjunction with employee identification of safety and health hazards, the Authority will train Location Health and Safety Committee members in the techniques of health and safety hazard identification, evaluation and control.

IV. Safety Awards Program

The Safety Award program has been established in order to recognize employees who have maintained safety practices and attendance procedures in the work place for the calendar year. A Safety Awards Banquet will be held for eligible employees, as described below. All eligible employees who meet the criteria below will receive, on an annual basis, beginning with the tenth year of eligibility, a Safety Award of \$20 for each year of service in which they meet the following criteria:

1. The Rules and Guidelines will apply to the following groups of employees:

- Transportation
- Vehicle Maintenance

2. Terms & Definitions

a. Eligible Year: A year in which the employee remains free of the infractions listed in Sections 3 and 4. An eligible year advances the employee's accumulated safe years by one (1).

b. Grace Year: Neutral effect in establishing the number of consecutive safe years.

c. Ineligible: Loss of all accumulated safe years, i.e., employee reverts to zero safe years or stays at zero safe years.

3. Attendance Disqualifications

a. At a minimum, eligibility for the safety award requires that an employee have no more than 30 days of absences for any reason other than those listed in (b) below.

b. Employees disqualified for failing to satisfy (a) above will be graced for as long as they are in the following positions:

- (1) Management Trainee (Dispatcher, Instructor, Supervisor, Clerk Receiver, Backfill Foreperson, etc.)
- (2) Military Leave
- (3) Jury Duty
- (4) Union Leave, i.e., Union Staff, Section Officers, LSC members, etc.
- (5) United Way

4. Accident and Work Safety Disqualifications

(a) A chargeable or preventable traffic accident committed by a transportation employee.

(b) A Maintenance employee who misses more than a days' work, as a result of an on-the-job injury. A Transportation employee who misses more than five (5) days' work, as a result of an on-the-job injury.

(c) Any Maintenance employee involved in an accident causing injury or damage to Authority property.

(d) Any type of safety-related discipline including verbal warnings for an unsafe work practice.

NOTE: Any employee injured as a result of an assault while on duty, who complies with SEPTA Medical policies, will be placed in Grace until they are able to return.

5. Effect on Prior Years of Eligibility

(a) 0 Through 4 Safe Years: Employees with less than five consecutive years of eligibility who commit a disqualifying infraction listed in Sections 3 and 4 above will be deemed ineligible and lose all accumulated safe years.

(b) 5 Through 9 Safe Years: Employees with less than ten years of eligibility will be graced for one year as a result of having committed any of the disqualifying infractions listed in Sections 3 and 4 above. If an employee with less than ten eligible years has a disqualifying infraction listed in Sections 3 and 4 above after having been graced in a prior year, the employee is deemed ineligible and loses all accumulated safe years.

(c) 10+ Safe Years: Employees who have achieved ten years of eligibility will be placed in grace for any year in which any of the disqualifying infractions listed in Sections 3 and 4 occurs. The next qualifying year will then advance the total number of safe years achieved. However, if such an employee has three consecutive years in which they commit an infraction listed in Sections 3 and 4 above, they will lose all accumulated safe years.

6. Transfer of Safe Years

Employees who transfer between or within Divisions and/or Departments of the Authority represented by TWU Local 234 will retain all accumulated years earned toward the safety award using the criteria applicable to the position the employee held for each qualifying year.

7. Calculation of Maintenance Employees' Credit for Prior Safe Years

With the inception of the Maintenance Award Program in 1993, any Maintenance employee eligible for an individual safety incentive award must first reach and pass a threshold of ten (10) safe years which may date back to 1983.

Maintenance employees who reach the plateau of ten (10) safe years will have their prior safe years credited for the purpose of calculating their safety award on the basis of their record or the formula agreed upon by the parties.

All Maintenance employees' records will be reviewed on an individual and calendar year basis. If records are complete and reliable, they will be used. If records are incomplete, the employee will be credited with the higher of the existing record, or the agreed upon formula.

VI. Safety Incentive Programs

A new safety incentive program will be defined by the Joint Health and Safety Committee (JHSC) and recommended to the General Manager in accordance with the following timetable:

1. Within six (6) months of ratification of the labor agreement, the JHSC will present a measurable, monetarily-based safety and incentive program to the General Manager for consideration.

2. The proposed program will apply to all eligible bargaining unit employees working in their primary positions as well as management employees who supervise members of the bargaining unit provided that all measurable standards, including but not limited to attendance, accident, discipline, and safety criteria, are maintained.

3. Following approval by the General Manager, a six (6) month pilot program will be established to test the proposed program at three (3) locations which will be determined by the JHSC.

