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AGREEMENT

This agreement made as of December 19, 2006 by and between Southeastern Pennsylvania Transportation Authority and Brotherhood of Maintenance of Way Employees.

The parties agree as follows:

ARTICLE I

Section 101. Union Recognition

- (a) The Southeastern Pennsylvania Transportation Authority recognizes the Union as the exclusive collective bargaining representative for those employees on the Regional High Speed Lines who spend the predominant amount of their time performing job duties described in the following Job Classifications: Numbers 1202, 1222, 1241, 1253, 1262, 1263, 1273, 1274, 1101, 1111, 1112, 1120, 1121, 1122, 1131, 1132, 1160, 1161, 1174, 1240, 1251, 1252 and 1261.
- (b) Work within the job classifications specified above and such job classifications may be combined, reclassified, eliminated or abolished by SEPTA, provided that such work and/or classifications shall not be transferred to the application of the Rules of another SEPTA Collective Bargaining Agreement or non-agreement employee, except as provided in subparagraph (c) below.
- (c) Work covered by this Union Recognition clause which is now or hereafter incident to and directly attached to the primary duties of an employee not covered by this Agreement may be performed by such other employee, provided the performance of such work does not involve the preponderance of the duties of such other employee.

Section 102. Union Membership

All employees on the active payroll of SEPTA as of the effective date of this Agreement, who are members of the Union, shall maintain their membership in the Union in good standing as a condition of continued employment. All employees on the active payroll as of the effective date of this Agreement who are not members of the Union and all employees hired after the effective date of this Agreement who are not members of the Union and all employees hired after the effective date of this Agreement shall become members of the Union no later than the sixtieth (60th) day following the effective date of this Agreement or, for new hires, the sixtieth (60th) day following the beginning of such employment

and shall thereafter maintain their membership in the Union in good standing as a condition of continued employment.

The Union shall indemnify and save SEPTA harmless against any and all claims, grievances, awards, suits, attachments or other proceedings that may arise out of or by reason of action taken or not taken by SEPTA for the purpose of complying with the provisions of this Section.

Section 103. Check-Off

Upon receipt of a written authorization from an employee in the form annexed hereto as Exhibit "A", SEPTA shall, pursuant to such authorization, deduct from the wages due said employee each week, starting not earlier than the first pay period following the completion of the employee's first sixty (60) calendar days of employment, and remit to the Union regular monthly dues as fixed by the Union.

SEPTA shall be relieved from making such "check-off" deductions upon an employee's (a) termination of employment; (b) transfer to a job outside the bargaining unit; (c) layoff from work; (d) revocation of the check-off authorization in accordance with its terms or with applicable law.

SEPTA assumes no obligation, financial or otherwise, arising out of the provisions of this Section, and the Union shall indemnify and hold SEPTA harmless from any and all claims, grievances, awards, suits, attachments, or other proceedings arising out of or by reason of any action taken by SEPTA for the purpose of complying with any of the provisions of this Section. The Union assumes full responsibility for the disposition of the funds deducted under this section as soon as they have been remitted by SEPTA to the Union.

Section 104. Bulletin Boards

SEPTA agrees to provide suitable locked bulletin boards at locations designated by SEPTA. Bulletin boards will be locked to prevent posting or removal by unauthorized persons. The Union may post notices relating to Union matters after such notices have been submitted to and approved for posting by the SEPTA designated representative. Such notices shall be restricted to notices of meetings and elections of the Union, Union appointments to office, the results of Union elections, and Union social, educational or recreational affairs. No notice shall contain anything political, controversial or argumentative, or reflecting upon SEPTA or any of its employees or any organization thereof.

ARTICLE II

Section 201. Probationary Period

The first 120 days of an employee's employment with SEPTA shall serve as a probationary period and SEPTA shall have the unqualified right to suspend or dismiss such employee, the exercise of which shall not be subject to the grievance procedure. In the event that such newly hired employee possesses a minimum of one (1) year of verifiable railroad experience in the job to which he/she is hired, such employee shall be subject to a ninety- (90) day probationary period, under the same terms and conditions. An employee suspended or dismissed will receive such notice in writing. If the employee is a member of the Union, a copy of the notice will be given to the Union.

Section 202. License

- (a) Anyone required to drive a vehicle in the course of the Authority's business must immediately report to the Authority if and when his or her driver's license is suspended or revoked.
- (b) The parties agree to establish a committee, which shall meet within 90 days of ratification of this Agreement, to address any outstanding issues regarding CDL requirements.
- (c) The Authority will reimburse the cost of Hazmat endorsements.

ARTICLE III

Section 301. Seniority

- (a) The SEPTA Seniority Date for employees transferring to SEPTA in accordance with the Implementing Agreement shall be the date of earliest retained seniority in the employee's craft or class with Conrail.
- (b) The SEPTA seniority date for all other employees will commence on the first date on an employee's regular assignment, provided he successfully completes all required training and probationary period.
- (c) For the purpose of this Agreement, the following shall be taken as departments of SEPTA: Transportation Department, Mechanical Department, and Facilities Department.

- (d) The Departmental seniority of an employee dates from his first date of assignment in a permanent position in a SEPTA Department.

Section 302. Loss of Seniority

- (a) An employee shall lose all types of seniority if:
 - (1) It is provided for in the Implementing Agreement.
 - (2) He voluntarily quits.
 - (3) He retires.
 - (4) He is discharged or dropped from SEPTA employment after exhausting all available grievance procedures.
 - (5) He, during a period of lay off, fails to return to work within ten days after SEPTA sends to his last known address a certified letter of notification to return to work.
 - (6) He is promoted to a management position and does not elect to return to a bargaining unit position within 90 days.
- (b) An employee who is recalled will accrue only SEPTA seniority during such lay off for the purposes of recall only.

Section 303. Seniority Lists

- (a) A seniority list of employees will be maintained by SEPTA. Such list will show rank number, employee name, employee number, and seniority dates. The list will be revised in January of each year and posted in places accessible to the employees affected. Copies will be furnished to the Local and General Chairman. A note will be placed on each list stating the time limit for protest.
- (b) Seniority lists will be posted permanently on bulletin boards. No changes will be made in any seniority list unless made by the Industrial Relations Department. Protests must be filed within thirty (30) days in accordance with the grievance procedure set forth in Section 401. Seniority of employees not so protested within the time limits specified above, will be deemed to have been accepted as correct and not subject to further appeal, except to correct typographical errors or to restore names which appeared on the preceding roster and which were omitted in error. Protests on seniority dates will be confined to names added, omissions, or changes made since the posting of the previous roster. The proof of error must be presented by the employee.
- (c) The names, social security number, dates of hire, and addresses for all new employees belong to the BMWWE will be given to the union, at least quarterly.

Section 304. Permanent Vacancies, New Positions, Transfers

- (a) Vacant or new positions on the SEPTA Regional High Speed Lines within the jurisdiction of BMWWE will be advertised on the bulletin boards for a period of seven (7) days in places accessible to all affected employees. The advertisement will show the position (indicating if new), initial location (where applicable), primary duties, normal scheduled work hours and work week, rate of pay and job number. Positions will be awarded and posted within seven (7) days following the close of the advertisement period. Notice of award will be posted where the position was advertised. Copies of advertisements and notices of award will be forwarded to the Local Chairmen. Qualifications for all positions will be determined by SEPTA.
- (b) When new positions are created or vacancies occur, the senior qualified employee shall, if sufficient ability is shown, be given preference in filling such position or vacancy, except that employees assigned to any job on a job relationship chart shall be given preference over employees on other job relationship charts. When Track General Helpers are hired, the vacant positions for which they were hired will be posted to allow Senior Track General Helpers the opportunity to transfer to those positions. The number of positions posted shall be equal to the number of new hires. There will be no further movement to positions vacated by the employee transferring. The new hires will be assigned by the Authority.
- (c) An employee must be fully qualified to perform all the work of a job before he is eligible for permanent assignment to it. Qualifications of an employee will be determined by SEPTA. All employees must pass designated qualifications, written and/or performance tests designated by SEPTA. Promotions from a lower classification to a higher classification, within a department, shall be done in accordance with the following provision: an employee must pass all required written tests and possess the required experience before being eligible to bid a job of a higher classification. After being awarded a job of a higher classification, the employee will serve a probationary period in accordance with the provisions of Section 304, Paragraph (e).
- (d) If no qualified employees are available under (b) or (c) above, the vacant or new position will be filled by transfers of employees from other departments or other 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 transfers will be made from among those employees so qualified whose applications are on file at the time the vacancy is posted or at the close of any new job posting.

- (e) There will be a probationary period of ninety (90) days to determine suitability for jobs awarded under 304(c) and transferred under Section 304(d) before the award or transfer will be permanent. At any time during the probationary period if SEPTA determines that the employee is not fully qualified, he may be returned by SEPTA to his former job or he may voluntarily return thereto if he desires, and such return shall be without loss of any seniority he had with respect to his former job. If he is not returned by SEPTA or does not voluntarily return to his former job by the end of the probationary period, the award or transfer will then become permanent. Employees who returned to a former position under the provisions of this section are ineligible to bid on a position within the same classification for a period of twelve (12) months.
- (f) Employees will be eligible to transfer to other departments or divisions of SEPTA as follows: Once an employee has six (6) months of service with the department into which he/she was hired he/she may make an initial transfer to another division or department or within the division or department to a position not covered by this agreement; thereafter, he shall be eligible to make such transfer no more than once every twenty-four (24) months.

Section 305. Retrenchment

When a reduction in work force is to be made, the number of employees who are to be retrenched and laid off will be determined by SEPTA for each job. The retrenchment will be made as follows:

- (1) The number of employees to be retrenched within jobs on a job relationship chart will be determined by SEPTA and employees on the affected job relationship chart will be separated in reverse order of seniority. An employee retrenched under this provision shall be permitted to displace any junior employee holding a position for which he is qualified. A retrenched employee unable to make such displacement shall be laid off.
- (2) An employee who is laid off under (1) above will be placed on a recall list from the date of lay off during which time he will be recalled to a job for which he is qualified before any employee will be permitted to transfer into that job under the provisions of Section 304 (d) or (e) and before any employee is hired into that department.
- (3) The Union will be given copies of such recall lists.

Section 306. Transfer with Work and with Seniority

The following procedure will govern the transfer of employees with work and with seniority between all departments and locations of SEPTA, as well as between all bargaining units affected.

- (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 the employees of that location may express their desire in seniority order by job, to transfer with the work.
- (c) 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 is fully qualified to perform all of the work thereof, in which case he will resume the same seniority with respect to his former job that he would have had he remained there and he will be dropped back or not from such former job as would have been the case had he remained in such former job.
- (d) Employees who transfer with work will be placed on the SEPTA, department or job seniority list at the receiving location in the position to which their SEPTA, department or job seniority at the releasing location entitles them.
- (e) Employees transferred under this section will, at the time of the transfer, be subject to and covered by the provisions of the labor agreement currently in effect at the receiving location.

