

Wage and Working Conditions Agreement

Between the Chicago Transit Authority
and the Automobile Mechanics Union,
Local Union 701



Effective January 1, 2012 through December 31, 2016



**CHICAGO TRANSIT AUTHORITY -
THE AUTOMOBILE MECHANICS, LOCAL UNION NO. 701,
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS**

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
ARTICLE I – UNION RECOGNITION AND AUTHORITY AND UNION RESPONSIBILITY.....	1
1.1 UNION RECOGNITION AND SCOPE.....	1
1.2 MEMBERSHIP.....	1
1.3 CHECKOFF.....	1
1.4 UNION STEWARD.....	2
1.5 NON-INTERFERENCE CLAUSE.....	2
1.6 NO STRIKE – NO LOCKOUT.....	2
1.7 EQUAL EMPLOYMENT OPPORTUNITY.....	2
1.8 COPIES OF AGREEMENT.....	3
1.9 LAYOFF.....	3
1.10 UNION-MANAGEMENT COMMITTEE.....	3
1.11 GENDER CLAUSE.....	3
ARTICLE II – CLASSIFICATIONS, WAGE RATES, OVERTIME RATES AND WORKING RULES.....	3
2.1 WAGE RATES.....	3
2.2 PROGRESSION RATES.....	4
2.3 TEMPORARY EMPLOYEES.....	5
2.4 APPRENTICESHIPS.....	7
2.5 HOURS OF WORK.....	7
2.6 OVERTIME.....	9
2.7 EMERGENCY WORK.....	9
2.8 INSTRUCTION PREMIUM.....	9
2.9 OVERTIME PAY FOR SALARIED EMPLOYEES.....	10

2.10	GROUP LEADER.....	10
2.11	ACTING SUPERVISOR AND ACTING FOREMAN.....	10
2.12	WASH AND DRESS PERIOD.....	10
2.13	TOOL REPLACEMENT.....	10
2.14	FUNERAL ALLOWANCE.....	11
2.15	JURY DUTY.....	11
2.16	STATE SERVICE.....	11
2.17	LEAVE OF ABSENCE.....	11
2.18	UNION LEAVE.....	12
2.19	TEST SCORES.....	12
2.20	DRUG AND ALCOHOL TESTING, EMPLOYEE ASSISTANCE PROGRAM.....	12
2.21	FOREMAN ISSUE.....	12
2.22	PROBATIONARY PERIOD.....	12
2.23	PROMOTIONS.....	12
2.24	ASSIGNMENT TO AREA 336.....	12
2.25	LAYOFF AND RECALL.....	13
2.26	BREAKING SENIORITY.....	14
2.27	SENIORITY.....	14
2.28	BUS WHEELCHAIR LIFE MAINTENANCE PREMIUM.....	14
2.29	PAYCHECKS.....	14
2.30	REEMPLOYMENT OF FURLOUGHED EMPLOYEES WHO HAVE BEEN IN THE UNITED STATES MILITARY SERVICE OR FURLOUGHED INJURED EMPLOYEES.....	15
2.31	TRAINING.....	15
ARTICLE III – HOLIDAYS.....		15
3.1	PAID HOLIDAYS.....	15
3.2	HOLIDAY WAITING PERIOD.....	16

3.3	MARTIN LUTHER KING, JR. HOLIDAY.....	16
3.4	VETERANS DAY HOLIDAY.....	16
3.5	SICKNESS BENEFITS INTERACTION.....	16
3.6	VACATION PERIOD CONFLICT.....	16
3.7	PAY BASIS.....	16
3.8	HOLIDAY ELIGIBILITY.....	16
ARTICLE IV – VACATIONS.....		17
4.1	VACATION PLAN REQUIREMENT.....	17
4.2	VACATION ENTITLEMENT.....	17
4.3	VACATION PICK.....	17
4.4	NON-CUMULATIVE VACATION.....	17
4.5	BREAKS IN SERVICE.....	18
4.6	200 DAY REQUIREMENT.....	18
4.7	PAY BASIS.....	18
4.8	VACATION FORMULA.....	18
4.9	PRORATION FORMULA.....	19
4.10	ALLOWANCES IN LIEU OF EARNED VACATION, TERMINATION OF EMPLOYMENT OR SICKNESS.....	20
4.11	ALLOWANCE IN LIEU OF EARNED VACATION, DEATH.....	20
4.12	PRO-RATED ALLOWANCE, MILITARY SERVICE, RETIREMENT OR DEATH.....	20
4.13	RANDOM VACATION DAYS.....	20
4.14	VACATION PAY ADVANCE.....	21
4.15	VOLUNTARY UNPAID TIME OFF.....	21
ARTICLE V – INSURANCE AND SICKNESS BENEFITS.....		21
5.1	COVERAGE.....	21
5.2	LIFE.....	21
5.3	ACCIDENT AND SICKNESS.....	22

5.4(A) COMPREHENSIVE MAJOR MEDICAL, ACTIVE EMPLOYEES AND ELIGIBLE DEPENDENTS.....	22
5.4(B) SUPPLEMENTAL ACCIDENT BENEFITS.....	25
5.4(D) MAIL ORDER PLAN.....	26
5.4(E) EMPLOYEE PREMIUM DEDUCTION – PPO.....	26
5.5(A) DENTAL PLAN.....	28
5.5(B) CASH DEDUCTIBLE.....	29
5.5(C) PREVENTIVE SERVICES AND SUPPLIES.....	29
5.5(D) DIAGNOSTIC AND THERAPEUTIC SERVICES.....	30
5.5(E) RESTORATIVE SERVICES AND SUPPLIES.....	30
5.5(F) PROSTHETIC SERVICES AND SUPPLIES.....	30
5.5(G) NOT COVERED.....	31
5.6 VISION CARE PLAN.....	31
5.7(A) HEALTH MAINTENANCE ORGANIZATIONS – (HMOs).....	31
5.7(B) EMPLOYEE PREMIUM DEDUCTIONS – (HMOs).....	33
5.8 DENTAL MAINTENANCE ORGANIZATIONS – (DMOs).....	33
5.9 PRE-TAX EMPLOYEE CONTRIBUTIONS.....	33
5.10 DEPENDENTS.....	33
5.11 ACTIVE EMPLOYMENT REQUIREMENT.....	34
5.12 TERMINATION OF INSURANCE.....	34
5.13 PLACING OF INSURANCE.....	34
5.14 7-DAY SICK PAY.....	34
5.15 INSURANCE FOR OCCUPATIONAL ACCIDENTAL DEATH AS A RESULT OF FELONIOUS ASSAULT.....	35
5.16 PARTICIPATION IN EMPLOYEE ASSISTANCE PROGRAM.....	35
5.17 THIRD PHYSICIAN DETERMINATION.....	35
5.18 RULES.....	35
5.19 SUBROGATION.....	35

ARTICLE VI – RETIREMENT AND DISABILITY ALLOWANCE.....	35
ARTICLE VII – RETIREE HEALTH CARE TRUST.....	36
ARTICLE VIII – NEGOTIATIONS, GRIEVANCES AND ARBITRATIONS.....	36
8.1 PURPOSE.....	36
8.2 GRIEVANCE.....	36
8.3 PROCEDURE.....	36
8.4 ARBITRATION.....	37
8.5 THE SELECTION OF THE ARBITRATOR.....	37
8.6 DECISION.....	37
8.7 TIME LIMITS.....	37
8.8 EXPENSES.....	37
8.9 DISCHARGE CASES.....	37
ARTICLE IX – TERM OF AGREEMENT.....	37
9.1 TERM OF AGREEMENT.....	37
9.2 SOLE AGREEMENT.....	38
SIGNATURE PAGE.....	39