4. The JHSC will monitor all measures of the program and will recommend adjustments as appropriate.

5. Within one (1) year of adoption of the contract, the Safety Awards and Incentive Program will be implemented. The Chief Officer of Safety and Risk Management will be responsible for administration of the program following adoption. Monthly status reports will be presented before the JHSC as well as directly to the General Manager and Treasurer.

6. Financial allocations will be based upon criteria established by the JHSC and approved by the General Manager. In any event, the financial distribution will include fifteen percent (15%) of documented savings in areas related to safety and workers' compensation as a direct result of the new safety and incentive program up to a maximum of \$500,000 in the first full year of the program. Maximums in subsequent years will be recommended by the JHSC and approved by the General Manager, but will be no less than \$500,000 in each year. Dollar amounts and percentages in this paragraph will apply jointly to all three divisions (CTD, Frontier and Victory) represented by TWU Local 234.

7. Financial awards will be distributed annually in accordance with an approved formula determined by the JHSC on a location basis following the anniversary of the implementation date.

8. The Treasurer's Office must approve all calculations related to savings as well as the distribution of incentive awards.

VII. Resolution of Disputes

Health and safety items must be submitted to the Joint Health and Safety Committee for consideration. If the matter is not resolved satisfactorily by the committee, then the Union may appeal the matter to the Labor Relations step of the grievance procedure for handling. Health and safety disputes not resolved within the grievance procedure may be appealed to a third party expert or panel of experts, if mutually agreed to by the parties, for resolution or taken to arbitration, on an expedited basis in accordance with this Agreement. Any cost associated with the selection of the third party expert or panel will be shared equally by the Authority and the Union.

Section 910. Authority Owned Hand Tools

An employee will not be required to replace Authority-owned hand tools that are issued to one when such tools are lost, stolen or broken, provided one's negligence did not contribute to their loss, theft or breakage.

Section 911. Wet Weather

The Authority agrees to supply wet weather equipment to all maintenance persons required to work outside in inclement weather. In addition, the Authority agrees to supply wet weather equipment to regular transportation employees working as Loaders, QC Assistants.

Section 912. Vacancies

The Authority shall make all bargaining unit employees aware of known pending vacancies by means of a bulletin board notice. This procedure is to afford the employees of that location an opportunity to complete the necessary qualifications in advance of the actual vacancy and apply for the position.

Section 913. Maintenance Wage Rate

For Maintenance only, the wage rates set forth will be the established minimum amount paid to an employee based upon his service with SEPTA. The minimum rates set forth do not preclude management from paying higher rates based on merit appraisals. (Provided employees complete designated written and/or performance test requirements.) Adjustments to wage rates as a result of merit appraisals are not subject to the grievance procedure. The merit increase addressed in the Memorandum of Agreement which was discussed was a \$.25 per hour adjustment.

Section 914. Pay Check Adjustment

Where Authority errors result in an employee's paycheck being short four (4) or more hours pay, the Authority will obtain a pay adjustment on the same day the check is issued for any employee who receives his paycheck before 1:00 p.m. on pay day. All other pay adjustments will be made on the next business day.

**ARTICLE X
MISCELLANEOUS**

Section 1001. Productivity

The safe, efficient, and economical operation of the Authority is a major concern of the public, the Authority, the employees, and the Union. The Authority and the Union recognize that the public, whose support and patronage is essential, is entitled to reliable and economically and efficiently operated and maintained fleets of passenger vehicles, rights of way, plant and equipment. The Union, therefore, recognizes the principle that it is a sound economical and social objective to produce more without the necessity of increasing the labor force and is charged with the responsibility of positively and cooperatively advising management concerning means of improving productivity concerning matters, among others, as maximizing use of time and facilities, reducing equipment breakdowns and delay, improving quality, reducing the need for rework, eliminating waste of material, supplies and equipment, reducing overtime, boosting employee morale, improving safety and focusing employee awareness on the need for significantly higher productivity.

Section 1002. Titles Not Part of Agreement

The titles and subtitles of the several Articles, Sections, Schedules, and parts thereof, of this Agreement shall not be deemed to be any part thereof.

Section 1003. Non-Discrimination Clause

The parties agree that race, color, creed or national origin shall not be a factor in the hiring of employees, or establishing the conditions of their employment, rates of pay, hours or working conditions. No employee shall be deprived of equal employment opportunity nor be subject to any discrimination in the exercise of one's employment rights on account of race, color, creed or national origin.

Section 1004. Credit Union

The Authority will deduct from the pay of any employee who so authorizes it in writing such amount as one may authorize for deposit into the Credit Union sponsored by the Union or amounts for payments of debt incurred with the Credit Union. The Authority's only responsibility in this matter will be to make the authorized deductions and turn them over to the Credit Union together with a list of the employees for whom such deductions are made.