ARTICLE IV

Section 401. Grievance Handling

Grievances shall be presented and shall be handled as follows:

- (a) All grievances shall be presented initially not later than the tenth (10th) working day following the occurrence of the event giving rise thereto, except when an employee would not have learned of the incident giving rise to the grievance on an earlier date. Any grievance not presented within such time shall not be considered. Each grievance shall be

presented to the Immediate Supervisor or his designee by the employee believing himself to be aggrieved or by his Union representative or both. The Union's appeal shall specify the exact nature of the appeal, the exact nature of the grievance, the section(s) of this agreement which the employee(s) allege the Authority has violated or the procedural violation, the act(s) complained of, when they occurred, the names of the person(s) involved, the identity of the employee(s) who claim to be aggrieved, and the remedy sought. The Immediate Supervisor or his designee shall hold a prompt hearing thereon with the Union or grievant. The hearing shall be held at such place as the Immediate Supervisor or his designee shall designate and at such time as shall be mutually convenient.

- (b) Not later than five (5) days following such hearing, the Immediate Supervisor or his designee will give an answer stating his disposition of the matter.
- (c) If the Immediate Supervisor or his designee's disposition of the matter is not satisfactory to the Union or grievant or if he fails to respond in accordance with paragraph (b), it may be referred to the SEPTA designated second step representative. Such second step must be taken by the Union or grievant not later than ten (10) days following the receipt of the answer of the Immediate Supervisor or his designee. Such second step will be taken by the Union or grievant stating in writing all facts which it is desired to have considered in connection therewith, on forms furnished for such purpose, which forms shall be signed by the grievant and/or his Union and delivered to the Immediate Supervisor or his designee. The Immediate Supervisor or his designee shall deliver the same to the SEPTA designated second step representative. The SEPTA designated second step representative may review the matter without a hearing if he elects to do so or he may elect to hold a hearing. Notwithstanding the foregoing, in any case where an employee is discharged or disciplined by being given a suspension, a second step hearing will be held by the SEPTA designated second step representative. If a hearing is held, it shall be with the Union or grievant, the responsibility for attendance being with the Union or grievant. The meeting shall be held promptly at such place as the SEPTA designated second step representative shall designate and at such time as shall be mutually convenient.
 - (1) In any case where an employee has been discharged, the hearing at the second step of the grievance procedure will not be held until the employee has turned in all Authority property theretofore delivered to him, and the hearing at the third step will not be held until the employee has settled all accounts.

- (2) If an employee grievant fails to satisfy either of the requirements set forth in Section 401(c)(1) within fourteen days following the receipt by the Union of the Authority's response to the previous level hearing, it will be determined that the employee has abandoned his grievance. The grievance is finalized by the Authority's response to the previous level hearing.
- (d) Not later than five (5) days following such hearing, or following the deliver of the aforesaid forms to the Immediate Supervisor or his designee, if the SEPTA designated second step representative elects to review the matter without a hearing, the SEPTA designated second step representative will give in writing an answer stating his disposition of the matter.
- (e) If the SEPTA designated second step representative's disposition of the matter is not satisfactory to the Union or grievant or if he fails to respond in accordance with paragraph (d), it may be referred to the third step of the grievance procedure by the designated representative of the Union or grievant giving written notice to the SEPTA third-step representative. Such appeal must be taken not later than five (5) days following the receipt of the answer of the SEPTA designated second step representative by the Union.
- (1) At a mutually agreeable time and at a place designated by SEPTA's third-step representative, a third-step hearing will be held. Not later than five (5) days following such third-step hearing, the third-step representative shall give an answer in writing stating the disposition of the matter.
- (f) Notwithstanding the foregoing, at any time during the grievance process, an employee may be disciplined by reprimand, administrative suspension, or suspension, when the involved employee, his/her union representative and the authorized official of the Authority agree in writing to the offense committed and to the discipline to be imposed which shall be final and binding.
- (g) The time limits specified in (b), (d) and (e)(1) above may be extended by agreement between the parties. Any such request for time limits by either party shall be submitted via fax transmission to the Vice Chairman/ Secretary Treasurer and the Manager of Labor Relations or their designee.
- (h) No employee or representative of the Union shall leave his work or fail to appear for his work for the purpose of presenting any grievance or in connection with the handling of any grievance without first having obtained the permission of his Immediate Supervisor or the Immediate Supervisor's

designee, which permission shall not be unreasonably denied.

- (i) Disciplinary charges against an employee will be filed within ten (10) working days of SEPTA's knowledge of the incident.
- (j) In any case where an employee elects to appear on behalf of himself, his Union representative shall be notified by the Immediate Supervisor or his designee. If an employee has been represented by the Union at a hearing before the Immediate Supervisor or his designee or SEPTA designated second step representative and later elects to appear on behalf of himself at a subsequent step of the grievance procedure, the Union shall be notified by SEPTA, 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 himself 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 Management representative.
 - (i) Progressive discipline will be assessed as follows:
 - Documented Verbal Warning
 - Written warning
 - One-day administrative suspension
 - Three-day suspension (2 days administrative and 1 day without pay)
 - Discharge
 - (ii) Employees will serve disciplinary suspension for all discipline assessed (except attendance violations as set forth in Appendix A).

The provisions of this section, except as herein expressly provided to the contrary, shall not effect current practices with respect to what conduct warrants discipline and discharge and to what extent.

- (k) Employees shall not be barred from reporting for work until having been interviewed by one's supervisor for offenses other than those involving falsification of records, theft, unauthorized use of SEPTA property, abuse or misuse of SEPTA-provided benefits, improper fare transaction procedures, being under the influence of drugs or intoxicants, positive drug/alcohol test, insubordination, refusing a direct order, leading or participating in an unauthorized work stoppage, contributing to the cause of an accident, or a violation of law that reflects adversely on the

employee's fitness to continue his employment with SEPTA, may be suspended or immediately barred from reporting for work. In addition, an employee may be suspended or immediately barred from reporting for work in cases where the employee's retention in service would be detrimental to himself, another person, or SEPTA.

- (1) In cases where an employee is disciplined by being suspended, and an appeal is taken from such discipline, the suspension shall not be made effective before the appeal is disposed of under the grievance procedure, except as set forth in (k) above.
- (l) When an employee has successfully completed the previous 730 calendar days without being issued any form of discipline in progressive discipline procedures, progressive discipline will start anew. Any form of discipline shall mean suspension only.
- (m) If it is the position of the Authority that the subject matter of the grievance has been resolved in a prior grievance procedure and the Union wishes to proceed, payment for the Union representative will be disallowed.
- (n) No grievance shall be discussed except in accordance with this procedure.
- (o) SEPTA shall have the right to call a meeting with the Union's representative or other Union officials for the purpose of discussing grievances or problems.
- (p) Aggrieved employees who attend grievance hearings will not be reimbursed for loss of any regularly scheduled working time resulting from such attendance unless their attendance is requested by SEPTA.
- (q) SEPTA will allow pay to working employees who are Union representatives for loss of work time when attending scheduled grievance meetings with SEPTA representatives during their regularly scheduled working hours. The allowance of time off with pay will be made in the following manner:
 - (i) Union representatives, to the number of not more than one at any time, will be paid for time lost by them during their regularly scheduled work hours when attending scheduled grievance meetings with SEPTA representatives at the first, second and third steps.
 - (ii) Time spent by Union representatives to attend grievance

meetings before or after their regularly scheduled starting or finishing times, will be without pay.

- (iii) Union representatives who attend third step grievance hearings who are scheduled to work at night or who attend such third level 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 third step grievance hearing.
 - (iv) The individual Union representatives to whom the allowances will be made will be determined by the Union. Union designated representatives as defined above will be duly elected or appointed representatives and will be confirmed as such in writing by letter from the General Chairman of the Union.
- (r) A Union representative who is also an employee of SEPTA and who has received permission, will be permitted to take time off work, without pay, except as provided in Section 401(p), as necessary, to perform union business. Such permission shall not unreasonably be denied.
 - (s) A Union representative upon notifying management shall have access to the Authority establishment during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to provided, however, there is not interruption of the Authority working schedule.
 - (t) 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.

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 third level grievance, if a grievance is filed. An employee who is charged with acts or failures 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 third level of the grievance procedure, the employee's active employment will terminate as of the date of the third level answer unless the Union requests final settlement of the matter with the "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 403 of the Labor Agreement.
- (iii) 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". On "Discharge/Decision Day", the Director or designee 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 as indicated below, 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 Assistance Program.
- (iv) A "last chance" will consist of a one (1) calendar day suspension in lieu of discharge, followed by a one-year probation. The one day suspension shall commence as of the date of the third level answer. 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, such discharge shall be subject to the grievance and arbitration procedure set forth in Section 401 and 403 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) Employees discharged as a result of a violation of the attendance point system; A "last chance" if requested by the Union, will consist of a one (1) day suspension, in lieu of discharge, followed by a one-year probation. The one-day

suspension shall commence as of the date of the third level answer. 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, such discharge shall be subject to the grievance and arbitration procedure set forth in Section 401 and 403 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.

- (vi) An employee shall be eligible for only one "last chance" in his career.

Section 402. Exclusion of Days

In the computation of time under any of the provisions of Section 401, Saturdays, Sundays and Holidays shall be excluded.

Section 403. Arbitration

- (a) If a satisfactory settlement of a grievance cannot be reached between the parties at the Labor Relations step of the Grievance Procedure, or there is a disagreement as to the interpretation, application or performance of this Agreement, the Union involved may, within thirty (30) days from the receipt of SEPTA's Labor Relations step answer, request that the grievance be arbitrated. Such written request to arbitrate shall set forth (i) the specific action or non-action claimed to constitute a violation of this Agreement, (ii) the specific provision or provisions (section or sections, paragraph or paragraphs) of this Agreement claimed to be violated, and (iii) the specific relief requested and the specific employee or employees for whom the relief is requested.
- (b) In accordance with Section 3, Second, of the Railway Labor Act, as amended by Public Law 89-456, there is hereby established a SEPTA-BMWE Public Law Board, hereinafter referred to as the "Board". The Board shall have jurisdiction over requests for arbitration properly submitted in accordance with paragraph (a) above.
- (c) The Board shall consist of three (3) members. SEPTA and the Union shall each appoint one (1) representative. The "Chairman and Neutral Member" of the Board will be selected in accordance with paragraph (d).
- (d) As soon as can be practically arranged, the party members shall meet after

the execution of this Agreement for the purpose of selecting the Neutral Member. If at that time they are unable to agree on a Neutral Member, either party may apply to the American Arbitration Association and request it to submit a panel from which a Neutral Member shall be selected under the rules of the American Arbitration Association. Within five (5) days after the Neutral is selected, the party members shall jointly notify the National Medication Board that they have mutually agreed upon a Neutral Member and request that the Neutral Member be issued a certificate of appointment. The Neutral Member shall serve on the Board for a period of six (6) months and must be available to conduct Board hearings on at two (2) days during each month of his six-month assignment.