ATTACHMENTS

SECTION

PAGE

Attachment A:	Fair Share Memorandum of Understanding	A-1
Attachment B:	Reserved	B-1
Attachment C:	Affirmative Action	C-1
Attachment D:	Wage Rate Schedules	D-1
Attachment E:	Apprentice Selection	E-1
Attachment F:	Reserved	F-1
Attachment G:	Drug and Alcohol Testing Agreement	
	• Safety Sensitive	G-1
	• Non-Safety Sensitive*	G-1
Attachment H:	Employee Assistance Program	H-1
	A. Services	H-1
	B. Participation	H-2
	1. Volunteers	H-2
	2. First Time Rule Violators	H-2
	3. Independent Treatment Services	H-3
	C. Treatment Programs	H-3
	D. Restrictions	H-7
	E.1 Return to Former Classification	H-7
	E.2 EAP Participants who do not Desire to Return to Former Safety Sensitive Position	H-8
	F. Bridging of the Work Record	H-9
	G. Program Adherence	H-9
	H. Administration of the Employee Assistance Program	H-11
	I. Hiring of Former Part-Time Employees	H-11
	J. Effective Date	H-11
	K. Grievance/Arbitration Procedure	H-11
	Attachment H Appendix	H-12

EXHIBITS

Exhibit A – Sole Agreements

I

* Attachment G, Non-Safety Sensitive Policy is subject to revision

THIS AGREEMENT, made and executed in duplicate as of the 1st day of January, 2012 by and between the CHICAGO TRANSIT AUTHORITY, a municipal corporation (hereinafter the "Authority"), and THE AUTOMOBILE MECHANICS, LOCAL UNION NO. 701, INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO (hereinafter, the "Union"),

WITNESSES:

ARTICLE I – UNION RECOGNITION AND AUTHORITY AND UNION RESPONSIBILITY

1.1 UNION RECOGNITION AND SCOPE. The Authority recognizes the Union as the sole and exclusive bargaining agent for all of its employees included in the classifications listed in Article II, Section I and Attachment D, excluding Superintendents, Assistant Superintendents Supervisors, Assistant Supervisors, Foremen, Assistant Foremen except the Bus and Truck Mechanic Foreman, Assistant Bus and Truck Mechanic Foremen and Acting Bus and Truck Mechanics Foremen specified above, and all other supervisory employees with authority to hire, promote, discharge, discipline or otherwise effect changes in the status of employees or effectively recommend such action, and also excluding all those employees doing office or clerical work, confidential employees, professional employees, and all other employees in said Authority and in said department, respectively, in classifications other than above specifically set forth. It is expressly understood and agreed that the terms and provisions of this Agreement shall not cover any employee for whom any other labor organization is the proper bargaining agent.

1.2 MEMBERSHIP. All employees covered by this Agreement shall, as a condition of continued employment with the Authority, become members of the Union commencing thirty (30) days after the effective date of this Agreement or commencing thirty (30) days after their date of hire. Notwithstanding the foregoing, nothing in this Section shall inhibit or interfere with the fair share rights and obligations of the employees as set forth in the Illinois Public Labor Relations Act and as detailed in the Fair Share Memorandum of Understanding between the parties which is incorporated by reference herein as Attachment A.

1.3 CHECKOFF. The Authority, for the duration of this Agreement between the parties, agrees to deduct monthly from the pay of each employee member of the Union covered by this Agreement the Union dues for the following month. The Authority further agrees, upon receipt of notice in writing from the Union, to deduct the amount or amounts of such fines and assessments of any kind as may be levied by the Union against any employee member of the Union covered by this Agreement from the pay of such employee, and also the initiation fee of any new employee member of the Union covered by this Agreement. The Authority agrees to remit the deduction for dues once each month and all other deductions promptly to the proper officer of the Union.

Commencing within thirty (30) days of receipt of a signed authorization from an employee, the next month's regular monthly dues and/or assessments of the Union shall be deducted from such employee's pay. The Authority agrees to remit the deductions for Union dues and/or assessments once each month. Nothing in this Section shall inhibit or interfere with the rights and obligations of employees, including the employee's right of revoking authorization as prescribed by applicable law.

1.4 UNION STEWARD. It is understood and agreed that there shall be a shop steward for each of the shops of the Authority covered by this Agreement and when in doubt of a worker's credentials, he shall be allowed to investigate same, providing it does not interfere with the regular work of such steward or worker.

It shall be the duty of said shop steward to assist in carrying out the terms and provisions of this Agreement, including the right to adjust grievances and complaints and prevent violations of the Agreement by an employee covered by this Agreement.

Shop stewards shall have no authority to act as representatives of the Union, except as stated above, and shall have no authority to act as representatives of the Union when causing or attempting to cause strikes, stoppages, slow-downs, or violations of the Agreement.

It is understood and agreed that authorized representatives of the Union having proper credentials shall be permitted to visit the shops during working hours after first receiving permission from the Authority.

1.5 NON-INTERFERENCE CLAUSE. The Authority shall be at liberty at all times during the existence of this Agreement and subject to the provisions hereof, to operate its property according to its best judgment and the orders of lawful authority.

The Union agrees that it will in no way interfere with or limit the right of the Authority to discharge or discipline its employees where sufficient cause can be shown. The Authority will not discriminate against any employee because of his membership in the Union or because he is serving as a representative of the Union. Where an employee feels he has been unfairly dealt with, he may resort to the grievance procedure.

It is expressly agreed that all rights and powers of management are retained by, reserved to, and exclusively vested in the Authority, including but not limited to the right to plan, direct, curtail, determine and control the employer's operations, hire, suspend, discipline or discharge for proper cause, layoff, transfer, to promote efficiency, to contract or subcontract and all rights customarily exercised by an employer, except as may be specifically limited by this Agreement, are vested in the Authority. The Authority and the Union expressly reserve their rights under this Agreement as set forth in Section 4 of the Illinois Public Labor Relations Act. No such right shall be exercised in a manner inconsistent with or contrary to the provisions of this Agreement or the law.

1.6 NO STRIKE - NO LOCKOUT. The Union undertakes and agrees that it will not countenance or permit suspension of work or strikes by employees covered by this Agreement and that such employees will not suspend their regular work or fail to perform their regular duties to and for the Authority or engage in any sympathetic strike while in the employ of the Authority during the term of this Agreement. The Authority likewise agrees that it will not lock out the employees covered by this Agreement while they are in the employ of the Authority during the term of this Agreement or any extension thereof.

1.7 EQUAL EMPLOYMENT OPPORTUNITY. The Union and the Authority agree that there shall be no discrimination in hiring, promotions or other aspects of employment because of race, color, creed, national origin, age or sex and that ability, with consideration of

seniority, shall apply to any promotion of employees in the classifications covered by this Agreement (see also, Attachment C, attached hereto and incorporated by reference herein).

1.8 COPIES OF AGREEMENT. The Authority will provide the Union with six (6) copies of this Agreement after its approval by all parties.

1.9 LAYOFF. During the term of this Agreement there shall be no layoff of any permanent, full-time bargaining unit employee who on January 1, 2012 had one (1) or more years of continuous service. Seniority will be determined by the date the full-time CTA employee entered into the bargaining unit.

1.10 UNION-MANAGEMENT COMMITTEE. The parties agree to form a joint labor management committee composed of four representatives of the CTA and four from the Union to study the issue of a four day work week.

A Union-Management committee will meet and confer on issues concerning innovative work practices, such as self-directed work units, and other matters of mutual interest. If Union and Management so agree, limited pilot programs may be introduced during the term of this Agreement.