**ARTICLE XI
MEDICAL DEPARTMENT AND DRUG & ALCOHOL TESTING**

Section 1101. Dispute Resolution

Disputes between employees' physicians and the Authority's Medical Department of a nature referred to in the following subparagraph shall be resolved by third party, disinterested physicians jointly selected in each dispute by the Authority and the Union. The costs of the third party physician when utilized

pursuant to subsection (a) below shall be borne by the Authority; the costs of the third party physician when utilized pursuant to subsection (b) below shall be borne equally by the Parties.

This procedure refers to the following types of disputes; provided, however, that the Authority has the right to promulgate any reasonable medical qualifications and standards and such qualifications and standards are not subject to case by case determination by the third party physician in accordance with the foregoing procedure and that the third party physician shall not change, alter or amend the Medical Guidelines as set forth by the Medical Department:

(a) Whenever the Authority's Medical Department determines that an employee, other than one receiving worker's compensation indemnity payments, is able to work and the employee's physician considers the employee unable to work, the third party physician shall determine if such employee is safely and healthfully able to perform his/her job. If such employee refuses to submit to the examination by the third party physician or if the third party physician determines that such employee is safely and healthfully able to perform his/her job and said employee refuses to return to work, and said employee shall be deemed to have resigned his/her employment with the Authority.

(b) Whenever the Authority's Medical Department determines that an employee, other than one receiving workers' compensation indemnity payments, is unable to work and the employee's physician considers the employee able to work, the third party physician shall determine if such employee is safely able to work.

(c) A copy of the report of the third party physician will be sent to the Authority, the Union and the employee prior to the employee's post examination appointment at SEPTA's Medical Department.

Section 1102. Prescription Medications

(a) The Authority may publish and from time to time amend a list of medications whose usage by an employee must be reported by him/her to a designated Authority representative.

(b) In the event an employee intends to work while taking a prescribed medication not on the list referred to in the above paragraph, the employee must inform the prescribing physician of this intention and of the requirements of his/her job for the purpose of receiving the physician's advice as to whether taking the medication precludes the employee's safely and healthfully working at that job.

(c) Whenever the Authority's Medical Director is aware that an employee is using any prescribed medication, the Medical Director may require such employee to obtain a written statement from the prescribing physician indicating that the employee is safely able to perform the requirements of his/her specific job. This written statement shall be on a form provided by the Authority and agreed to by the Union that summarizes for the physician such employee's job requirements.

(d) After receiving the written statement referred to in the above paragraph, the Authority's Medical Director may from time to time, consistent with prevailing medical practice with respect to the underlying medical condition and the drug being administered therefore:

(1) require the employee and his/her physician to provide information on the employee's usage of the prescribed medication, including the dosage, frequency and time of use, and relevant side effects on the employee, if any;

(2) conduct a medical examination of the employee, including body fluid tests, for the purpose of determining whether the employee is taking the prescribed medication in conformity with the prescription.

(e) Whenever the Medical Director and the prescribing physician disagree as to whether an employee's use or failure to use a prescribed medication renders such employee unable to perform safely the requirements of his/her specific job, such disputes shall be resolved by the procedures referred to in section 1101 above. For purposes of resolving such a dispute, the proviso set forth in the second paragraph of section 1101 above shall not apply.

Section 1103. Drug and Alcohol Testing

The parties agree that drug and alcohol testing will be conducted in accordance with the Authority's Drug and Alcohol Policy, and that such policy shall supersede the Authority's Integrated Program of Education, Assistance, and Testing for Intoxicants and Controlled Substances. The provisions of this section are intended to accompany and, where inconsistent, to supersede (but only as to employees represented by Local 234), the Authority's Drug and Alcohol Policy.

I. Types of Testing

(a) Reasonable Suspicion Testing

The Authority may require an employee to submit to drug and alcohol testing on a reasonable suspicion basis when a supervisor trained in the detection of drug and alcohol use can articulate and substantiate specific behavioral, performance, or contemporaneous physical indicators of probable drug or alcohol use. The Authority and the Union understand such indicators to include such of the following as would reasonably lead the supervisor to conclude in good faith that drug or alcohol use is a contributing factor: e.g., behavior or actions which differ from normal behavior or actions under the circumstances, inappropriate or disoriented behavior, and incidents involving serious violations of safety or operating rules and practices.

(b) Post-accident Testing

(i) An accident is any incident involving a SEPTA vehicle that causes damage in excess of \$3500 to that vehicle or any other vehicle, or death, or injury requiring immediate medical treatment away from the scene to any person.

(ii) Any employee operating a SEPTA vehicle involved in an on-duty fatal accident is subject to post-accident testing.