- (e) The compensation and expenses of SEPTA's Board Member shall be borne by SEPTA. The compensation and expenses of the Union's Board Member shall be borne by the appropriate Union. The compensation and expenses of the Neutral Member shall be paid, to the extent possible, by the National Mediation Board. Any additional compensation and or expenses of the Neutral Member and all other expenses shall be borne equally by SEPTA and the Union.
- (f) Thirty (30) days prior to the expiration of the term of the Neutral Member, the party members shall meet to select a new Neutral Member. Nothing shall prevent the parties from agreeing to the reappointment of a Neutral Member. If the parties, at that time, are unable to agree on a Neutral Member, either party may apply to the American Arbitration Association in accordance with paragraph (d) above.
- (g) The Board shall meet at least once a month at the request of either party at a time and place mutually acceptable to its members. The Board shall hear all cases as to which a proper request for arbitration has been pending for a period of at least fourteen (14) days. The Board may hear cases that have been pending for a period of less than fourteen (14) days by agreement of the parties.
- (h) Each claim or grievance shall be presented separately to the Board, unless otherwise agreed by the parties. Due notice of all hearings shall be given to the parties. At such hearings, the parties may be heard in person, by counsel, or by other representatives, as they may elect. The parties may present statements of fact, witnesses, documents, supporting evidence and data, and arguments of their positions with respect to each case being considered by the Board. The Board shall establish the rules of procedure for itself, except as otherwise provided herein. Either party may cause a transcript of the testimony to be taken.
- (i) The Board shall have no power to add to, or subtract from, or modify any of

the terms of this Agreement; nor shall the Board substitute its discretion for that of SEPTA or the Union where such discretion has been retained by SEPTA or the Union; nor shall the Board exercise any responsibility or function of SEPTA or the Union. No questions affecting the negotiated wage structure of SEPTA shall be arbitrable, and the Board may not establish or change any wage rates.

- (j) The Board shall make findings and render a written award and opinion within thirty (30) days after the close of hearing of each case, with the exception of cases that may be withdrawn. No case may be withdrawn after hearing thereon has begun except by mutual consent of the parties. Findings and awards shall be in writing and copies shall be furnished the respective parties to the dispute. The rendition of such awards shall be in accordance with the provisions of Section 3, First and Second of the Railway Labor Act; they shall be final and binding upon all parties to the dispute; and they shall have the same force and effect as awards of the National Railroad Adjustment Board. Issues submitted directly to the NRAB will be subject to the time limitations set forth in 402(a).
- (k) Each member of the Board shall have one vote and a majority of the Board shall be competent to render an award or make such other rulings and decisions as may be necessary to carry out the functions of the Board. In case a dispute arises involving the interpretation of an award, the Board, upon request of either party, made within thirty (30) calendar days of implementation of the award, award will reconvene and, within thirty (3) days of the request, interpret the award in the light of the dispute.
- (l) No claims, including claims for back wages, by an employee covered by this Agreement shall be valid for a period prior to the date the grievance was first filed in writing except when the employee, by the exercise of reasonable diligence, could not have learned of the incident giving rise to the grievance at an earlier date.

Any award of back wages shall be limited to the amount of wages the employee would otherwise have earned from his employment with SEPTA during the periods as above defined, less any unemployment or other compensation for personal services that he may have received from any source during the period, except for compensation received by the employee from a second job which he regularly held prior to the date of the disciplinary action which resulted in the loss of earnings and out of which the grievance arose, subject also to the provisions of Section 803.

- (m) No arbitrator may make any award, which in effect gives the grievant, SEPTA, or the Union anything SEPTA or the Union bargained for, but failed to get during negotiations.

- (n) It is agreed that failure to take a grievance to the next higher step of the Grievance Procedure or to Arbitration within the time limits specified shall be construed as meaning that the grievance was settled at the preceding step of the Grievance Procedure.

The time limits set forth in the Grievance and Arbitration procedures may be extended in a particular instance by mutual agreement of SEPTA and the Union confirmed in writing.

- (o) In case any testimony by a secret investigator of SEPTA is offered, it shall be given only before the Impartial Arbitrator with no one else present and such a witness shall be referred to only by number so that his identity shall not be disclosed. The Union shall have the right to hear the testimony of the secret witness and to cross-examine such witness in secrecy.
- (p) In any case where the matter in dispute involves the question of falsification of records, abuse or misuse of SEPTA provided benefits, improper fare transaction procedures, theft by an employee, an employee having been under the influence of intoxicating liquor or drugs, a positive drug/alcohol test, refusing a direct order, or of an employee leading an unauthorized work stoppage, or a violation of law that reflects adversely on the employee's fitness to continue his employment with SEPTA, the only question which will be determined shall be with respect to the fact of the aforementioned charges. If it is determined that in fact there was a violation of any of these charges, then the action taken by SEPTA shall be sustained.
- (q) SEPTA and/or the Union may make substitutions or changes in its representative on the Board.
- (r) Employee records older than three (3) years will not be considered in discharge cases in the arbitration process.

ARTICLE V

Section 501. Rates of Pay

- (a) Rates of pay are established by SEPTA and are set forth in the Wage Rate Manual, which is incorporated by reference herein. The Wage Schedule, which is incorporated herein, will be revised to reflect the following:

Effective the first Sunday following ratification, a one-time lump sum payment of one thousand (\$1,000) dollars to each employee on the active payroll.

Effective the first pay period after ratification by the Union's membership, there will be a three percent (3%) general wage increase to be reflected in the Wage Rate Manual.

Effective April 8, 2007 there will be a three percent (3%) general wage increase to be reflected in the Wage Rate Manual.

Effective April 13, 2008 there will be a three percent (3%) general wage increase to be reflected in the Wage Rate Manual.

Effective April 12, 2009 there will be a three percent (3%) general wage increase to be reflected in the Wage Rate Manual.

- (b) When an employee is assigned as a leader, the leader will be paid one dollar (\$1.00) per hour above his regular hourly pay rate. The leader is an hourly employee who in addition to performing the regular duties of his classification also directs the work of a group of employees. His duties include substantially all of the following activities: to allocate work to members of his group; to check and inspect the work of his group; to assure the performance of their work in accordance with instructions from supervision; to prepare reports and records in accordance with instructions from supervision; to assure proper handling and care of equipment and materials. Leaders shall be appointed at the discretion of SEPTA who express an interest, meet the qualifications and then consideration will be given to the senior employee. In the Track General Helper classification, to be a leader, the employee must meet the qualifications of the Track Maintainer Second Class. No General Helper in the Buildings Section should be assigned as a leader or receive leader rate when assigned with "class employees".
- (c) Employees hired in or promoted before the date of the Tentative Agreement are subject to the wage rate progressions of the 1992-1995 Agreement.
- (d) Employees hired in or promoted to first class or specialist positions on or after the date of the Tentative Agreement are subject to a wage rate progression as follows:

- 0-12 months of service – 70% of top rate
- 13-24 months of service – 80% of top rate
- 25-36 months of service – 90% of top rate

Thereafter – 100% of top rate

- (d) Employees hired in or promoted to positions other than first class or specialist on or after the date of the Tentative Agreement are subject to a wage rate progression as follows:

0-12 months – 70% of top rate
13-24 months – 75% of top rate
25-36 months – 80% of top rate
37-48 months – 85% of top rate
49-60 months – 90% of top rate
Thereafter – 100% of top rate

Section 502. Scheduled Work Hours

- (a) The scheduled work hours are eight hours per day.
- (b) The reporting and finishing times and the scheduled work days of the week for each location and for each employee or group of employees assigned thereto will be fixed by SEPTA and a lunch or rest period will be scheduled, which period will not be included in the scheduled work hours or the pay time; and such reporting and finishing times, scheduled work days and lunch or rest periods may be different for individual employees or numbers or groups of employees and the same may be changed in accordance with the requirements of the work as determined by SEPTA.
- (c) SEPTA will not delay an employee's scheduled lunch period for more than one and one-half hours. If such lunch period is delayed beyond one and one-half hours, the employee will be given his choice of (1) taking his lunch, (2) being paid for his lunch, or (3) going home one-half hour before his regular quitting time.

Section 503. Pay Allowance for Reporting

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

Section 504. Travel

Employees in the Facilities Department will be assigned to work sites as required. An employee shall be furnished with free transportation by SEPTA for

traveling from one point to another. The travel time will be added to the pay time and will in every case be paid at straight time and in no case and for no day be paid as overtime or at time and one-half.

Section 505. Deduction for Lateness

An employee is required to be at his workstation ready to start work at his scheduled starting time. An employee who is-late in reporting for work will not be paid for the period of time that he is late.

Section 506. Training and Instruction

- (a) Any employee who is assigned to a job the work of which requires the employee to become qualified for such work, will be required to qualify and will be classed as a trainee during the period he is trained and under instruction. A trainee will not be paid at the rate of the position for which they are attempting to qualify, rather, will be maintained at their current job rate during such training and/or instruction. If a trainee does not qualify for such operation within a reasonable time he will be returned to his former position. New Hires will be treated in accordance with Section 201 of this Labor Agreement.
- (b) The manner in which an employee receives his/her training to become qualified shall be determined by SEPTA. Once qualified, employees are required to maintain his/her qualifications. Employees will not be compensated for additional training needed as a result of having to re-take tests after failing the initial test or because their qualifications have lapsed due to a disciplinary suspension.
- (c) When an employee is assigned to instruct another employee in a job to which that employee is not assigned but for which one is attempting to qualify, the instructing employee will be paid one dollar (\$1.00) an hour above one's regular pay rate.
- (d) The parties agree that during the term of this agreement, SEPTA and the Union will meet with the intent to establish an apprenticeship/training program for certain classifications represented by the BMWED. The parties agree to meet no later than ninety (90) days from the date of ratification of this agreement to begin discussion of the criteria necessary for the training /apprenticeship program.(MOA 12/06)
- (e) The Authority will meet with the Union to discuss development of training Construction Equipment Operators on the 110 ton crane. (MOA 12/06)

Section 507. Assignment of Work

- (a) Work will be assigned to individual employees or numbers or groups of employees in accordance with the requirements 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 he is regularly assigned and to which he is entitled by the length of his service with SEPTA. An employee disqualified as the result of injury or illness from performing the work to which he is regularly assigned will be paid the regular full rate of pay of the classification for which he is being trained while being trained for such other work for which he can qualify.
- (c) Employees assigned temporarily or permanently to higher rated positions will receive higher rates while occupying such positions. Employees assigned temporarily to lower rated positions will not have their rates reduced.
- (d) The Authority will schedule pickings at least twice annually, in which employees, in accordance with their job seniority, shall have the right to select reporting locations, scheduled hours and relief days, as designated by the Authority.
- (e) In the event that the Authority changes the scheduled Relief Days, or scheduled hours, it shall notify in writing the employees and General Chairman or his designee no less than seven (7) days prior to the effective date. All hours' changes must be made for a period of not less than three consecutive days, unless such change of hours is for the purpose of training or maintaining of one's qualifications. Failure to provide this notification will require the payment of time and one half for the first three days of the change for all hours that differ from their original schedule. However, this payment will not be made when (1) the change is agreed to by the Union; (2) where the change is a result of employees picking the changes under the terms of the labor agreement; (3) in case of emergency as described in paragraph (f); or (4) when the change is for the purpose of training or maintaining one's qualifications.