The Authority and the Coalition understand and agree that on account of the current economic climate, the parties must increase the efficiency in which their work is performed, so as to reduce costs as much as possible and to preserve the jobs of current employees who are covered by this Agreement. Accordingly, the parties agree to utilize the union-management committee for the purpose of agreeing to reduce redundancies in the performance of work for the Authority and to increase the efficiency of work crews. The committee will meet in order to identify areas where members of one Union periodically may perform certain duties which may historically be performed by members of another Union, and shall implement any such changes as may be mutually agreed to by the Authority and the affected Unions.

1.11 GENDER CLAUSE. Whenever in this Agreement, "he, him, his or related pronouns" appear either as words or parts of words, they have been used for literary purpose. It shall be interpreted to apply to all individuals bound by this Agreement.

ARTICLE II – CLASSIFICATIONS, WAGE RATES, OVERTIME RATES AND WORKING RULES

2.1 WAGE RATES.

A. Except as provided below, the wage rates for employees covered by this Agreement shall be increased by two (2.00) percent effective July 1, 2012, by one quarter (0.25) percent effective January 1, 2013, by one and one half (1.50) percent effective July 1, 2013, by one and three quarters (1.75) percent effective January 1, 2014, by one and one quarter (1.25) percent effective July 1, 2014, by one and three quarters (1.75) percent effective January 1, 2015, and by one and three quarters (1.75) percent effective July 1, 2015.

B. The wage schedules for all employees covered by this Agreement for the period commencing January 1, 2012 are attached hereto as Attachment D and are incorporated by reference herein.

C. Effective January 1, 2012, employees covered by this Agreement shall receive the hourly rate being paid to crafts or job classifications doing similar kinds of work in Cook County pursuant to the formula currently in use by the United States Department of Labor in administering the Davis-Bacon Act.

D. Effective on July 1 of each year of this Agreement beginning in 2011 2012 the wage rate referred to in the immediately preceding section shall be adjusted to reflect the hourly wage rates effective on such dates being paid to crafts or job classifications doing similar work in Cook County pursuant to the formula specified in Section 2.1 B. above. In the event the hourly wage rates effective July of each year covered by this Agreement are established at an effective date later than July 1, then such rates, when established, shall be paid as of said effective date. Except as provided in Section 2.1 B above the Employer will not adjust said wage rates more than one time in any calendar year. The Chief Executive Officer of the Union shall annually certify to the Chicago Transit Authority the adjustment, if any, to the above referenced hourly wage rates to be made on each July 1 during the term of this Agreement. Upon request of the Chicago Transit Authority, the Union shall provide reasonable evidence to support such certification.

The prevailing wage determination for Bus & Truck Mechanic job classification will be "Machinist" as listed in the Illinois Department of Labor Cook County prevailing wage listing and that the current wage rate for that classification as of January 1, 2012 is \$_____.

Notwithstanding the foregoing,

1. Effective January 1, 2011, Bus & Truck Mechanic Foreman will receive \$2.00 per hour over the prevailing wage rate of the Bus & Truck Mechanic;
2. Effective January 1, 2011, Bus & Truck Mechanic Assistant Foreman, Acting Bus and Truck Mechanics Foremen, Bus & Truck specialist, and Bus and Truck Mechanic Helper will have their hourly rates increased by three and one-half percent (3.50%);
3. Effective January 1, 2011, Bus & Truck Mechanic Apprentice, Mechanical Unit Assembler and Mechanical Unit Preparer shall receive the percentage of the Bus & Truck Mechanic prevailing rate in accordance with Section 2.2 of the wage and working conditions agreement.

2.2 PROGRESSION RATES.

A. All employees hired by the Authority or transferring into the bargaining unit as apprentices shall be paid in accordance with the following percentage progression scale applied to the actual rate of "Journeyman" during the first forty-eight (48) months of employment in the bargaining unit:

First	12 months	65% of the actual paid rate for Journeyman
Second	12 months	70% of the actual paid rate for Journeyman
Third	12 months	80% of the actual paid rate for Journeyman
Fourth	12 months	85% of the actual paid rate for Journeyman
Thereafter		100% of the actual paid rate for Journeyman

B. All Employees hired in the below listed job classifications by the Authority or transferring into the bargaining unit shall be paid in accordance with the following progression scale:

(1) Job Classification – Mechanical Unit Preparer

1 st	6 months	65% of the actual paid rate for Journeyman
2 nd	6 months	68% of the actual paid rate for Journeyman
3 rd	6 months	70% of the actual paid rate for Journeyman
Thereafter		75% of the actual paid rate for Journeyman

(2) Job Classification – Mechanical Unit Assembler

1 st	6 months	75% of the actual paid rate for Journeyman
2 nd	6 months	80% of the actual paid rate for Journeyman
3 rd	6 months	85% of the actual paid rate for Journeyman
Thereafter		90% of the actual paid rate for Journeyman

2.3 TEMPORARY EMPLOYEES. The Authority will be permitted to hire full-time temporary employees in accordance with the provisions set forth below:

A. The Authority will provide the Union with notice that temporary help is required and referrals submitted by the Union will be considered with applicants from other sources with due consideration for their qualifications and abilities, and for the Authority's affirmative action goals.

B. Notwithstanding the foregoing, fifty percent (50%) of open full-time temporary employee positions will be reserved for Union-referred applicants, subject to the following conditions:

1. The Union must submit a sufficient number of referred applicants with required qualifications and abilities and the applicants shall be a mix of races and genders which allows the Authority to meet its affirmative action commitments.

2. In making referrals, the Union shall not limit referrals to, or discriminate in favor of, applicants who are union members. The referral process shall be open to applicants who are not members of the Union.

3. In making referrals, the Union shall not discriminate against any member of a protected minority or gender, and shall not reject any applicant for referral submitted to it by

any source if the applicant meets non-discriminatory Union standards uniformly applied to all applicants.

4. The right of final selection for any full-time temporary position remains vested in the Authority.

C. Temporary employees will be covered under the sections of the Agreement dealing with the probationary period, Union membership, Union representation, grievance procedure, and arbitration.

D. Full-time temporary employees will be subject to a ninety working day probationary period upon hiring as full-time temporary employees, and will not be subject to an additional probationary period if hired as full-time permanent employees.

E. All full-time temporary employees will be required to become members of the Union or elect fair share status within 30 days of employment.

F. Temporary employees will not accrue seniority.

G. Temporary employees may not work more than 40 hours per week, Monday through Friday. No temporary employees will be assigned to work any "shift work" until all qualified full-time employees in that group have been offered the opportunity to perform the shift work.

H. The Authority will be permitted to utilize temporary employees for a period of up to a maximum of six (6) months, at which time, the situation would be reviewed between the Authority and the Union as to whether the temporary employee will be permitted to continue as a temporary employee. Temporary employees who work more than six (6) consecutive months will be considered to be full-time employees with all rights and benefits accruing thereto.

I. Temporary employees will be paid at the same hourly wage rates as full-time employees, subject to the hiring progression and cost-of-living escalation, if any. For purposes of applying the hiring progression to temporary employees, 173.3 hours worked will be credited as one month.

J. Temporary employees will be paid for all time during which they are required by CTA to perform any duties. Temporary employees will not be eligible for time or pay guarantees or for penalty pay provisions.

K. Temporary employees will not be eligible for paid leave or other fringe benefits applicable to full-time employees, except as required by law.

L. When hiring temporary employees, the Authority must inform said employee that no benefits, other than wages, will be paid on the said employee's behalf, and a signed acknowledgment, by the temporary employee, of the above facts, will be sent to the Union for its files.

M. Temporary employees may be allowed first preference in bidding on permanent vacancies in the Union, provided, however, that the contractual provisions with respect to Apprentices and "Helper" classifications will remain unchanged. It is further understood that the present procedure regarding employees transferring from one work location to another will not be changed by this provision.

N. No full-time employee in the bargaining unit will be laid off to hire temporary employees. No full-time employee will be laid off until all temporary employees in the same job classification have been laid off.