(iii) A safety-sensitive employee operating a SEPTA vehicle in an on-duty non-fatal accident is subject to post-accident testing, unless at the scene of the accident the employee's performance can be completely discounted as a contributing factor to the accident.

(iv) In addition to employees actually operating the vehicle at the time of the accident, other safety sensitive employees, whose actions may have contributed to the accident, such as but not limited to mechanics, are subject to post-accident testing.

(v) The specimen collection under this Section shall be done as soon as possible but in no event later than thirty-two (32) hours after the accident or after the relevant repairs were made (in the case of the mechanic) for urine drug testing, nor more than eight (8) hours after the accident or after the relevant repairs were made for alcohol testing.

(vi) Following any accident, employees subject to testing must be so notified and are required to abstain from consuming any alcohol for eight (8) hours, or until tested, whichever occurs first. Additionally, all employees subject to testing must remain available for urine drug testing for thirty-two (32) hours and breath testing for eight (8) hours by ensuring that their usual supervisor knows of their whereabouts during that period.

(c) Random Testing

(i) The following employees represented by Local 234 are safety sensitive employees and shall be subject to random testing: (1) Bus Persons, (2) Vehicle Mechanics/Maintainers who repair or who perform routine maintenance on revenue service vehicles; (3) Welders; and (4) other employees whose duties relate to safe operation of passenger service and who operate a revenue service vehicle, whether or not such vehicle is in revenue service; who control the dispatch or movement of a revenue service vehicle; or maintain revenue service vehicles or equipment used in revenue service.

(ii) The above employees shall be in a pool from which random selection is made. Each employee in the pool shall have an equal chance of selection and shall remain in the pool, even after the employee has been tested. An employee shall be selected for testing on a random basis by using a scientifically valid random number generation method.

(iii) The selection rate is set at fifty percent (50%), which means that SEPTA will conduct a total number of tests during a year equal to fifty percent (50%) of the total number of the TWU employees who are subject to testing. Random alcohol and drug testing will be conducted at the same rates.

(d) Transfer Testing

The Authority may require a drug and alcohol test of an employee applying for a transfer from one Authority position to another only when such employee is applying to transfer from a job not subject to random testing to a job subject to random testing.

(e) Follow-up Testing

Employees who are returned to duty after a Mandatory Referral shall be subject to unannounced follow-up drug and alcohol testing for up to sixty (60) months, the number and frequency of such tests to be determined by the Substance Abuse Professional, except that there shall be a minimum of six (6) follow-up drug tests with Verified Negative Results and six (6) alcohol tests with Verified Negative Results during the first twelve (12) months after returning to duty.

(f) Physical Examination Testing

The Authority reserves the right to include drug and alcohol tests as part of periodic physical examinations to the extent that such examinations are required by law. Such examinations shall occur during the month of the employee's birthday unless otherwise required by law or unless the employee is not available (in which case the examination shall occur as soon as the employee is available). The Authority will give thirty (30) days advance notice to each employee before such examination.

(g) Protective Testing

(i) The Authority may require an employee to submit to a drug and alcohol test in a situation where the Authority receives a reliable report that the employee has had an off-duty drug or alcohol-related arrest.

(ii) An employee whose test result cannot be confirmed, or following tests in which there is a failure or defect in the testing procedure or chain of custody, shall be required to submit to an additional test before being permitted to return to work (if the employee has been held off pending the test results) or on the employee's next working day following the Authority's receipt of notice of the failure or defect (in all other cases). If Tampering is the suspected cause of the defect in the testing procedure, such protective testing shall be conducted under Observed Conditions.

(h) No Other Testing

The Authority shall not require any employee to submit to drug or alcohol testing except as set forth in the Authority's Drug and Alcohol Policy; this section; and in full compliance with existing FTA regulations and all future changes or interpretations thereof.

II. Testing Methodology

(a) Drugs Tested For

Specimens shall be tested for (I) marijuana, (ii) cocaine, (iii) opiates, (iv) phencyclidine (PCP), (v) amphetamines, (vi) alcohol, (vii) barbiturates, (viii) benzodiazepines, (ix) methaqualone, (x) such other substances as may be required by law and (xi) any other substance now or hereafter classified as a Schedule I or II controlled substance by the provisions of 21 U.S.C. § 812 or the Regulations of the Drug Enforcement Administration at 21 C.F.R. § 1308.11.

(b) Definition of Positive and Negative Results

An employee shall be deemed to have a positive test result when the testing procedure complied with the requirements of the Authority's Drug and Alcohol Policy and this agreement and the test result showed the presence of a prohibited drug, prohibited drug metabolite or alcohol at a level equal to or above the cut-off level prescribed in the Authority's Drug and Alcohol Policy, including Appendix B thereto (e.g., a 50 ng/ml cut-off level for marijuana metabolites on the initial screen and 15 ng/ml on the confirmatory test, and .04% cut-off for alcohol on the confirmatory test.)