In the event that a shift change must occur, the affected employees shall have the choice to accept the shift change, or displace the most junior qualified employee in the affected craft who will be assigned to the changed shift.

- (f) In instances of an emergency, which is described as a derailment, snow storm, hurricane, flooding or other Acts of God which causes a disruption of

rail service or constitutes a significant safety hazard, the Authority may, at the conclusion of regular scheduled work hours, reassign hours in order to provide around the clock coverage. When the emergency ceases to exist and such hours are again reduced to regular assigned hours, an employee who has not completed their regular assigned hours for that day shall be permitted to complete their regular hours of assignment.

- (g) When employees are assigned to a work location, they will be issued phone numbers, which are to be called to report information to the Authority.

Section 508. Meal Allowance

- (a) A meal allowance of four dollars and twenty-five cents (\$4.25) will be paid to an employee working overtime if both of the following conditions are met.
 - (i) The overtime is an extension of the employee's regular shift by two (2) hours or more, i.e.; not work on an employee's regular day off.
 - (ii) The employee was not definitely scheduled for the overtime before the end of the shift preceding the shift being extended.
- (b) An additional allowance of four dollars and twenty-five cents (\$4.25) will be paid when the above conditions are met for each five- (5) hour period of continuous overtime beyond the first two (2) hour period.

Section 509. Wet Weather Clothes

SEPTA agrees to supply wet weather equipment to all persons required to work out in inclement weather.

Section 510. Night Shift Premium

Upon ratification, a premium of fifteen cents (\$.15) per hour will be paid for work 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 full hour will be treated as follows: from one to and including twenty-nine minutes will be dropped and not paid for; and from thirty to and including fifty-nine 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 other 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.

Section 511. Pay for Accident Reports

Effective July 1, 1993, the Authority will pay two dollars and fifty cents (\$2.50) 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.

Section 512. Automatic Increase

When length of service with SEPTA determines an automatic increase in rate of pay, such length of service must be continuous and uninterrupted. In the case of an employee who has more than one period of service as the result of interruption by resignation, discharge or dropping from the rolls, or work stoppage, such length of service is determined from the time of the last period of employment with SEPTA. In the case of an employee who has more than one period of service as the result of interruption by leave of absence of 30 days or more or deprivation of employment of 30 days under the provisions of Section 304(k) of this Agreement, such length of service is determined from the time of the last period of employment with SEPTA added to previous service accrued prior to leave of absence or separation under Section 304(k). Any initial period of formal training does not count as service with SEPTA for the purpose of this Section. Where an employee is granted a military leave of absence for service in the Armed Forces, or a female auxiliary thereof, or in the Maritime Service of the United States, and one is reinstated by SEPTA upon the termination of such leave of absence, the period of such leave of absence will count as service with SEPTA in determining such total length of service for this purpose.

Section 513. Job Evaluation

A job evaluation has been made of all jobs and said jobs have been classified and rated. A job description has been established for each classification and is reflected in the Wage Rate Manual. When there is new work to be performed or a change in work to be performed that will materially change the work assigned to a group or classification, both as to skills required and nature of work assigned, new job classifications may be established and rated. When the establishment of a new job classification results in the transfer of work from an existing job classification, no employee transferred with work to such new classification shall be paid for work in such new classification while so assigned to it less than the established rate for the classification from which he is so transferred so long as he would not through reduction in work force have been dropped back out of the classification from which he is so transferred.

The Authority will create a job description for the position of Fire Equipment Repairer within six (6) months of ratification of this agreement. Employees

performing the work of Fire Equipment Repairer will be paid the specialist rate only when performing the duties of the position (MOA 12/06)

Section 514. Overtime

- (a) Hours worked in excess of eight (8) hours per day, or forty (40) hours in a calendar week, will be considered overtime work and will be paid at time and one-half. There will, however, be no pyramiding of such overtime.
- (b) Work will be regarded as on the calendar day when the shift starts. Thus, in the case of shifts that overlap midnight, all work on such shift is regarded as performed on the calendar day the shift started.
- (c) Where any provision provides that work is classed as overtime, it will be paid for at the maximum rate of time and one-half notwithstanding any other provision that may provide for overtime or time and one-half; that is to say, overtime will not be paid more than once in respect to the same hour of work and overtime will not be paid on top of overtime in any case; nor shall any allowance be paid more than once in respect to the same work; nor shall any allowance be paid at time and one-half or counted in calculating overtime.
- (d) The following procedures will govern the assignment of work outside the regular shift in the Track and Utility Sections:
 - (1) For all scheduled work outside the regular shift, the opportunity for such work will be offered by craft and in seniority order to the incumbent subject to the following: The incumbents are described as all of those who regularly have worked on a particular project as a result of picking or daily assignment and have been assigned to the project for a continuous eight (8) hour shift during the past five (5) days. However, such work shall first be offered to the employee(s) who, as a result of his/her daily assignment has spent the preponderance of his/her time, during the past five (5) days, on the project.
 - (2) If there are no incumbents, or if sufficient personnel are not found among the incumbents, then work outside the regular shift shall be offered in seniority order to the needed craft within the Utility/Track Sections as follows:
 - (a) The work shall be offered in seniority order to the remaining personnel in the needed craft and classification.
 - (3) In situations where there is a call out of personnel, that is, non-

scheduled or non-continuation of the work outside the regular shift, then such work will be offered in seniority order to the needed craft and classification within the respective Sections. The Sections are defined as Buildings and Bridges, Track and Utilities. This is exclusive of emergency overtime, which is described as derailments, thermal kinks, hurricanes, snowstorms, flooding or other Acts of God, which cause a disruption of rail service or constitute a significant safety hazard. In these instances, personnel will be assigned as required. However, preference will be given to the aforementioned Steps when deemed practical by the department.

If not enough personnel agree to work after following the above steps, then mandatory assignments will be made by management to available employees.

- (e) The following procedures will govern the assignment of overtime within the Buildings and Bridges Section, which is defined as the combined Maintenance and Construction Groups.
 - (1) For all scheduled work outside the regular shift, the opportunity for such work will be offered by craft and in seniority order to the incumbent subject to the following: The incumbents are described as all of those who regularly have worked on a particular project as a result of picking or daily assignment and have been assigned to the project for a continuous eight (8) hour shift during the past five (5) days. However, such work shall first be offered to the employee(s) who, as a result of his/her daily assignment, has spent the preponderance of his/her time, during the past five(5) days on the project.
 - (2) If there are no incumbents or if sufficient personnel are not found among the incumbents, then the work shall be offered in seniority order to the needed craft and classification within the Buildings and Bridges Section as follows:
 - (a) The Group: If sufficient personnel are not found within the Group, then the work shall be offered in seniority order to all remaining personnel in the needed craft and classification within the entire Building and Bridges Section.
 - (3) In situations where there is a call out of personnel, that is, non-scheduled or non-continuation of the work outside the regular shift, then such work will be offered in seniority order to the needed craft and classification in that particular group. This is exclusive of emergency overtime, which is described as derailments, hurricanes,

snowstorms, flooding or other Acts of God, which cause a disruption of rail service or constitute a significant safety hazard. In these instances, personnel will be assigned to such work as required. However, preference will be given to the aforementioned Steps when practical.

- (4) If not enough personnel agree to work after following the above steps then mandatory assignments will be made by management to available employees.
- (5) If overtime assignments are not defined as craft specific, overtime shall be offered in accordance with seniority within the Section. The sections are defined as Buildings and Bridges, Track, and Utilities.

Section 515. Clothing, Tools and/or Equipment

- (a) If required, the uniform will be prescribed by SEPTA and required tools or equipment will be designated by SEPTA.
- (b) In order to be eligible to receive such tool and clothing allowance, an employee must have completed six (6) months of service in one's position , inclusive of any training period and/or layoff and must be on the active payroll at the time the allowance is due. Those employees who have completed such service and are on the active payroll as of July 1st will be paid during July. Each employee must meet the requirements of paragraph (c) below. New employees who have worked less than six (6) months prior to July 1st shall receive an allowance on a pro-rated basis (1/6 for each month) for the months the employee has performed regular full time duty.

The amount of the annual tool, clothing, and safety boot allowance payment be:

- I. Effective upon ratification, the payment for each eligible employee in job numbers: 1132, 1174, 1202, 1273 and 1274 will be two-hundred and seventy dollars (\$270.00).
- II. Effective upon ratification, the payment for each eligible employee in job numbers: 1101, 1111, 1112, 1120, 1121, 1122, 1131, 1160, 1161, 1222, 1240, 1241, 1251, 1252, 1253, 1261, 1262 and 1263 will be three-hundred and forty dollars (\$340.00).

III. These allowances shall be increased by five (\$5.00) dollars July 1, 2007, and by five (\$5.00) dollars on July 1, 2008.

(c) Reimbursement for required clothing, tools and/or equipment will be made upon satisfactory completion of a clothing tool and/or equipment inspection of each employee as conducted by the Authority prior to payment.

(d) Employees shall provide their own tools as designated by SEPTA for each classification, their own work clothes, including gloves (except for welders' glove and acid/chemical resistant rubber gloves), outer wear (except for wet weather gear) and their own safety boots and plumbers license, if required. The only payment for these items will be the allowance in (b) above.

Section 516. Court Work

An employee who is required by SEPTA to appear in court will be paid the pay for the work to which he would have been assigned on that particular day. Whenever the employee is excused from such court work on his scheduled workday, he shall advise his Supervisor as promptly as possible and stand ready to report for work if requested by SEPTA.

Section 517. Jury Duty

An employee serving on a court jury will be paid the difference between his jury duty pay and his regular eight hour straight time rate for each of his regularly scheduled work days on which he serves on jury duty, provided he presents valid proof of such jury duty and the amount received as juror's fees. Whenever the employee is temporarily excused from such jury duty by the Court on his scheduled workday, he shall advise his Supervisor as promptly as possible and stand ready to report for work if requested by SEPTA. The receipt of the notice to report for jury duty must be reported immediately to his Supervisor and SEPTA may request that the employee be excused or exempted from such jury duty if, in the opinion of SEPTA, the employee's services are essential at the time of proposed jury service.