2.4 APPRENTICESHIPS.

A. The Authority shall have the right to employ one (1) apprentice for every four (4) Bus & Truck Mechanics. The apprenticeship shall be for four (4) years, with a wage scale as specified above. An Apprentice who has completed forty-two (42) months or more in his classification may be promoted to "Journeyman" should a vacancy exist in the classification of "Journeyman."

B. A provision concerning Apprentice Selection for the period beginning January 1, 1996 is attached hereto as Attachment E and is incorporated by reference herein.

2.5 HOURS OF WORK.

A. Bus and Rail Shops. The hours of the regular work day for all employees at the Bus Shop (South Shops) and the Rail Vehicle Shop (Skokie Shops) shall begin between 0600 and 0700 hours, Monday through Friday. The regular work schedule shall be eight and one-half (8 1/2) hours from the starting time through the scheduled quitting time with one-half (1/2) hour for unpaid lunch. Time and one-half (1 1/2) the straight time hourly rate shall be paid for all time worked in excess of eight (8) hours per day from Monday through Friday up to 2130 hours and for all time worked on Saturday for the first eight (8) hours of the work shift. Time and one-half (1 1/2) time shall be paid for all time worked after 2130 hours on Monday through Friday when such work is done by day shift, and for all time worked in excess of eight (8) on Saturday. All overtime shall be paid at time and one-half in lieu of double time, except double time shall be paid on Holidays and emergency Call Out. There shall be no duplication of overtime.

B. Shift Work. The authority shall have the right to schedule shifts beginning at any time, Monday through Friday, inclusive.

The work day of such shifts shall be eight and one-half (8 1/2) hours from the scheduled starting time through the scheduled quitting time with one-half (1/2) hour for unpaid lunch. The starting time for such shifts shall be the same each day of the week. Shifts scheduled to start at or after 2200 shall constitute the next day's shift.

C. Tuesday through Saturday Work Week. All employees hired on or after January 1, 2002, will be required at the option of the Authority with thirty (30) days written notice given to the Union and the Employee to work six (6) Saturdays a year at straight time. The Authority will schedule such Saturday work to provide for a Tuesday through Saturday workweek at Straight Time with two (2) consecutive days off.

All employees hired prior to January 1, 2002 will be required at the option of the Authority with thirty (30) days written notice given to the Union and Employee to work three (3) Saturdays a year at straight time. The Authority will schedule such Saturday work to provide for a Tuesday through Saturday workweek at straight time with two (2) consecutive days off.

D. Effective January 1, 2012, Employees may be required at the option of the Authority with thirty (30) days written notice given to the Union and Employee to have flexible start times (two (2) hours before or after the current 0700 start time) for a period of three (3) consecutive months.

E. Effective January 1, 2012, upon thirty (30) days written notice given to the Union and any affected Employees, all employees may be required at the option of the Authority to work an eight (8) hour shift at straight time with start times beginning during a 1530--2330 window period ("evening shift"), or beginning during a 2330--0700 window period ("night shift"). The Union and the affected employees also shall receive thirty (30) days written notice as to when the employees are to return to their former shift. It is understood that if this thirty (30) day notice is provided to the Union and the employees in the work unit, no additional notice is required to be given to any employee who thereafter may be assigned temporarily to that shift for five (5) or more consecutive days to fill in for an employee due to his absence. Employees whose shift starts during the 1530--2330 evening window period will receive a ten (10%) percent shift differential for all hours worked during such times. Employees whose shift starts during the 2330--0700 night window period will receive a fifteen (15%) percent shift differential for all hours worked during such times. An employee whose shift starts during the 1530--2330 evening window period, and ends during the 2330--0700 night window period will receive the shift differential corresponding to the window period during which the majority of his or her hours are worked. In the event that a shift contains equal numbers of hours applicable to both window periods, the higher shift differential shall apply to all hours worked in that schedule. Additionally, an employee whose shift starts prior to the evening shift window period, or whose shift starts during the night shift period and extends into the day shift, shall receive the appropriate shift differential for all hours worked on that shift if at least 50% of the employee's shift is worked during the evening or night window period as the case may be. Notwithstanding the foregoing, it is understood that existing shifts which start between 0500 and 1000 shall be considered as regular "day shifts" and employees working such shifts shall not be entitled to receive a shift differential. The schedule will be consistent over five (5) workdays with two (2) consecutive days off (the midnight shift working Sunday through Thursday and the afternoon shift Monday through Friday). Where applicable, employees on existing schedules which provide for Saturday and Sunday day, evening and night shift coverage at straight time rates of pay shall receive a 10% shift differential for work performed on the Saturday and Sunday day and evening shift, and a 15% shift differential for night shift work.

It is understood that in assigning employees to shifts in this Section, the Authority shall first solicit volunteers for such shifts who are qualified to perform the work by order of seniority, and in the event an insufficient number of employees agree to select such shifts, the Authority will assign qualified employees to said shifts by reverse order of seniority.

2.6 OVERTIME.

A. The Authority will make every reasonable effort to distribute overtime work equally among employees in their respective classifications and departments in accordance with seniority. The Authority agrees to give the employees concerned as much notice of scheduled overtime work as is reasonably possible. The Authority further agrees to make available to the Union a record of such overtime work for examination by the Union representatives.

Should an employee refuse to work an overtime assignment, he shall be charged, for overtime record purposes, the time worked by other employees to complete the overtime assignment.

B. In order to qualify for overtime for his/her day off, an employee must have worked his/her scheduled 40 hours during the work week except if the employee is absent for funeral leave, vacation, holiday, jury duty, injury on duty, military leave or an elected or appointed Union official on Union business, but daily and weekly overtime shall not be duplicated.

2.7 EMERGENCY WORK.

A. When an employee is called out for emergency work, he shall be paid no less than a minimum of two (2) hours at the applicable overtime rate of his regular permanent classified rate; except that, when emergency work runs into the normal work day period, the rate of pay during the regular work period shall be at the employee's straight time rate.

B. When an off-duty foreman is called and asked to call out three (3) or more employees to perform emergency work, he shall be compensated one (1) hour at the applicable overtime rate.

C. Emergency call out is defined as follows:

1. When an employee has ended his/her workday and is called back to work after the termination of that workday and prior to the start of his/her next regular scheduled workday; or
2. Saturday and Sunday work when the employee has not been notified to work at least four (4) hours from the start of the shift on the preceding Friday.

D. Extending an employee's shift shall not constitute an emergency call out.

2.8 INSTRUCTION PREMIUM. Craft Journeymen or Journeymen Leaders will be paid \$2.00 while conducting formal class instruction for craft apprentices or other craft classified

personnel for four (4) hours or less and \$4.00 for more than four (4) hours in one (1) day. The maximum compensation in any one (1) day shall be \$4.00.

2.9 OVERTIME PAY FOR SALARIED EMPLOYEES. Overtime pay for all salaried employees in this unit, who are paid on a bi-weekly basis, shall be computed by multiplying the monthly rate by twelve and dividing the result by 52 x 40 and then multiplying the result by the applicable overtime rate.

2.10 GROUP LEADER. Each employee assigned as Bus & Truck Mechanic Leader of a working group shall, while working in and with such group, receive twenty cents (\$.20) per hour in excess of the classified rate for Bus & Truck Mechanic. The need for employees in the classifications of Group Leader will be determined by the Authority. An employee assigned as a Group Leader of a working group will be paid the applicable Group Leader rate, while working in and with such group, for four (4) or more hours of a regular work day.

2.11 ACTING SUPERVISOR AND ACTING FOREMAN.

A. Bus & Truck Mechanic Foremen, when assigned to the position of Acting Supervisor and while working in such capacity, shall receive fifty cents (\$.50) per hour in excess of the classified rate for Bus & Truck Mechanic Foreman. The assignment of a foreman to a classification of Acting Supervisor shall be determined by the Authority.