(c) Applicability of Medical Review Procedure

The Medical Review procedure outlined in the Authority's Drug and Alcohol Policy shall apply to all drug testing performed by the Authority.

III. Consequences of Failing or Refusing a Test

(a) Refusal to Submit to a Test

(i) Refusal to Submit to a Drug or Alcohol Test properly required under the circumstances is a dischargeable offense.

(ii) If the employee is unable to provide the required amount of urine, the collection site person shall instruct the individual to drink not more than 40 ounces of fluids and, after a period of up to three (3) hours, again attempt to provide a complete sample using a fresh collection container. The original insufficient specimen shall be discarded. If the employee is still unable to provide an adequate specimen, the insufficient specimen shall be discarded and testing discontinued. The Medical Review Officer shall refer the individual for a medical evaluation to determine if there is a medical reason for failure to produce the required specimen.

If it is determined that there was no such medical reason, and if the employee has had no prior positive tests, or a prior incident of shy bladder with no medical reasons, the employee shall undergo mandatory EAP referral and follow-up testing under I(f) above. If the employee has had a prior positive test or incident of shy bladder with no medical reasons, he/she will be subject to discharge.

(b) Reasonable Suspicion Testing

When, following the Medical Review procedure outlined in the Authority's Drug and Alcohol Policy, a positive result from a properly required reasonable suspicion test stands, the employee shall be discharged.

(c) Random Testing

When, following the Medical Review procedure outlined in the Authority's Drug and Alcohol Policy, a positive result from a properly required random test stands, non-probationary employees shall be referred to the EAP for the first such positive result in a career, and discharged for the second such positive result in a career. Newly hired employees on probation shall be discharged for the first positive test result.

(d) Other Testing

When, following the Medical Review procedure outlined in the Authority's Drug and Alcohol Policy, a positive result from a properly required test of any other type stands, the employee shall be discharged.

(e) The Authority's Notice of Entry Into Follow-Up shall require employees to indicate whether the employee desires Union representation at the meeting and whether the employee desires that his/her test result be sent to the Union.

IV. Alcohol Use

(a) Measurable Presence of Alcohol

An employee whose alcohol test indicates an alcohol level greater than 0.02 but less than 0.04 will be sent home without pay for the balance of the shift.

(b) Pre-Duty Use of Alcohol

An employee in a safety sensitive position who has consumed alcohol Pre-Duty (four hours prior to the employee's scheduled report time) shall not be permitted to work and shall not be paid. An employee's second violation of this provision in his/her career shall result in a one (1) day suspension without pay and a Mandatory Referral to the EAP. An employee's third violation of this provision in his/her career shall result in a three (3) day suspension without pay and a Mandatory Referral to the EAP. An employee's fourth violation of this provision in his/her career shall result in a five (5) day suspension without pay and a Mandatory Referral to the EAP. An employee's fifth violation in his/her career shall result in discharge.

V. Conformity to Law/Severability

(a) Effect of Court Rulings

If any part or section of the Authority's Drug and Alcohol Policy is held invalid by any court of last resort or by any regulatory commission or agency with jurisdiction, or if compliance with or enforcement of any part or section shall be restrained by such tribunal pending final determination as to its validity, the remainder of the Policy shall not be effected thereby.

Should any final and non-appealable decision of the United States Supreme Court, the United States Court of Appeals for the Third Circuit, the United States

District Court for the Eastern District of Pennsylvania or a Pennsylvania appellate court, in litigation not involving the Authority and the Union, hold that a provision of a drug or alcohol testing program substantially identical to a provision of this section or the Authority's Drug and Alcohol Policy violates the Constitution or a statute of the United States or the Constitution, a statute or the common law of Pennsylvania, the Authority shall immediately cease application of that provision, until such time as the decision is vacated, reversed or overruled or otherwise invalidated. All other provisions of this section and the Authority's Drug and Alcohol Policy shall continue in effect.

(b) Effect of Legislation

The Authority's Drug and Alcohol Policy is subject to all applicable laws now or hereinafter in effect and to the lawful regulations, rulings and orders of regulatory commissions or agencies having jurisdiction. If any part or section of the Policy is in contravention of the laws or regulations of the United States, or the Commonwealth of Pennsylvania, such part or section shall be superseded by the appropriate provision of such law or regulation, but all other parts and sections of the Policy shall continue in full force and effect.