ARTICLE VI

Section 601. Holiday Allowance

(a) Employees who have completed their probationary period and are otherwise eligible for holiday allowances according to the provisions

below, will be paid a holiday allowance of eight hours' pay for each of the following days (or the day such holiday is observed by the Commonwealth of Pennsylvania):

Two Personal Days	Employees Birthday
New Years Day	Good Friday
Martin Luther King Day	Veterans Day
Memorial Day	Thanksgiving Day
Independence Day	Labor Day
	Christmas Day

- (b) Personal days, provided in (a) above are to be taken at a time mutually agreeable to the employee and SEPTA during the particular calendar year.

Employees will be permitted to sell back up to two (2) personal days if not taken during the calendar year. Other than in an emergency situation, or when there is unusually high absenteeism, Personal days, and the employees birthday provided in (a) above can be taken at the employees discretion, without the required 48 hours notice, provided that the employee gives proper notice at least one (1) half hour prior to the start of their shift. Usage of these days shall not be subject to the Attendance Point System.

If an employee wishes to take a personal holiday between December 15 and December 31 of the current calendar year, the employee must submit a request in writing not later than November 1, of the current calendar year. For the purpose of this section, personal holidays may not be taken on any other holiday provided for herein.

- (c) For employees having shifts covering parts of two days, the holiday will be observed on the day with the preponderance of the shift work hours.
- (d) No holiday allowance will be paid to an employee who does not perform all the hours of his assignment on the last day scheduled to work preceding the holiday and the first day scheduled to work following the holiday or who does not perform all the hours of his assignment on the holiday.
- (e) Non-performance of work as above mentioned will be excused if such non-performance is the result of the following causes: jury duty, answering a draft board summons, death in the family as per Section 602, authenticated illness or injury properly reported which makes one unable to perform one's assigned work and which originated not

earlier than six calendar days immediately preceding the holiday, and in case of the union representative being off due to union business, or if excused by SEPTA.

- (f) Subject to the provisions of paragraphs (d) and (e) above, any employee who is scheduled to work on any holiday not included in (a) above, will be paid the foregoing holiday allowance in addition to the regular straight time pay for such work performed, except only that an employee who works on New Year's Day, Independence Day, Thanksgiving Day, or Christmas Day will be paid the foregoing holiday allowance in addition to one and one-half times his regular pay for work performed.
- (g) If any of the aforementioned holidays, not included in (b) above, fall on a day which is an employee's scheduled day off or falls within the time an employee is taking his vacation with pay, the next regular scheduled work day will be taken as a day off for such holiday, provided such day off is mutually agreed to by the parties, or he will be paid a holiday allowance of a day's pay with respect to each such holiday.

Section 602. Death in Family

- (a) Upon proof of death in the employee's immediate family, such employee will be granted three work day's leave of absence with pay. The pay for such leave will be eight hours pay per day. The three-day leave will be consecutive workdays and will include the funeral day as one of the days. Immediate family will be taken to include spouse, children, including adopted or a child of court appointed guardian, or if they are listed in the Authority's official benefits record as a dependent, mother, father, siblings, grandchildren, and current parents-in-law.
- (b) Upon proof of death an employee will be granted one (1) day leave of absence with pay for the purpose of attending the funeral of a grandparent.

ARTICLE VII

Section 701. Sickness

- (a) Under the same terms and conditions of qualifications that are currently applicable, the Authority will provide supplemental sick benefits comparable to those payable under the Benefits Trust Life Insurance Company G P

7000. Such coverage will not be restricted to any particular carrier and may be Authority self-insured.

- (b) Whenever doubt or uncertainty shall arise concerning the nature or extent of an employee's disability, SEPTA reserves the right to conduct an independent investigation or physical examination.

Section 702. Continuation of Benefits

When an employee separates from service with the Authority for any of the following reasons, his/her benefits will continue as set forth below. Benefits for purposes of this Section means medical, dental, vision, prescription, and life insurance.

1. **Furlough**. Benefits will continue through the fourth (4th) calendar month following the calendar month in which the employee last worked.
2. **Leave of Absence**. Benefits will continue through the calendar month following the calendar month in which the employee last worked.
3. **Retirement**. Benefits will continue in accordance with the retiree benefit provisions of this Agreement.
4. **Resignation**. Benefits will cease on the first calendar day following the date of resignation.
5. **Dismissal for Cause**. Benefits will cease on the thirty-first (31st) calendar day following the date of dismissal if the employee files a timely grievance on the dismissal. If no timely grievance is filed, benefits will cease on the first (1st) calendar day following the date of dismissal.
6. **Death**. Benefits for eligible dependents which the employee had in effect immediately prior to death will continue through the fourth (4th) calendar month following the calendar month in which the employee died.
7. **Disability**. When a medical condition, whether or not work-related, renders an employee unable to work for a period of more than thirty (30) days:
 - a) Benefits for the employee and his/her eligible dependents in effect immediately prior to the date the period of absence commenced will continue through the calendar year next following the calendar year in

which the employee last worked. If the employee remains unable to work at that time, benefits for the employee (but not his/her dependents) will continue for up to one (1) additional calendar year.

- b) If an employee returns to work before expiring the time periods stated above and subsequently becomes unable to work due to a medical condition for a period of more than thirty (30) days, whether or not work-related and whether or not a recurrence or aggravation of the prior condition, the employee will remain eligible for the balance of the periods of benefits continuation above that have not been used. Once an employee has returned to work and rendered continuous active service, without an absence of thirty (30) days or more, for the balance of the month in which he/she returned plus an additional four (4) calendar months, the employee again will be eligible for the full periods of benefits continuation set forth above.
- c) When an employee's eligibility for benefits continuation expires, or if the employee is not eligible for such continuation, all Authority benefits will stop. Thereafter, if the employee returns to active employment with the Authority, his/her benefits will be reinstated with no waiting or eligibility periods, and the employee's seniority will be restored, except that seniority will not accrue following the date benefits stopped for purposes of determining Years of Completed Service for vacation and for purposes of the wage rate progression in this Agreement.

Section 703. Family and Medical Leave Act

The Authority will grant leaves of absence to eligible employees in accordance with the Family 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.

- (i) 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.
- (ii) Eligible employees will be entitled to take up to twelve (12) weeks of FMLA leave in each leave 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.

- (iii) 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.
- (iv) 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 and district director of such election at the commencement of the leave.

ARTICLE VIII

Section 801. Health and Welfare Plan

- (a)(1) For the duration of this agreement, employees currently enrolled in the PPO 5/15/70 plan will be enrolled in the PPO 10/20/70 plan with the following modifications: Emergency Room co-payment of \$100.00 waived if admitted; removal of all \$75.00 co-payments ;physical, speech and occupational therapist services, \$20.00 co-payment for visits 1-30, \$30.00 co-payment for visits 31-60(per calendar year); and chiropractic visits limited to 20 (per calendar year). The HMO plan shall be the Keystone 5 Plan.
- (2) All such plans will provide cost containment features - second opinions, outpatient surgery, hospice care, pre-admission certifications, weekend admission restrictions. The Authority may offer to bargaining unit employees, as an alternative to the above plan, a comparable HMO plan. Employees may annually, during the open enrollment period, elect to change coverage from either plan to the other, subject to the coverage rules of the elected plan.
- (3) The Union agrees in turn to adopt, and offer to BMW members on a voluntary basis, the same cafeteria plan under the same conditions, which is offered to management on an annual basis, and to implement

these programs in good faith. The Union also agrees to adopt the recommendations with regards to hospitalization, prescription, and vision benefits developed and offered to management employees. All programs developed and implemented will provide hourly employees with the same health benefit enjoyed by management employees at SEPTA. However, the current benefit levels, in any area, can only be reduced below the current levels by mutual agreement of the parties, and/or under the terms of Section VI of the Railway Labor Act. BMW and the Authority agree to meet on an annual basis to review the cost of health and welfare, and discuss any proposed changes. Where the Authority has demonstrated a clear and conclusive need for a change in the benefit levels, BMW agrees not to unduly withhold agreement.

- (b)(1) After the successful completion of 90 days of continuous service, employees hired on or after January 1, 1983, will become entitled to the then current health and welfare coverage subject to the following contributions:

The employee will contribute one (1%) percent of forty (40) hours at the employees hourly wage rate as set forth in the Wage Rate manual on a weekly basis by payroll deduction. For those employees currently paying the 20/30% contractual contribution rates; the contribution rates will revert to the one percent (1%) rate.

Employees who are on leaves of absence without pay shall be required to make their normal contributions of one percent (1%) of forty hours at the employee's hourly wage 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.

- (2) New hires (upon successful completion of 90 days of continuous service), will only be eligible to apply for coverage under the HMO plan. Current employees and current retirees will not enter the traditional indemnity medical plan (indemnity plan), but will select either the Personal Choice (PPO) 10/20/70 plan or the Keystone 5 HMO plan offered by the Authority. Employees who elect to remain in the indemnity plan will be required to pay the difference in between the cost of that plan and the PPO plan in addition to the employee contributions set forth in (b) (1).
- (3) All other employees will continue to have coverage at the applicable dependent status tier (e.g., single, husband/wife, family, etc.) and contribution rates, after the period cited in (b)(1) above.

All covered plans amended to comply with the Federal Health Insurance

Portability and Accountability Act and the Mental Health Parity Act.

Effective January 1, 1999, employees will be able to opt out of medical coverage if they have alternative coverage. The opt out payment will be equal to one-third of the cost of the employee's applicable HMO dependent status tier.

- (c) An employee who is qualified to receive health insurance under this section will be provided a life insurance policy in the amount of \$40,000 while an active employee and \$10,000 upon retirement. Employee Accidental Death and Dismemberment Benefit-maximum benefit is \$20,000.
- (d) The duration of post-retirement medical coverage will be 36 months for retirees in the indemnity plan or PPO plan and 50 months for retirees in the HMO plan. (This benefit is guaranteed for each such retiring employee and his/her spouse for the term of this labor agreement or until the ratification of the subsequent labor agreement if it is not continued by renegotiations.)
- (e) As a result of the "Railroad Retirement and Survivors Improvement Act" being enacted into law and lowering the retirement age to 60, SEPTA will provide coverage in accordance with the Authority's health plans until age 65.
- (f) SEPTA will continue to provide coverage under its Health and Welfare plan to any employee who is a Union representative on a leave of absence to attend Union business. This coverage will be under the same terms and conditions, including all co-payments that would normally apply to any covered employee and is to include continued participation in all of the insurance plans covered by the collective bargaining agreement.

Section 802. Dental Plan

- (a) Employees who transferred to and commenced work with SEPTA prior to the date of this Agreement will be provided substantially comparable dental benefits to those provided in the Railroad Employees National Dental Plan, Aetna Policy GP 12000.
- (b) For employees hired on or after the date of this Agreement, such dental coverage will become effective in the 15th month of employment with SEPTA at which time SEPTA will pay 100% of the premium.