B. An employee assigned as an Acting Foreman for four (4) or more hours of a regular work day will be paid the applicable Acting Foreman rate.

C. If an employee assigned as an Acting Foreman remains assigned to that position for a period exceeding ninety (90) consecutive calendar days, the employee will be compensated at the rate of the Foreman he or she is replacing for the ninety-first (91st) and subsequent consecutive days of work in the Acting foreman position. The employee's assignment, however, will still be that an Acting Foreman during any such period and the employee will return to his or her regular duties and rate of pay when the permanent foreman returns to the position.

2.12 WASH AND DRESS PERIOD. Employees shall be allowed a period of ten (10) minutes with pay to wash and dress immediately prior to the completion of a day's work.

2.13 TOOL REPLACEMENT. The Authority shall be responsible for replacing an employee's personal tools, which he is required by the Authority to furnish for himself, if such personal tools are lost due to proven theft or by fire. This responsibility shall be limited to proven theft or loss by fire of a complete set of tools or a major portion thereof in excess of \$50.00. This is not a \$50.00 deductible clause. The Authority's liability shall not, however, exceed the actual cost of the tools stolen or lost by fire. Employees shall cooperate in safeguarding their personal tools.

For employees to be covered under this Section, it is understood that each employee must furnish the Authority with a complete inventory of his personal tools, which he is required by the Authority to furnish for himself, subject to verification by the Authority and must keep such inventory current. The employee shall retain a copy of such inventory for his own protection.

Personal tools lost due to proven theft or fire shall be replaced or the employee be reimbursed therefor within thirty (30) days of the date the employee submits a complete and accurate proof of loss.

2.14 FUNERAL ALLOWANCE. Hourly rated employees shall be entitled to a maximum of three (3) consecutive scheduled work days off with eight (8) hours' pay each day at their regular permanent classified rate to attend the funeral and handle personal matters resulting from the death in the immediate family of the employee, consisting of father, mother, spouse or child.

Hourly rated employees shall be entitled to two (2) consecutive scheduled work days off with eight (8) hours' pay at their regular permanent classified rate to attend the funeral of their brother, sister, father-in-law or mother-in-law.

No payment will be made for time lost on holidays, scheduled days off, during vacation, leaves of absence or periods when sick benefits occur. No pay allowance shall be granted in a case when, because of distance or other cause, the employee does not attend the funeral.

2.15 JURY DUTY. An employee must present the Notice of Jury Service to his immediate supervisor prior to the date of appearing for jury duty. Hourly rated employees forced off work due to being summoned for jury duty will be paid by the Authority the amount they would have earned less the fee received for jury service. The payment by the Authority will be issued on the employee's regular pay day. The employee must furnish the Authority the form provided by the Jury Commission indicating days served on jury on the first work day following his release from jury duty. Should an employee fail to furnish the Authority the form provided by the Jury Commission within 14 working days, the compensation provided by the Authority shall be deducted from his next regular pay check. An overpayment of compensation paid by the Authority resulting from days excused from jury service will be deducted from the employee's regular pay check. No employee will perform work on a day when he has reported for jury duty, except in cases of emergency. When an employee serves on the jury on a scheduled day off, the jury allowance shall not be paid. No jury duty allowance will be paid to an employee absent from work due to sickness or injury, during an employee's vacation period or on days excused by the Jury Commission. The employee will retain transportation fees provided by the Jury Commission.

2.16 STATE SERVICE. An employee called to Active State Service relating to civil disorders within the State of Illinois shall be paid the difference between the daily remuneration received from the State agency and the employee's wages for all scheduled work time lost.

2.17 LEAVE OF ABSENCE. Leave of absence shall be granted for reasons other than illness or injury, except for self-employment or employment elsewhere, for a period not to exceed 60 days, upon application of the employee and approval of the Authority. This leave may be granted in cases where the employee can be excused from work and there are employees available capable of doing his work. Extensions of such leave may not be authorized unless justified by unusual occurrences. Company service credit shall continue and accumulate during periods covered by an approved leave of absence.

2.18 UNION LEAVE. A member of the Local Union who is appointed or elected to a full time Union position in the Local Union requiring his absence from the Authority's employment, shall upon returning to the Authority from his full time union position be placed in his former position at the Authority without loss of seniority.

2.19 TEST SCORES. The Authority shall allow one designated officer of the Union to check the accuracy of test scores when requested by an employee who has applied for a job vacancy. He or she shall also be able to compare said employee's test scores with the test scores of other applicants who were accepted for the vacancy for which the employee was considered. The accuracy of the test scores shall be checked in the offices of the Authority by comparing the said employee's answers with the answer keys for the tests taken. The Union and its officers agree to make no record directly or indirectly of any kind of the information disclosed pursuant to this Agreement. The Union agrees not to disclose directly or indirectly any information received pursuant to this Section. The Authority reserves the right to take reasonable measures to ensure the integrity of the tests, test scores and test procedures.

The Authority will allow a union representative to be present during practical testing of applicants for job vacancies within the bargaining unit. The union representative, if not acting within the scope of his or her Authority job duties and assignments, will be an observer only and will not participate in, nor interfere with the testing.

2.20 DRUG AND ALCOHOL TESTING, EMPLOYEE ASSISTANCE PROGRAM. The parties agree to be bound by the Chicago Transit Authority Drug and Alcohol Policy and Testing Program for Safety Sensitive Employees, effective August 7, 2002 and Chicago Transit Authority Drug and Alcohol Policy and Testing Program for Non-Safety Sensitive Employees, effective January 1, 2002 (except as supplemented, modified and/or revised by Federal Transit Administration regulations) and the Employee Assistance Program Agreement attached hereto and incorporated herein as Attachments G and H.

2.21 FOREMAN ISSUE. The issue of whether or not the classification of Foreman will be within the jurisdiction of the bargaining unit of each union comprising the Metal Trades Council and, if so, to what extent, will be submitted to interest arbitration.

With respect to the Authority's proposal concerning removal of supervisory personnel from the bargaining unit, it is ruled that no action shall be taken at this time and the status quo shall be maintained during the life of this Agreement. This ruling is without prejudice to the position of either party concerning the merits of the proposal.

2.22 PROBATIONARY PERIOD. All employees hired will be subject to a 90 working day probationary period.

2.23 PROMOTIONS. Promotions within bargaining unit classifications shall be first by department and shall be based upon seniority, ability and qualifications; abilities and qualifications being equal, seniority shall prevail.

2.24 ASSIGNMENT TO AREA 336. Assignment of Local 701 Bus and Truck mechanics to Area 336 shall be determined by posting and bidding of declared vacant positions.

Area 336 is understood to be System maintenance Support, Non-Revenue Fleet Maintenance and Repair.

Selection of applicants shall be determined by interview, experience and examination of qualifications by the General Manager System Maintenance Support or his designee, a Manager or Senior Coordinator and a Local 701 Business Agent/Representative or his designee. The posting shall include the job requirements and qualifications as determined by the Authority and shall be made available to all 701 Bus and Truck mechanics at least thirty (30) calendar days prior to the start of such interview process. Bidding will close fifteen (15) calendar days prior to the start of such interview process. Determinations shall be made within forty-five (45) calendar days of bid closing. Provided fitness and ability are equal, the individual with the most seniority will be selected; however, if no applicant is qualified, the authority is free to select an individual to fill the assignment from any available source. All applicants will be advised in writing whether or not they were selected to fill the assignment. An employee who has been selected for an assignment to Area 336 may ask to return to his former assignment within fifteen (15) working days after commencing work on the new assignment. An employee who has been selected to an assignment to Area 336 in accordance with the process set forth herein may be returned to his former assignment within fifteen (15) working days by the Authority of the employee does not satisfactorily perform the assignment.*

* This process may not occur more than twice.