VI. Voluntary Rehabilitation

Non-probationary employees who are not subject to Mandatory Referral to the EAP may choose to utilize EAP drug and alcohol rehabilitation services of their own volition. SEPTA encourages this use. However, if the employee requests assistance or treatment after she/he has been notified of selection for any test, asking for the assistance will not block the test from occurring and she/he must still submit to the testing. Asking for assistance after being notified of a test will not alter the administrative or disciplinary consequences of such testing. Moreover, the employee shall not avoid any disciplinary charges or pending disciplinary charges by entering voluntary referral.

The EAP will disclose the progress of any employee who voluntarily refers her/himself to SEPTA staff only if obligated to do so under its duty to warn SEPTA that an employee who is not cleared for Safety-Sensitive work may attempt to return to such work.

Aside from fulfilling such obligation, the EAP will maintain the confidentiality of employees who utilize its services, including drug and alcohol rehabilitation and treatment services.

VII. Education and Training

(a) Drug and Alcohol Free Awareness Program

SEPTA has developed a Drug and Alcohol Free Awareness Program to assist employees to understand the perils of drug and alcohol abuse. As part of this Program, SEPTA will engage in an educational effort to prevent and eliminate drug and alcohol abuse that may affect the workplace. At a minimum, each new hire, each employee, and each supervisor shall receive educational materials and training in:

- (i) the Authority's Drug and Alcohol Policy;
- (ii) the effects and dangers of drug and alcohol abuse in the workplace;
- (iii) recognition of the signs and symptoms of individuals who use drugs and/or alcohol;
- (iv) the availability of treatment and counseling for employees who voluntarily seek such assistance including how to use the EAP;
- (v) the consequences of positive test results and other violations of the Policy.

Additionally, supervisors who may make reasonable suspicion determinations shall receive at least 60 minutes of training on the physical, behavioral, and performance indicators of probable drug use.

(b) Anti-Drug Information/Wellness Program

In addition to the EAP services offered to provide drug and alcohol treatment under the Authority's Drug and Alcohol Policy and this labor agreement, the Medical Department will provide educational mailings and/or distributions concerning a wide variety of lifestyle issues, including drug and alcohol abuse, to all employees and their families.

VIII. Advisory Committee

It is the ongoing responsibility of the Assistant General Manager for Operations, the Medical Director, the Program Coordinator, and the Chief Labor Relations Officer (hereinafter collectively referred to as "Responsible Officials") to monitor and evaluate the operation of the Authority's Drug and Alcohol Program and to make such amendments as may be necessary from time to time to carry out its purposes.

To provide information and advice to the foregoing persons, the Authority will invite an equal number of representatives of the labor organizations representing affected Authority personnel to serve on an Advisory Committee. One member of the Advisory Committee shall be a representative of the labor organization representing the transportation and maintenance employees of the Authority's City Transit Division. Other representatives shall be chosen by the remaining labor organizations on a basis to be agreed upon by such organizations.

The Responsible Officials or their designees will meet with the members of the Advisory Committee and discuss with them the views, suggestions, and other input of the labor organizations representing affected Authority personnel (a) semi-annually concerning the overall functioning of the program; (b) prior to adding positions beyond those already classified in Section 1103 I(d)(I) above as safety sensitive; (c) prior to implementing a substantive change in the program as written; (d) prior to the final selection of any change in the EAP Provider, the Referral Agency or the testing laboratory; and (e) at other times upon reasonable request.

To the extent that any aspect of, concern with, or decision or employment action taken as a result of this policy is properly the subject of (a) the collective bargaining obligation between the Authority and any labor organization, or (b) the grievance and arbitration procedure of any collective bargaining agreement between the Authority and any labor organization, this meet and discuss procedure neither supersedes nor substitutes for those obligations or contractual procedures.

IX. Notification

The Authority will give thirty (30) days advance notice prior to implementation of any changes in its Drug and Alcohol Policy including those contained in this labor agreement.

Section 1104. Medical Department

(a) Employees visiting SEPTA's Medical Department shall receive prompt, courteous and respectful treatment from the Department's doctors and non-medical staff. Diagnosis and treatment will conform to professional standards.

(b) The Authority will provide a form, jointly developed by the parties, for employees to fill out to evaluate each visit to the Medical Department. The form will evaluate factors such as, but not limited to, the quality of physical and personal treatment and promptness thereof. Copies of all completed forms will be available to the Union on a monthly basis.

(c) The Parties will establish a Medical Department Review Board, consisting of two (2) members appointed by the Authority and two (2) members appointed by the Union, to review complaints concerning employee treatment by the SEPTA Medical Department. This Board will meet not less than once per month and shall discuss recommendations for corrective action in an effort to resolve problems.

(d) The Authority will maintain a log book in the Medical Department to record the time an employee arrives at the Medical Department, the scheduled appointment time and the time the employee was actually seen by a physician.

The Medical Department Review Board will receive a monthly summary of the log book, indicating the number and percentage of employees who were treated within fifteen (15) minutes of the scheduled appointment time.