Section 803. Prescription

- (a) After completion of fifteen (15) months of active employment, co-

payments for employees, their spouses, and their dependent children will be \$5 generic/\$10 Preferred Brand/\$20 non-preferred brand. For mail order prescriptions employees will pay one co-payment for a ninety (90) day supply when prescribed by a physician. A specialty pharmacy benefit program will be implemented through the pharmacy benefits manager (Biocare or a comparable program).

- (i) 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.
 - (ii) Prescription, Dental, and Health and Welfare Benefits will be extended to dependent children of employees above the age of 19 years, provided they are full time students, up to the age of 23 years.
- (b) Employees other than those who transferred to and commenced work with SEPTA prior to the date of this Agreement will become entitled to such benefit after completion of fifteen (15) months of employment.
 - (c) For employees who retired before ratification of this Agreement, a twenty percent (20%) deductible prescription plan will be provided for a retiring employee and spouse for a maximum period of three years, or at age sixty-five (65), whichever occurs first. This benefit is guaranteed for each such retiring employee and his/her spouse for the term of the Agreement and, is subject to renegotiations upon expiration thereof.
 - (d) For employees who retire on or after ratification of this Agreement, a prescription plan will be provided for a maximum of three (3) years, or until age sixty-five (65), whichever occurs first, under which the co-payments for prescriptions will be \$5 generic/\$10 brand with the same mandatory generic features as active employees. This benefit is guaranteed for each such retiring employee and his/her spouse for the term of the Agreement and is subject to renegotiations upon expiration thereof.
 - (e) At the time a retiree is no longer eligible for prescription coverage, he/she will be eligible to purchase prescription benefits under COBRA for up to 36 months or their eligibility for Medicare, whichever comes first.

Section 804. Vision Plan

- (a) Each employee, spouse, and dependent child will be entitled to vision services once in a twelve (12) month period.

- (b) Employees who avail themselves of glasses will be required to secure safety lens glasses.

Section 805. Pay-Benefit Credit

If by decision of an outside agency an employee receives benefits for which SEPTA is responsible to pay and later SEPTA is required to reimburse him for the same period of time, SEPTA shall credit against such subsequent award the payment made by the agency.

Section 806. 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 one credit union designated 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 deduction and turn them over to the credit union together with a list of the employees for whom such deductions are made.

Section 807. COPE

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 for 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 COPE Fund.

Because of logistical problems, the procedure will be put into effect within the first six months of the new agreement.

ARTICLE IX

Section 901. Vacations

- (a) Vacations will be provided based on the following:
 - (i) Employees transferred to SEPTA under the Implementing Agreement: Compensated days and years of service recognized by Conrail together with compensated days and years of service with SEPTA.

(ii) Employees hired on or after January 1, 1983 other than pursuant to the Implementing Agreement: Compensated days and years of service with SEPTA.

(b)(1) Vacation allowance will be eight hours straight time pay per day at the employees regular rate.

In order to qualify for a vacation, with pay, an employee would be required to work at least one hundred and twenty (120) days on which work was available to him in the preceding calendar year, otherwise no vacation or pay would be due.

(2) Notwithstanding the above paragraph, any employee who is furloughed by SEPTA will be credited with the time actually rated and credited to a similarly prorated amount of vacation to be paid.

(c) Vacations will be selected by the employee in order of SEPTA seniority from quotas established by SEPTA.

(d) Employees will qualify for vacations as follows:

<u>Years of Completed Service</u>	<u>Days Vacation</u>
1 Year	5 days
2 Years	10 days
8 Years	15 days
15 Years	20 days
23 Years	25 days

Employees will receive such vacation as long as they are on the active payroll when the vacation payment becomes due. Employees who earned vacation in the preceding year and retire before taking vacation for the current year will receive such allowance in a lump sum payment. For current employees who die and earned vacation in the preceding year and die before taking vacation for the current year, the Authority shall pay such allowance to the spouse of the employee.

In the event the employee works the current year and is on the Authority payroll in December of the current year and retires in January, he shall be paid his vacation allowance in a lump sum provided as is otherwise qualified. An employee who works the required 120 days in a calendar year, then retires or dies, will be paid the vacation allowance earned in that calendar year for the following year.

(e) The vacation year will be the calendar year and vacations will not carry over.

- (f)(1) Employees who qualify for ten (10) days vacation may elect to take five (5) days in single days if such election is made at the time of the vacation picking. Individual day requests will be granted on a first-come-first-served basis only and by mutual agreement between employee and supervisor. Single day vacations must be taken no later than December 15th of the particular year or be forfeited.
- (2) Employees who qualify for fifteen (15) days vacation may elect to take fifteen (15) days in single days if such election is made at the time of the vacation picking. Individual day requests will be granted on a first-come, first-serve basis only and by mutual agreement between employee and the supervisor. Single day vacations must be taken no later than December 15th of the particular year or be forfeited.
- (g) Any employees eligible for vacation will be allowed to sell one (1) week back to the Authority at said employee's regular rate of forty (40) hours. Such intention must be made known at the time of the vacation picking.

Section 902. Leave of Absence

- (a) Upon written application to the Immediate Supervisor, a leave of absence without pay, for reasons satisfactory to SEPTA, may be granted for a period not to exceed thirty days, provided the services of the employee will not be required during such period and there are employees available capable of doing his work. No leave of absence will be granted to an employee to engage in other employment for remuneration, unless SEPTA agrees at the time the leave of absence is granted; and if an employee is granted a leave of absence without such agreement having been made and he engages in other employment for remuneration during his leave of absence, his leave of absence will be canceled.
- (b) A reasonable number of full-time officers of the Union will be granted leave of absence without pay, for their term of office, upon written request of the General Chairman of the Union, such leave to be effective only during such periods as such employees are conducting Union business which includes directly servicing employees of SEPTA in the SEPTA operating region.
- (c) When an employee is granted a leave of absence he will continue to accrue all types of seniority during the effective period thereof.
- (d) Failure to report for work upon the expiration of leave of absence, without being excused by SEPTA, shall constitute a cause for dismissal from employment.
- (e) When an employee is granted a leave of absence for a period of thirty or

more days, the time accrued during the effective period thereof will not be counted as service with SEPTA for purposes of determining the time of increases in gradation pay.

Section 903. Failure to Report to Work

Failure to report for work, without being excused by SEPTA, shall constitute a cause for dismissal for employment, but is subject to the grievance procedure.

ARTICLE X

Section 1001. 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 1002. Employees Covered

- (a) This Agreement is applicable solely to employees comprising the Union Unit when performing work in a job within said Union Unit.

- (b) Casual employees are not covered by this Agreement. Part-time employees are not eligible for the benefits provided for in this Agreement nor do they accrue any seniority.

Section 1003. Management Functions

All management functions and responsibilities which SEPTA has not expressly modified or restricted by a specific provision of this Agreement are retained and vested exclusively in SEPTA, including, but not limited to, the right to establish and administer policies, procedures and standards of services, training, operations, and maintenance; to utilize technology; to direct the work force; to reprimand, suspend, discharge or otherwise discipline employees for cause; to hire, promote, demote, transfer, lay-off and recall employees to work; to determine the number of employees and the duties to be performed; to contract out; to maintain the efficiency of employees; to establish, expand, reduce, alter, combine, or consolidate, or abolish any operation or service; to determine staffing patterns and areas worked; to establish and change work schedules and work standards; to require employees to work overtime; to control and regulate the use of facilities, supplies, equipment and other property of SEPTA; to

determine the number, location and operation of divisions, departments and all other units of SEPTA, the assignment of work, the qualifications required, and the size and composition of the work force; to make or change SEPTA rules, regulations, policies and practices; and otherwise generally to manage SEPTA, so as to attain and maintain full operating efficiency.

Section 1004. Contracting Out

Except in emergencies, employees will perform normal and routine maintenance. SEPTA shall give favorable consideration to having certain repair work performed by its employees instead of being contracted out, provided the work is performed with existing facilities, without adding employees, and that the cost of such work is competitive with outside manufacturers as to the quality, price, and time of performance, and will not conflict with the performance of normal maintenance. It is not the intention of SEPTA to contract out solely for the purpose of reducing the work force.

The Authority agrees to provide the Union with the Capital Budget/Capital Program for each fiscal year after it is approved by the SEPTA Board.

The Authority and the Union will completely discuss and investigate the contracting out before contract is let.

The decision with respect to the contracting out of any particular work shall remain solely that of SEPTA.

This provision is subject to the grievance procedure.

Section 1005. Productivity

- (a) The safe, efficient, and economical operation of SEPTA is a major concern of the public, SEPTA, the employees, and the Union. SEPTA 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. All parties are charged with the responsibility of positively and cooperatively advising management concerning means of improving productivity by maximizing use of time and facilities, reducing equipment breakdowns and delays, improving quality, reducing the need for rework, eliminating waste of material, supplies and equipment, reducing overtime, boosting employee morale, improving safety and focusing employee and management awareness on the need for significantly higher productivity.

- (b) The parties agree to meet during the first six months following ratification of this agreement for the purpose of developing a comprehensive program to improve work location safety for employees, reduce accidents, reduce claims, provide savings and assist employees in returning to work after injuries.

Section 1006. Non-Discrimination

The parties to this Agreement pledge to comply with Federal and State laws dealing with non-discrimination against any employee. This obligation to not discriminate in employment includes, but is not limited to placement, promotion, transfer, demotion, rates of pay other forms of compensation, selection for training including apprenticeship, lay-off or termination.

Section 1007. No Strike

With respect to a strike by this Union, the provisions of the Railway Labor Act shall apply except that it is expressly understood that the Union, its officers, agents, representative and members shall not engage in any sympathy strike, picketing, sit-down, sit-in, slow-down, cessation or stoppage of work or interference or interruption of work in support of any job action of picketing by any Union other than a local railroad union which is representing SEPTA employees in legal labor dispute.

Section 1008. Validity

If any term or provision of this Agreement is at any time during the life of this Agreement in conflict with any law, such term or provision shall continue in effect only to the extent permitted by such law. If any term or provision of this Agreement is or becomes invalid or unenforceable, such invalidity or unenforceability shall not affect or impair any other term or provision of this Agreement.

Section 1009. Completeness of Agreement

SEPTA and the Unions expressly agree that during the negotiations which resulted in this Agreement. Each had the unlimited right and opportunity to make demands and proposals with respect to all proper subjects of collective bargaining and that the understandings and agreements arrived at thereafter are contained in this Agreement. The express provisions of this Agreement for its duration, therefore, constitute the complete and total contract between SEPTA and the Unions with respect to rates of pay, wages, hours of work and other conditions of employment and supersede any and all past agreements, practices, work rules, written and oral understandings, customs and procedures,

whether known or unknown to the parties. No agreement or understanding varying or altering the terms of this Agreement shall be of any validity unless in writing and signed by both the Unions and SEPTA.

Section 1010. Printing of Contract

The Authority will print the labor agreement as soon as practicable after ratification by the parties.