2.25 LAYOFF AND RECALL. In accordance with Section 1.9, Layoff, layoffs of employees because of lack of work and/or lack of funds and rehiring shall be made as follows:

1. Employees who have not established bargaining unit seniority on the types of work covered hereunder shall be laid off first.
2. Thereafter, employees shall be laid off within the classification in the inverse order of such established bargaining unit seniority.
3. When adding to the force, those having established bargaining unit seniority, most recently laid off on account of curtailment of work, shall be the first to be reemployed, if available and physically able to return to work and if they possess the qualifications required or have heretofore satisfactorily performed the work available.
4. Should an employee, who has established bargaining unit seniority with the Authority at the time of being laid off, desire a record of his physical qualifications, he shall be entitled to the type of physical examination as was received by him when first employed by the Authority.
5. Notwithstanding any of the other terms hereof, an employee who has been laid off shall be deemed to have lost all accumulated seniority and all rights to be reemployed, unless the employee registers in person or by registered mail with the Authority at least once each year within ten (10) days prior to or following January 1st of the year under consideration.

2.26 BREAKING SENIORITY. Seniority shall be deemed to have been broken for the following reasons:

1. If the employee resigns.
2. If the employee is discharged and not reinstated.
3. If the employee is absent for three (3) consecutive working days unless a satisfactory reason is given for his absence.
4. If the employee, who has been laid off, fails to return to work within seven (7) days after being properly notified at the employee's last known address to report for work and does not give a satisfactory reason for failing to report.

2.27 SENIORITY. Except as otherwise provided by law and statute, seniority is the length of time an employee of the Authority has been continuously working at the Authority in the bargaining unit as defined in Article I, Section 1.1, Article II and Attachment D of this Agreement.

2.28 BUS WHEELCHAIR LIFE MAINTENANCE PREMIUM. Bus and Truck Mechanics who have been trained in and assigned to the duties of bus wheelchair life maintenance and repair will receive a premium of twenty-five cents (\$.25) per hour for each hour or portion thereof that they are engaged in the performance of such specialized duties.

2.29 PAYCHECKS. If an employee's paycheck is short \$200.00 or more because the Authority is at fault, an adjustment will be made within two (2) business days (Monday through Friday) from the date of inquiry; provided however, where no investigation is needed, the Authority will attempt to pay the employee on the date of inquiry, where possible.

If the employee's paycheck is short \$200.00 or more through the employee's own negligence, the adjustment shall be made at the next pay period, unless the employee's negligence was caused by extreme emergency, which shall be as determined by the Authority.

For new hires and newly transitioned employees whose payment during the pay period constituting the payday cannot be made on the appropriate payday, arrangements will be made to provide them with an advance payment to cover the days worked. This advance payment will be deducted from the employee's paycheck on the next regular payday.

Payment due for seven day sick pay will be paid in a separate check.

The Authority will make arrangements for the direct deposit of paychecks.

Grievance settlement and arbitration award checks will be paid no later than the second full pay period after the grievance settlement has been signed or a final arbitration award has been issued, unless the legality of such award is contested by the Authority.

2.30 REEMPLOYMENT OF FURLOUGHED EMPLOYEES WHO HAVE BEEN IN THE UNITED STATES MILITARY SERVICE OR FURLOUGHED INJURED EMPLOYEES.

Any regular employee covered by this Agreement, who is called to, or being subject to draft, enlists in a period of War emergency, in any branch of the Armed Services or Merchant Marine, shall continue to accumulate seniority with the Authority during such absence. Upon honorable discharge and return to work, the regular rules of seniority shall prevail for employees below that employee on the seniority list and providing the employee applies for reinstatement within three (3) months after being eligible for discharge. This shall be subject to the governmental regulations and statues controlling such military service and rights.

1. Any regular employee covered b this Agreement who receives a compensable injury while on military duty shall continue to accumulate seniority and upon recovery sall be reinstated to his former position with full seniority, provided the employee made application for such reinstatement within three (3) months of such recovery and is physically qualified to perform such work.

2. In the event a special job is created for a partially disabled employee, including partially disabled furloughed employees desiring to return to work who have been honorably discharged from the United States Military Service, it may be mutually agreed between the Authority and the Union to suspend or alter the seniority provisions of this Agreement with respect to such employee or employees.

2.31 TRAINING. A Union-Management Committee will be established consisting of six (60 individuals: three (3) representatives appointed by Local 701, and three (3) appointed by the Authority, with full right of substitution, will meet and confer on issues of mutual concern, such as training existing employees. A renewed emphasis must be placed on training to improve and update skill levels of employees especially in technological changes. The committee may also discuss matters of mutual concern except for grievances and negotiating changes to this Agreement.

ARTICLE III - HOLIDAYS

3.1 PAID HOLIDAYS. For all employees covered by this Agreement, New Year's Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, the Friday following Thanksgiving Day, the scheduled work day preceding Christmas Day and Christmas Day or days celebrated for such holidays will be paid holidays. Employees who perform work on these holidays shall be paid at double time for all hours worked. Employees who do not work on such holidays will receive eight (8) hours' pay at their regular permanent classified rate, provided they would have been scheduled to work and would have worked had it not been a holiday, and provided that they shall not have been absent from their scheduled duties without good cause or excuse the day preceding and the day following such holidays. If any of the paid holidays fall on Saturday, it shall be celebrated on Friday.

In addition to the foregoing, all employees covered by this Agreement shall receive one (1) paid personal day which shall be treated as a holiday under the terms of this Agreement, and which may be selected on a first-come, first-served basis, provided that forty-eight hours prior notice is given, or twenty-four (24) hours' notice in the case of a bona fide emergency with

supporting documentation provided by the employee, except where permission is granted by the foreman. All work performed by an employee on a scheduled personal day shall be paid at double time.

3.2 HOLIDAY WAITING PERIOD. No holiday guarantees otherwise provided in the Agreement will apply during the first three (3) months of service for all employees.

3.3 MARTIN LUTHER KING, JR. HOLIDAY. Employees who have more than one year of continuous service with the Authority, as of the applicable December 1st, will be eligible for a floating holiday with eight (8) hours at straight time pay. The Authority will have the necessary flexibility to establish the rules and procedures under which the floating holiday will operate.

In the event the Authority operates a Holiday Schedule on Martin Luther King, Jr. Day, this floating holiday will cease to exist and Martin Luther King, Jr. Day shall become a paid holiday under the Agreement.

3.4 VETERANS DAY HOLIDAY. Employees who have more than one year of continuous service with the Authority as of the applicable December 1st will be eligible for a paid personal leave day of eight (8) hours at straight time pay. The Authority will have the necessary flexibility to establish the rules and procedures under which the personal day will operate.

In the event the Authority operates a Holiday Schedule on Veterans Day as established by the State of Illinois, then this personal leave day will cease to exist and Veterans Day shall become a paid holiday under the Agreement.

3.5 SICKNESS BENEFITS INTERACTION. If an employee, who is eligible for a paid holiday as set forth above, is absent from work because of illness or injury and is currently receiving wages under the Seven Day Sick Plan, Accident and Sickness Insurance or Worker's Compensation pursuant to the laws of the State of Illinois, the employee is entitled to holiday pay for applicable holidays without diminution of his Accident and Sickness or Worker's Compensation benefits.

3.6 VACATION PERIOD CONFLICT. When a holiday falls within a vacation period, the employee must take the holiday the last scheduled work day before vacation or the first scheduled work day after vacation.

3.7 PAY BASIS. Employees temporarily assigned to work at a higher paid classification and working a minimum of ten (10) days prior to any paid holiday shall receive their holiday pay at the rate of the higher paid classification.