ARTICLE XII PART-TIME EMPLOYEES

Section 1201. Part-Time Employees

SEPTA may employ part-time employees at Frontier, subject to the following conditions:

1. No part-time employee shall work in excess of twenty-four (24) hours per week.

2. Part-time employees shall be paid the same hourly rate as full time employees, and shall be subject to the same new hire progression. For the purpose of the new hire progression, one hundred seventy-three (173) hours worked will be considered one month.
3. Part-time employees will be guaranteed two (2) hours pay for each scheduled work day, but shall not otherwise be eligible for time or pay guarantees or for penalty pay provisions.
4. Part-time employees shall receive benefits only as specifically provided herein. They shall be paid 50% of uniform allowance as full-time employees subject to same conditions and be provided a free transportation pass during their employment.
5. Part-time employees are subject to the following terms of this agreement:
 - A. Part-time employees will be subject to a ninety (90) working day probationary period.
 - B. Article I
 - C. Article 11
 - D. Section 409
 - E. Section 1003
 - F. Article XI
 - G. Appendix 1
6. Part-time employees shall accrue part-time seniority based on 173 hours worked equaling one (1) month. Part-time employees who wish to be employed on a full-time basis at the job they are currently working shall place their name on a preferential hiring list. Employees will be hired from this list by seniority provided the employee has a satisfactory work record.

**ARTICLE XIII
JOINT APPRENTICESHIP PROGRAM**

The parties agree that during the term of this Agreement, SEPTA and the Union will establish a joint apprenticeship program. The General Manager of SEPTA and the President of Local 234 each will appoint two (2) members to serve on a Joint Apprenticeship Council. Thereafter, the Joint Apprenticeship Council will immediately convene with the goal of establishing and implementing a joint apprenticeship program as soon as possible.

**ARTICLE XIV
MANAGEMENT RIGHTS**

Section 1401. Management Rights Clause

The Union and the Authority agree that, except as modified or restricted by this labor agreement, past practice or side letters between the parties, the Authority retains its inherent management rights as conferred by statute or the common law of Pennsylvania.

**ARTICLE XV
SEPARABILITY CLAUSE**

Section 1501. Effect of Legislation

It is understood that this Agreement is subject to all applicable laws now or hereinafter in effect, and to the lawful regulations, rulings and orders of regulatory commissions or agencies having jurisdiction. If any article or section of this Agreement is in contravention of the laws or regulations of the United States or the Commonwealth of Pennsylvania, such article or section shall be superseded by the appropriate provision of such law or regulation, but all other articles and sections of this Agreement shall continue in full force and effect.

Section 1502. Effect of Court Ruling Part of Agreement Invalid

If any article or section of this Agreement shall be held invalid by any court of last resort or by any regulatory commission or agency of competent jurisdiction, or if compliance with or enforcement of any article or section shall be restrained by such tribunal pending final determination as to its validity, the remainder of this Agreement shall not be affected thereby.

**ARTICLE XVI
TERM OF AGREEMENT**

Section 1601. Term of Agreement

This agreement shall be in force and effect for the term ending at midnight on November 23, 2021, and thereafter from year to year upon the same terms and conditions as herein provided and in accordance with the provisions of Public Employee Relations Act 195, unless either party hereto shall give to the other at least sixty (60) days written notice of its election to terminate the agreement at the end of the then current term.

Section 1602. Effective Date of Agreement

The provisions of this Agreement are effective on 12:01 a.m. on November 7, 2016, unless otherwise indicated.

IN WITNESS WHEREOF, the parties have caused these presents to be executed in the respective names on the day and year first above written.

On Behalf of the Union:

(Signed) Willie Brown
President, Transport Workers Union, Local 234

(Signed) Brian Pollitt
Executive Vice-President, Transport Workers Union, Local 234

(Signed) Joseph Coccio
Secretary Treasurer, Transport Workers Union, Local 234

(Signed) Avignon Dent
Recording Secretary, Transport Workers Union, Local 234

On Behalf of the Authority:

(Signed) Stephanie Deiger
Chief Labor Relations Officer
Southeastern Pennsylvania Transportation Authority

(Signed) Richard Burnfield
Chief Financial Officer/Treasurer
Southeastern Pennsylvania Transportation Authority

(Signed) Jacob Aufschauer
Senior Director, Human Resources
Southeastern Pennsylvania Transportation Authority

(Signed) Joseph P. Horbury, Sr.
Manager, Labor Relations
South Eastern Pennsylvania Transportation Authority

(Signed) Chad Cuneo
Manager, Labor Relations
Southeastern Pennsylvania Transportation Authority

(Signed) Dennis Papadeas
Manager, Labor Relations
Southeastern Pennsylvania Transportation Authority

**APPENDIX I
ATTENDANCE POINT SYSTEM**

The parties have agreed to incorporate the point system set forth below in the collective bargaining agreement. The point system provides employees the opportunity to improve their records through steady attendance and attempts to provide an objective basis for the imposition of discipline for non-attendance.