Section 1011. Pay for Performance

The Authority and Union will develop pay for performance programs to reward on-time performance, claims reduction, better attendance, training of employees, improved rider report scores, reductions in passenger complaints and overall revenue increases and cost reduction sharing.

Section 1012. Americans with Disability Acts (ADA)

The parties recognize that SEPTA agrees to comply with all the provisions of the Americans with Disabilities Act.

Section 1013. Late for Work

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 and would have allowed the employee to arrive at work on time.

Section 1014. Safety Committee

The Authority and the Union agree to meet two times per year, or on an "as needed" basis to discuss Health and Safety issues

ARTICLE XI

Section 1101. Term of Agreement

The provisions of this Agreement become effective as soon as can be practicably arranged, unless otherwise specifically indicated, following the ratification of the Union membership and the SEPTA Board and shall continue in full force and effect until changed or modified as provided herein or under the provisions of the Railway Labor Act, as amended.

In a meaningful effort to complete negotiations in sufficient time to permit any

changes agreed upon to become effective promptly after the expiration date of this agreement, the parties may submit section 6 notices six months prior to June 30, 2009. However, no changes will become effective prior to the first day following June 30, 2009.

THIS AGREEMENT INCLUDES APPENDIXES AS ATTACHED.

FOR THE AUTHORITY

s/Patrick J. Battel
Chief Labor Relations Officer
Southeastern Pennsylvania
Transportation Authority

s/Jeffrey T. Sheridan
Manager, Labor Relations
Southeastern Pennsylvania
Transportation Authority

s/Leonard Vicoli
Director of Track
Southeastern Pennsylvania
Transportation Authority

s/William Dilks
Director, Buildings & Bridges
Southeastern Pennsylvania
Transportation Authority

FOR THE UNION

s/William Capik
General Chairman
Brotherhood of Maintenance
of Way Employees

s/Henry Wise
Vice President, N.E. Region
Brotherhood of Maintenance
of Way Employees

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s/Sean Gerie
President, Local 2910
Brotherhood of Maintenance
of Way Employees

s/ Michael Barrett
Local Chairman
Brotherhood of Maintenance

Appendix A
Productivity / Attendance

- (a) Employees will receive one (1) paid incentive day for each one hundred and eighty (180) consecutive days with no sick days, AWOL, emergency at home, sickness in family, personal court, personal emergency, IOD, latenesses, suspension days, or withheld from service for lack of qualifications. Paid incentive days may be taken without the required forty-eight (48) hours notice with the permission of the location management. Alternatively, employees may cash in a paid incentive day at any time and receive eight (8) hours pay at their straight time rate. Paid incentive days may be accumulated to a maximum of fourteen (14) days. For each day that exceeds the maximum, the employee shall receive eight (8) hours pay at the employee's regular rate of pay. Such pay shall be included in the pay period following the date on which the incentive day was earned.

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

INCIDENTS OF NON-ATTENDANCE AND POINTS

I. LATENESS

- (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.

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II. SICK TURN-INS

Each sick turn-in will be assessed two (2) points.

At least Four (4) similar types of turn-ins in one (1) year will establish a recognizable pattern:

- Four (4) turn-ins on the same day of the week
- Four (4) turn-ins before and after days off
- Four (4) turn-ins on the weekend (Saturday and Sunday)
- Four (4) 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. A turn-in that establishes the pattern 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.

III. AWOL

A one-day AWOL will be assessed ten (10) points. The second day of the same AWOL will be assessed an additional 10 points, and the appropriate step in progressive discipline will be administered. The third day of the same AWOL the employee will be subject to discharge.

The second AWOL occurrence, or subsequent AWOL, within two (2) years of the first will subject the employee to progressive discipline, one step beyond that which the employee would have received.

In cases where the second AWOL, or subsequent AWOL, within two years of the first results in discharge, the employee shall forfeit all rights to continue working under the terms of Section 401 while the grievance is being processed.

Employees who, while working under the provisions of Section 401 and who continue to accumulate additional points to cause discipline, or who is AWOL, will be taken out of service immediately, (however, the grievance procedure will continue).

In the event an employee is granted a "last chance" the total points

accumulated as referenced to in the above paragraph, will be reduced to no more than seventeen (17) points.

IV. DISCIPLINE

Subject to the general rules set forth below, points are 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:

- a) One-day suspension;
- b) Three-day suspension with a final warning;
- c) 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.

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

All discipline other than discharge under the Attendance Point System shall be administrative.

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/her and will be interviewed upon accumulating thirteen (13) or more points.
- (c) For every month in which an employee has no incidents of non-attendance covered by the point system, will reduce the employee's point total by two (2) points. Beginning with the sixth consecutive month without a non-attendance incident will reduce the employee's point total by three (3) points for each month. The point total, however, cannot be less than zero (0). FMLA Leave will be treated as "neutral" time and will not be counted towards or against perfect attendance accrual. An employee who is absent as a result of FMLA Leave will have the 180 consecutive day count stopped the day he/she goes off and the count will resume the day the employee returns to work.
- (d) Employees requesting time off for an emergency at home(EAH) or a

sickness in the family(SAH) , may be excused by management and must utilize whatever paid time is available, including paid incentive days, personal days , floating holidays and single vacation days. In lieu of using a paid day, the employee may request an unpaid day with no point assessment provided the employee submits proper documentation of the EAH or SAH. Employees will be limited to one (1) unpaid day without points each calendar year. If no paid time is available and the one unpaid day has been used, then employees taking additional EAH-SAH days will be assessed two (2) points for each occurrence. The foregoing shall also apply to “early mark-offs” for undocumented EAH-SAH. All the terms of this section shall be construed in accordance with the Family Medical Leave Act.

- (f) When an employee has successfully completed the previous seven hundred and thirty (730) calendar days without being issued any disciplinary suspension as a result of the application of the Attendance Point System (APS), progressive discipline will start anew thereafter.
- (g) “Last Chance” – See Section 401 (t)(v) for this provision.
- (h) The parties recognize the foregoing point system will be effective upon ratification by the parties.

VI. Right to Grieve

The attendance point system is a no fault system and the union or employees may only grieve matters considered to be a mistake in the calculation of points as set forth in the program. In the event that an employee is discharged, in which case the proper calculation of points would be reviewed in its entirety to ensure no mathematical errors occurred as it applied to that individual. No other grievances will be accepted concerning this system.

It is also expressly understood that no arbitrator can change, alter or amend any aspect of the attendance point system as written. The arbitrator shall be limited to a review of the point calculation in the event the Labor Relations step review is not satisfactory to the union.

APPENDIX B

Productivity Committee

Within three (3) months following the ratification of this Agreement the Productivity Committee will convene to review and update the job descriptions below:

Buildings:	Masons Plumbers
Track Section:	Track Equipment Operator Class III Track Maintainer Class II Rail Maintainer Class II

If there is no Agreement on any one or all of the above listed classifications, either side can move to arbitration. The arbitration will be restricted to the job submitted and to the determination of whether or not the job in dispute is predominately similar to the job in dispute which is claimed by the other to be the like job classification in SEPTA system.

APPENDIX C

June 3, 1987

Mr. Leonard W. Allen, General Chairman
Brotherhood of Maintenance of Way Employees
Raymond-Commerce Building, Suite 1227-8
1180 Raymond Boulevard
Newark, NJ 07102

Dear Mr. Allen:

In addition to those items contained in the Memorandum of Agreement of June 3, 1987 the following items were agreed upon:

Section 802 - As soon as can be practicably arranged the Dental Plan shall be changed to provided the same schedule of benefits as those provided in Attachment "A". The Authority will review with the Union within thirty (30) days of ratification the possibility of the Dental change.

Safety Committee: The Authority and the Union's General Chairman will meet as mutually agreed to discuss matters of concern with respect to the health and safety of employees or others.

Notes or minutes of each meeting will be kept of items discussed and recommendations or solutions.

APPENDIX D

May 13, 1983

Mr. S. R. Freccia, General Chairman
Brotherhood of Maintenance of Way Employees
16 Court Street, Room 610
Brooklyn, NY 11241

Mr. F. L. Lecce, General Chairman
Brotherhood of Maintenances of Way
Employees Land Title Building, Suite 606
Broad & Chestnut Streets
Philadelphia, PA 19110

Dear Messrs. Freccia and Lecce:

This will confirm additional understandings reached during negotiation of the Agreement between the Southeastern Pennsylvania Transportation Authority ("SEPTA") and the Brotherhood of Maintenance of Way Employees (the "Union") reached this date:

Split-Shift-Allowance - A time allowance of whichever is the greater of (1) fifteen minutes or (2) one minute for each two minutes of scheduled spread time in excess of ten hours but not in excess of eleven hours and one minute for each minute of scheduled spread time in excess of eleven hours. will be made for each split assignment of the kind defined below for an employee who may be required to work such a split assignment, viz., a scheduled day's work. exclusive of any overtime work, which includes a single continuous period, in addition to any scheduled rest or meal period, between the scheduled starting time and the scheduled finishing time during which period no work is scheduled and which period is not included in the pay time for said scheduled day's work. The scheduled spread time of such a split assignment is eight hours plus the length of the aforesaid single continuous period exclusive of any scheduled rest or meal period.

Sincerely yours,

s/F. X. Hutchinson
Chief Industrial Relations Officer
Southeastern Pennsylvania
Transportation Authority

APPENDIX E

May 13, 1983

Mr. S. R. Freccia, General Chairman
Brotherhood of Maintenance of Way Employees
16 Court Street, Room 610
Brooklyn, NY 11241

Mr. F. L. Lecce, General Chairman
Brotherhood of Maintenances of Way Employees
Land Title Building, Suite 606
Broad & Chestnut Streets
Philadelphia, PA 19110

Dear Messrs. Freccia and Lecce:

This will confirm additional understandings reached during negotiation of the Agreement between the Southeastern Pennsylvania Transportation Authority ("SEPTA") and the Brotherhood of Maintenance of Way Employees (the "Union") reached this date:

Section 306 - It is understood that Section 306 will not be operable in the absence of a reciprocal agreement with the Union representing the employees at the receiving location.

Section 501 - The progressive rates of pay as specified in the wage rate manual have been revised to reflect ninety percent (90%) of the wage rate for "after training to twelve months" for the first class and specialist classifications. The 13-24 and 25-30 month progressions have been eliminated for the first class and specialist classifications only.

As soon as can be practically arranged with the carrier, SEPTA shall provide Off-Track Injury Benefits comparable to the coverage provided to employees transferring to SEPTA pursuant to the Implementing Agreement prior to the date of such transfer.

Sincerely yours,

s/F. X. Hutchinson
Chief Industrial Relations Officer
Southeastern Pennsylvania
Transportation Authority

APPENDIX F

Southeastern Pennsylvania
Transportation Authority
200 Wyoming Avenue
Philadelphia PA 19140
(215) 456-4000

September 11, 1989

Mr. W. E. LaRue, Vice President
Brotherhood of Maintenance of Way Employees
106 Brandywine Avenue, 2nd Floor
Downingtown, PA 19335

Dear Mr. W. E. LaRue:

This letter will confirm the understanding reached at our August 17, and September 8, 1989 meetings regarding the percentage relationship between job classifications.