3.8 HOLIDAY ELIGIBILITY. An employee will be eligible to receive holiday pay, who, on the day before the holiday:

1. Was on, or placed on, layoff status because of lack of work (subject to subparagraph asterisked below); or

2. Was placed on leave of absence approved by the Authority; or
3. Was on, or placed on a disciplinary suspension (subject to subparagraph asterisked below); or
4. Had been absent from work for a period not exceeding 26 consecutive weeks because of an illness or injury.

* In the case of an employee on layoff because of lack of work or on a disciplinary suspension, if the holiday falls within ten (10) days following the layoff or suspension and the employee is recalled or returns to work during the same ten (10) day period, the employee shall receive, in the week in which he returns to work, an extra day's pay for such holiday. The amount received shall not be considered as hours worked for overtime purposes. If such employee is not recalled or does not return to work within the ten (10) day period, he is not entitled to the holiday pay.

ARTICLE IV – VACATIONS

4.1 VACATION PLAN REQUIREMENT. Years of continuous service, used in determining the vacation allowance the employee is to receive, means full years of service, from June 1st of one year to May 31st of the next year. The Vacation Plan Year, from June 1st of one year to May 31st of the next year, will herein be referred to as VPY.

4.2 VACATION ENTITLEMENT. Each employee covered by this Agreement shall receive a paid vacation provided he meets the service and eligibility requirements herein set forth.

4.3 VACATION PICK. The Authority will endeavor to allow up to 15% of the bargaining unit to schedule vacations on a weekly basis provided that a sufficient number of employees are available at all times to perform the various classes of work necessary to provide continuous service to the public. Vacations will be picked according to an employee's seniority within the Section in which he is employed. The vacation pick shall be held no later than March 31st of each year.

Vacations will be granted when an employee provides persuasive evidence that a bona fide emergency warrants such vacation and the employee is entitled to vacation time.

4.4 NON-CUMULATIVE VACATION. Vacations are not cumulative from year to year. Except by mutual consent of the Authority and the Union, vacations may not be waived, except as provided below:

An employee entitled to more than three (3) weeks' vacation shall have the right to advise the Authority in writing at least forty-five (45) days prior to the date on which the vacation selection process is scheduled to begin that the employee elects to receive pay and not take time off (in weekly increments) for all or a portion of vacation earned in excess of three (3) weeks. If an employee so elects, the vacation pay for the vacation week or weeks the employee opts to work shall be paid to the employee the first full pay day after June 1st of the vacation plan year.

4.5 BREAKS IN SERVICE. For the purpose of determining eligibility for the vacation allowance, continuous service will be interpreted to include a break, or breaks in service aggregating not more than three years, provided such break, or breaks, in service was the result of a layoff or layoffs, initiated by the management and provided further that the employee returned to work when called. If an employee's continuous service record includes such a break, or breaks, in service, which in the aggregate exceeds three years, he may still qualify for a 3 weeks', 4 weeks', 5 weeks', 6 weeks' or 7 weeks' vacation, provided his continuous service less any broken service, as above defined, in excess of 3 years, equals or exceeds 5 years, 10 years, 20 years, 30 years or 39 years as the case may be. (See also Section 4.8)

4.6 200 DAY REQUIREMENT. To receive the established normal vacation allowance, the employee must have worked at least 200 days during the preceding calendar year. If the employee worked less than 200 days during that year, he will receive only a pro-rated vacation allowance. In determining the 200 working day requirement for vacation eligibility, not more than 30 working days' absence because of certified illness or off duty injury shall be included as days worked.

Employees who are sick for thirty (30) or more consecutive work days will be credited with such work days actually sick, provided the employee worked during the calendar year.

Employees injured on duty will be allowed full credit for days lost in determining the 200 day working requirement for vacation eligibility, provided that the employee worked during the calendar year.

For the purpose of determining whether the 200 day work requirement has been met, the Authority will count the days worked during the calendar year preceding the VPY.

4.7 PAY BASIS. The employee's classified rate of pay at the time of his vacation will be used in computing his vacation pay allowance. However, an employee temporarily assigned to work at a higher paid classification and working a minimum of ten (10) days prior to his vacation period shall receive his vacation pay at the rate of the higher paid classification.

4.8 VACATION FORMULA.

A. Each employee hired on or before December 31, 2001, and in the continuous service of the Authority as of June 1st will receive a paid vacation in accordance with the following schedule, provided he has worked at least 200 days during the previous calendar year.

<u>Years of Continuous Service</u>	<u>Vacation Allowance</u>	<u>Vacation Pay</u>
1 year but less than 2 years	5 consecutive days	40 hours
2 years but less than 5 years	10 consecutive days	80 hours
5 years but less than 10 years	15 consecutive days	120 hours
10 years but less than 20 years	20 consecutive days	160 hours
20 years but less than 30 years	25 consecutive days	200 hours
30 years but less than 31 years	30 consecutive days	240 hours
31 years but less than 33 years	31 consecutive days	248 hours
33 years but less than 35 years	32 consecutive days	256 hours

35 years but less than 37 years	33 consecutive days	264 hours
37 years but less than 39 years	34 consecutive days	272 hours
39 years or more	35 consecutive days	280 hours

B. All employees hired after January 1, 2002 and in the continuous service of the Authority as of June 1st will receive a paid vacation during the Vacation Plan Year in accordance with the following schedule, provided the employee has worked at least 200 days during the previous calendar year.

<u>Years of Continuous Service</u>	<u>Vacation Allowance</u>	<u>Vacation Pay</u>
1 year but less than 2 years	5 days	40 hours
2 years or more but less than 5 years	10 days	80 hours
5 years or more but less than 10 years	15 days	120 hours
10 years or more but less than 20 years	20 days	160 hours
20 years or more	25 days	200 hours

4.9 PRORATION FORMULA. Employees in the continuous service of the Authority as of June 1st of a VPY who have not worked at least 200 days during the preceding calendar year, will receive a paid vacation pro-rated on the number of days actually worked during the preceding calendar year.

The number of days worked will be divided by the 200 day work requirement and the result shall be multiplied by the number of days the employee would have received had he worked the 200 day minimum requirement. The resulting amount shall be rounded to the nearest whole number which shall be the vacation allowance, in days, payable to such employee.

For example, an employee with thirty (30) years continuous service who worked 100 days would be paid as follows:

	100 Days Worked
Divide by	<u>200</u> Full Vacation Requirement
	.500 Vacation Multiplier
	30 Days Vac. Allowance for Employees w/30 yrs. Service
Multiply by	<u>.500</u> Vacation Multiplier
	15.0 Vacation Allowance in Work Days

The pro-rated allowance for employees with less than one (1) year of service shall continue to be computed as follows:

<u>Minimum Calendar Days in Service</u>	<u>Days Worked</u>	<u>Vacation Allowance In Working Days with Eight (8) Hours Pay Per Day</u>
	0 to less than 40	0
73	40 to less than 80	1
146	80 to less than 120	2

219	120 to less than 160	3
292	160 to less than 200	4
365	200 Plus	5

4.10 ALLOWANCES IN LIEU OF EARNED VACATION, TERMINATION OF EMPLOYMENT OR SICKNESS. In the event an employee leaves the service of the Authority before receiving this vacation, the employee shall be paid all vacation allowance, including any pro-rated portion, based on the number of days actually worked during the current calendar year; however, an employee discharged for cause shall be ineligible for any pro-rata vacation allowance. This provision for the payment of the vacation allowance shall also apply to the employee who is eligible for a vacation, but becomes sick and cannot therefore take his vacation when it is scheduled to be taken. However, no vacation pay allowance will be paid to an employee while said employee is receiving any form of sick benefit, except when the vacation period in question coincides with the last 1, 2, 3, 4, 5, 6 or 7 weeks, as the case may be, in the VPY available to the employee for vacation purposes, but this provision shall not operate to deprive any employee of the right to an earned vacation during the VPY after sick benefits cease.