Subject to the general rules set forth below, points are to be assessed against employees for various incidents of non-attendance. An employee who accumulates twenty (20) or more points will be subject to progressive discipline each time his/her point total reaches twenty (20), as follows:

- ▶ One (1) day suspension
 - ▶ Five (5) day suspension
 - ▶ Discharge, provided, however, that for purposes of discharge the twenty (20) point total will be increased two (2) points for each five (5) years of service.
- (*) All discipline other than discharge under the Attendance Point System shall be administrative.

For every month in which an employee has no incident of non-attendance covered by the point system, the employee's point total will be reduced by two (2) points. Beginning with the sixth consecutive month without such an incident, and for each month thereafter, the employee's point total will be reduced by three (3) points. The point total, however, cannot be less than zero (0).

The imposition of progressive discipline will reduce the employee's point total by ten (10).

INCIDENTS OF NON-ATTENDANCE AND POINTS

I.A. MISSES (Transportation)

- (a) Any miss less than four (4) hours 5 points
- (b) Any miss four (4) hours or more 6 points
- (c) Miss of a "second half", after working "first half" 7 points
- (d) An employee turning in sick after a miss will be assessed points for that miss and the sick turn-in.

I.B. LATENESSES (Maintenance)

- (a) Lateness with a call-in before the start of the shift 3 points
- (b) Lateness less than four hours without a call-in before the start of the shift 4 points

- (c) Lateness equal to or over four hours without a call-in before the start of the shift 5 points
- (d) An employee turning in sick after a lateness will be assessed points for that lateness and the sick turn-in.

II. SICK TURN-INS

- (a) Each sick turn-in will be assessed two (2) points.
- (b) A turn-in that establishes the pattern (as defined below) will be assessed an additional four (4) points. Each subsequent sick turn-in that fits into this pattern, and still has three (3) prior sick turn-ins in that year (in the same pattern) will be assessed an additional two (2) points. These points for additional pattern sicknesses will also be added to the penalty assessed for misses with sick turn-ins.
- (c) Similar types of turn-ins in one (1) year will establish a recognizable pattern, as follows:
 - (1) Three (3) turn-ins on the same day of the week
 - (2) Four (4) turn-ins before and after days off
 - (3) Four (4) turn-ins on the weekend (Saturday and Sunday)
 - (4) Three (3) turn-ins which result in three (3) consecutive days off when an employee has split days off

All pattern turn-ins must be similar type turn-ins.

Turn-ins greater than three (3) days will not be considered for purposes of establishing a pattern. Absences identified by a physician as related to premenstrual syndrome, however, will not be considered for purposes of establishing a pattern.

Patterns will be calculated on a 365 day cycle as per the labor agreement.

III. Emergency at Home (EAH) and Sickness at Home (SAH) Days

(a) As in the past, an employee who has requested to be excused by management in advance, and is granted such day by management, then no points will be assessed for that management-excused day.

(b) Employees will be entitled to a total of four (4) EAH/SAH days requiring no validation within any consecutive twelve (12) month period. All subsequent turn-ins for EAH or SAH will be assessed two (2) points and will be considered in establishing patterns.

IV. AWOL

The first AWOL will be assessed ten (10) points, skip a step for a second AWOL and discharge for a third AWOL in a twenty-four month period. An employee shall be deemed to have abandoned his/her job upon being AWOL for three (3) consecutive days without communicating with the Authority, unless such

employee was hospitalized, incapacitated or otherwise could not reasonably be expected to communicate with the Authority.

V. General Rules

(a) All discipline to be imposed under this Point System is set forth above. All such discipline and the imposition of points hereunder shall be segregated from, and shall not be considered in the imposition of discipline for other infractions or incidents.

(b) Each employee will be notified, in writing, of all points assessed against him or her and will be interviewed upon accumulating fifteen (15) or more points.

(c) The parties recognize that the foregoing Point System will be implemented as soon as practicable after the execution of the Labor Agreement.

(d) Using an Emergency-at-Home or Sickness-at-Home day will not jeopardize the opportunity for employees to earn their paid excused day.

(e) If an employee is late for work as a result of occurrences pertaining to the Authority's service, the employee will not be charged any points, provided the employee can establish that he/she was aboard the vehicle that preceded the trip that would have-allowed the employee to arrive at work on time.

VI. Sick Leave Notification

Employees shall be required to submit doctor's verification of illness or injury only for absences of five (5) days or more.