Effective August 6, 1989, SEPTA established the percentage differences between classifications as follows:

CLASSIFICATION PERCENT DIFFERENCE

Specialist	13.1% greater than Third Class Rate
First Class	8.5% greater than Third Class Rate
Second Class	3.9% greater than Third Class Rate
Third Class	BASE
General Helper	98.4% of the Third Class Rate

In the future, neither the percentage differences nor the base rate will be reduced without the proper procedures required by the Railway Labor Act (RLA), and the base rate of pay will be subject to future negotiated increases between SEPTA and the BMWWE.

Further, it is understood that the August 6, 1989 changes to the hourly rates of pay will not in any way effect the current negotiations between SEPTA and the BMWWE being conducted as a result of the Section 6 Notice filed by the BMWWE on May 1, 1989.

If this is your understanding, please sign both copies of this letter, return one to my attention and retain the other for your files.

Very truly yours,

For the Union
s/W. E. LaRue

s/R. B. Birnbrauer, Chief
Industrial Relations Officer

APPENDIX G

Southeastern Pennsylvania
Transportation Authority
Labor Negotiations Department April 3, 1990
Three Penn Center
1515 Market Street
Philadelphia, PA 19102-1906

Mr. W. E. LaRue, Vice President
Brotherhood of Maintenance of Way Employees
106 Brandywine Avenue, 2nd Floor
Downingtown, PA 19335

Dear Mr. LaRue:

As agreed, the following item discussed in the negotiations has been tabled without prejudice to either party's position.

Notwithstanding the foregoing, the union may undertake lawful self-help (including withdrawal of services) in response to SEPTA violations of the Railway Labor Act; and, the union may undertake collective or individual withdrawal of services, where such activities are otherwise protected by the provisions of the Federal Rail Safety Act of 1970, as amended; and further, that the union may withdraw services or otherwise honor the picket lines of railroad unions representing SEPTA employees."

Further, in reference to the prorating of days worked to accrue a prorated time for vacation, the following is an example of how it will be calculated.

Employee is entitled to ten (10) days vacation for which he must work at least one hundred twenty (120) days.

He worked sixty (60) days and is then furloughed.

Having worked 50% of the required days, he will be entitled to 50% of his vacation eligibility or five days vacation and pay.

If this is your understanding, kindly sign one copy of this letter and return it to the undersign and keep one for your files.

Sincerely,

s/F. X. Hutchinson
Chief Officer
Labor Negotiations

For the Union
s/W. E. LaRue

APPENDIX H

Southeastern Pennsylvania
Transportation Authority
Labor Negotiations Department
Three Penn Center
1515 Market Street
Philadelphia, PA 19102-1906

April 3, 1990

Mr. W. E. LaRue, Vice President
Brotherhood of Maintenance of Way Employees
106 Brandywine Avenue, 2nd Floor
Downingtown, PA 19335

Dear Mr. LaRue:

In accordance with your understanding reached today, SEPTA will not assign its employees or the employees of contractors hired by SEPTA to work on an employer's property. nor allow the use of its property, facilities or equipment by another employer, while such employer's employees, in whole or in part, have withdrawn services in conjunction with a labor dispute.

If this is your understanding, kindly sign one copy of this letter and return it to the undersigned and keep one for your files.

Sincerely,

s/F. X. Hutchinson
Chief Officer
Labor Negotiations

For the Union

s/W. E. LaRue

APPENDIX I

Southeastern Pennsylvania
Transportation Authority
841 Chestnut Street
Philadelphia, PA 19107-4484

October 31, 1990

1(215) 580-4000

Mr. P. Sharpe
Vice Chairman Secretary.-Treasurer
Brotherhood of Maintenance of Way Employees
4614 Shelbourne Street
Philadelphia, PA 19124

Dear Mr. Sharpe:

The Blue Cross Blue Shield coverage referred to in the Memorandum of Agreement of July 23, 1990, is identified as the following:

- a. Blue Cross 365 Day Preferred Comprehensive Plan;
- b. Blue Shield 100 Plan;
- c. Major Medical \$1,000,000 Plan;
- d. Includes coverage for medical expenses incurred by work connected on-the-job injury.

Very truly yours,

s/J. J. O'Brien, Jr.
Director
Labor Negotiations

APPENDIX J

May 13, 1983

Mr. S. R. Freccia, General Chairman
Brotherhood of Maintenance of Way Employees
16 Court Street, Room 610
Brooklyn, NY 11241

Mr. F. L. Lecce, General Chairman
Brotherhood of Maintenances of Way Employees
Land Title Building, Suite 606
Broad & Chestnut Streets
Philadelphia, PA 19110

Dear Messrs. Freccia and Lecce:

This is to confirm our understanding that the Authority shall provide employees a leave of absence from duties without loss of pay, not exceeding fifteen (15) days in any one year during which they are, as members of reserve components, engaged in the active service of the U.S. or in field training ordered or authorized by the Federal or Commonwealth forces (i.e. (1) The Army National Guard of the U.S., (2) The Army Reserve, (3) The Naval Reserve, (4) The Marine Corps Reserve, (5) The Air National Guard of the U.S., (6) The Air Force Reserve, (7) The Coast Guard Reserve, and (8) PA National Guard Units).

The procedures to be followed are as follows:

1. Active duty constitutes duty which is of a full time extended nature; i.e., two weeks summer encampment, six months or longer active service in the field. Specifically weekend or monthly drills are not active duty.
2. Each employee who is a member of one of the aforementioned units should promptly notify his Superintendent or Department Head of this status and also immediately upon notification of a call to active duty, present the copy of military orders.
3. The Department Head will prepare the necessary forms to provide a leave of absence sufficient to cover the period of time required by the order to active duty.

APPENDIX J continued

4. Pay is not offset by any amounts received by employees from the military.
5. The Department Head will execute the necessary forms to ensure that the employee loses no pay for up to the first fifteen (15) working days of the leave of absence. (No more than fifteen days pay in any calendar year - no pay for regular scheduled days off, i.e., Summer encampment: 8/3 through 8/16 - ten days pay, not pay for scheduled days off).
6. Mechanical and Facilities Department Employees - Eight (8) hours per day.
7. If the employee chooses he must be provided with vacation time off other than the time of active military service.
8. However, if the hourly employee voluntarily elects to take his vacation concurrently with the military leave he will be paid not only his regular wages for lost working days, but in addition the eligible hours of vacation allowance.

Sincerely,

s/ F. X. Hutchinson
Chief Industrial Relations Officer
Southeastern Pennsylvania
Transportation Authority

Concur:

APPENDIX K

Memorandum of Agreement

BMW (B&B)

There will be an initial picking to select assignment to Line, Station, or Support Group.

Thereafter, there will be at least two pickings a year with the exception of those employees who have picked or been assigned to the Center City locations (Suburban Station) who will be permitted only one picking a year.

s/Gregory J Barbati

s/Paul J. Sharpe

s/James B. Perry

s/F.X. Hutchinson

s/J.J. O'Brien, Jr.

s/Ronald H. Trower, Sr.

APPENDIX L

December 5, 2006

Mr. William Capik
General Chairman
Brotherhood of Maintenance of Way Employees
P.O. Box 127
South Amboy, NJ 08879

Dear Mr. Capik:

This letter will confirm that employees of SEPTA who are members of your organization, who are full-time employees and meet all eligibility requirements are covered under the AETNA Life and Accident Supplemental Sickness Benefit Plan.

Pursuant to your request during contract negotiations, a summary of those benefits is contained herein. Any employee requesting additional information or needing claim assistance will be referred to the appropriate authority Benefits Department representative.

Summary of Benefits:

Basic Benefit Amount

Classification	Per Month	Per Day (1)	Per Month	Per Day (2)
Class 1	\$1,033.00	\$34.43	\$2,251.00	\$75.03
Class 2	\$ 907.00	\$30.23	\$2,215.00	\$70.83
Class 3	\$ 763.00	\$25.43	\$1,981.00	\$66.03

Note 1. Benefit amount for employees who have not received maximum sickness benefits under RUIA in the benefit year involved.

Note 2. Benefit amount for employees who have received maximum sickness benefits under RUIA in the benefit year involved.

Benefits start: Fifth (5th) consecutive day of disability

Maximum benefit Period: 12 months

Employee Classification

Class 1 earning \$19.19 or more per hour or \$4,449.00 or more per month.

Class 2 earning not less than \$17.89 per hour or not less than \$3,101.00 per month.

Class 3 earning less than \$17.82 per hour or \$3,101.00 per month.

Further information concerning this plan can be found in the Supplemental Sickness Benefit Plan booklet dated January 1, 2006.

Very truly yours,

Jeffrey T. Sheridan
Manager, Labor Relations

JTS\dk

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APPENDIX M

FMLA LEAVE AND APPENDIX A (C) Perfect Attendance

December 5, 2006

Mr. William Capik
General Chairman
Brotherhood of Maintenance of Way Employees
P. O. Box 127
South Amboy, NJ 08879

Re: FMLA Leave and Appendix A (c) Perfect Attendance

Dear Mr. Capik:

You have asked that I clarify the Authority's position and its effect on Appendix A (c) (Perfect Attendance) regarding FMLA Leave. The Authority will handle this matter in the following way:

FMLA Leave will be treated as "neutral" time and will not be counted towards or against perfect attendance accrual. An employee who is absent as a result of FMLA Leave will have the 180 consecutive day count stopped the day he/she goes off and the count will resume the day the employee returns to work.

Very truly yours,

Patrick J. Battel
Chief Labor Relations Officer
PJB\dk

cc: H. Wise

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APPENDIX N

December 5, 2006

Mr. William Capik
General Chairman
Brotherhood of Maintenance of Way Employees
P. O. Box 127
South Amboy, NJ 08879

Re: Proposed Memorandum of Agreement-SEPTA and BMW

Dear Mr. Capik:

This will reference Section 801 of the proposed memorandum of agreement. Prior to an employee being dropped from SEPTA benefits, a letter is sent to remind the employee that they are in arrears. If the employee does not arrange timely payment, another letter is sent to the employee to notify them that they are being dropped from coverage. The employee is also notified of their option to purchase coverage under COBRA.

If the employee arranges timely payment of the weekly contribution amount owed to the Authority, prior to being dropped, the coverage will not be interrupted. If the employee is dropped, and does not arrange to obtain benefits through COBRA, the employee will not have coverage. Once the employee returns to work, or resumes paying for healthcare, the benefits will be reinstated prospectively. This is the procedure for all hourly and management employees at SEPTA.

As always, please contact my office if you have any other questions.

Very truly yours,

Jeffrey T. Sheridan
Manager, Labor Relations

cc: P. Battel H. Wise
\\Jeffrey\Capik\Capik.ltr46