4.11 ALLOWANCE IN LIEU OF EARNED VACATION, DEATH. In case of death of an employee who was eligible to receive a vacation, as above defined, but who did not receive this vacation prior to his death, the vacation allowance shall be paid to the heirs, executors or administrators of the deceased employee.

4.12 PRO-RATED ALLOWANCE, MILITARY SERVICE, RETIREMENT OR DEATH. Vacation pay allowances for employees who enter the military service of the United States or who return to the Authority after such military service, or who retire or become deceased will be paid pro-rated on the number of days actually worked during the current calendar year.

4.13 RANDOM VACATION DAYS. The following procedure will be utilized regarding Random Vacation Days:

1. Those employees who are eligible for two (2) or more complete weeks may elect to pick one of those weeks on a random day basis.
2. Those employees who are eligible for three (3) or more complete weeks of vacation may elect to pick two of these weeks on a random day basis.
3. The Authority will establish quotas in accordance with manpower availability and past practice.
4. The option to select one or two weeks of vacation as random vacation days must be declared at the time of the regular vacation pick. Random days may be selected at a later time on a first-come, first-served basis, provided that forty-eight hours prior notice is given, or twenty-four (24) hours' notice in the case of a bona fide emergency with supporting documentation provided by the employee, except where permission is granted by the foreman..

5. Once selected, random days may not be changed without permission of the Authority.
6. All unused random vacation days of the VPY must be selected by April 15th and used prior to May 31st.
7. Random days may not accumulate into the next VPY.
8. Those random days not taken by the end of the VPY will be lost to the affected employee.
9. Random days will take precedence over an employee's request for a day off. An employee who takes a requested day off will have such day charged against any random vacation days or floating holidays he may have remaining.

4.14 VACATION PAY ADVANCE. Employees who have earned and select three (3) or more consecutive weeks of vacation shall be entitled to receive vacation pay prior to the start of the vacation, provided the employee requests in writing such payment at least thirty (30) days prior to the start of his vacation.

4.15 VOLUNTARY UNPAID TIME OFF. Employees shall have the right on a voluntary basis to take up to five (5) unpaid days off in each year of this Agreement. Such days off shall be selected on a first-come, first-served basis, provided that forty-eight hours prior notice is given, or twenty-four (24) hours' notice in the case of a bona fide emergency with supporting documentation provided by the employee, except where permission is granted by the foreman.

ARTICLE V – INSURANCE AND SICKNESS BENEFITS

5.1 COVERAGE. Each full-time permanent active employee, covered by this Agreement or on leave of absence from the Authority to hold office in the Union shall have issued to the employee at the expense of the Authority, a Summary Plan description certifying that the employee is covered under the CTA employee benefit program.

5.2 LIFE. Group Life Insurance in the amount of \$8,000.00 on the life of each full-time permanent active employee who has been in the employ of the Authority continuously for not less than twelve (12) months, but less than five (5) years of service; and \$18,000.00 on the life of each full-time regular employee actively employed who has been in the employ of the Authority continuously for five (5) or more years of service. Effective January 1, 2013, all full-time permanent active employees shall receive Group Life Insurance coverage in an amount equal to 2080 times the active employee's hourly wage rate as of each January 1. Group Life Insurance shall provide double indemnity coverage for accidental death. Group Life Insurance required under this paragraph will be provided at the expense of the Authority.

Employees who are covered by Group Life Insurance coverage will have an option at the employees' expense to purchase additional Life Insurance in an amount equal to the coverage then in effect for them under the Group Life Insurance Plan.

5.3 ACCIDENT AND SICKNESS. Group Accident and Sickness Coverage providing no indemnity for the first seven (7) days of incapacity, but providing \$200.00 per week through December 31, 2012 and the amounts listed in the following table thereafter, not to exceed twenty-six (26) weeks for each full-time regular employee actively employed who has been in the employ of the Authority continuously for not less than twelve (12) months:

Effective January 1, 2013

For employees with 5 years seniority or less	\$210
For employees with 5 but less than 10 years seniority	\$220
For employees with 10 or more but less than 20 years seniority	\$230
For employees with 20 or more years seniority	\$240

Effective January 1, 2014

For employees with 5 years seniority or less	\$220
For employees with 5 but less than 10 years seniority	\$230
For employees with 10 or more but less than 20 years seniority	\$240
For employees with 20 or more years seniority	\$250

Effective January 1, 2015

For employees with 5 years seniority or less	\$230
For employees with 5 but less than 10 years seniority	\$240
For employees with 10 or more but less than 20 years seniority	\$250
For employees with 20 or more years seniority	\$260

The Group Accident and Sickness weekly benefits under this Article shall be paid on a five (5) work day basis. The Group Accident and Sickness Coverage under this Article will be provided at the expense of the Authority.

Said Accident and Sickness Coverage shall not cover any period of incapacity for which the employee is entitled to indemnity or compensation under any Workers' Compensation Act; provided, however, that the Authority shall be liable to the extent of the difference between the applicable amount per week above and such weekly compensation allowance, if less than the applicable amount, for a period not to exceed twenty-six (26) weeks.

Accident and Sickness benefits will not be paid for any day for which sick pay benefits are paid. The CTA agrees to allow payroll deductions for premiums of supplemental disability insurance purchased by employees from a single vendor selected by the Locals through a competitive bidding process. The Locals shall receive no compensation from the Vendor. under the seven (7) day sick pay benefit.

5.4(A) COMPREHENSIVE MAJOR MEDICAL, ACTIVE EMPLOYEES AND ELIGIBLE DEPENDENTS.

Comprehensive major medical benefits including hospital, surgical, medical, laboratory, X-ray and ancillary services for each full-time permanent employee and eligible dependents described below, who has been in the employ of the Authority continuously for not less than three (3) months, while necessarily confined in a hospital, as defined in the master policy,

because of bodily injuries, sickness or disease and on the advice and under the care of a licensed physician or surgeon, providing 80% of full payment of the usual and customary cost of a semi-private hospital room; 80% of full payment of the usual and customary cost for services rendered and hospital supplies furnished by the hospital and not included in the hospital room charges; full hospital benefits paid in accordance with above for maternity; provided in all of the above situations the employee or dependent fully complies with the Utilization Review Program (pre-certification, continued stay, utilization review, discharge planning and for surgical procedures in which a second opinion was obtained or waived); 80% of full payment for usual and customary cost of emergency hospital out-patient services incurred within 72 hours on account of accidental bodily injuries; payment of medical expense incurred by the employee for any treatment rendered to the employee by the attending licensed physician while so confined, but not in excess of (a) 80% of usual and customary charges for one visit; (b) one (1) visit in any one (1) day; (c) 365 visits during any calendar year; however, without limitation of other exceptions and exclusions contained in the master policy of insurance, the aforesaid medical expense shall not include any expense incurred by the employee for: (a) treatment in connection with any dental work or procedure; (b) eye examination for the fitting of glasses or for drugs or medicines; (c) treatment for or on account of: (1) injury sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit or (2) disease for which the employee is entitled to indemnity in accordance with provisions of any Worker's Compensation or similar law; diagnostic laboratory and X-ray out-patient examination expense benefits will be paid at 80% of usual and customary charges. In the event the employee or dependent fails to comply with the Utilization Review Program, the above coverage will be provided on a reduced basis equal to 80% of the otherwise reimbursable expense. (For example, if the plan pays 80% of usual and customary charges, the plan will pay 80% of 80% = 64% of usual and customary charges.) Non-emergency comprehensive major medical benefits described above will be provided at 100% of usual and customary charges after the deductible, if such services are provided by a PPO network physician and at a PPO network hospital selected from a listing maintained by the Benefit Services Department. Subject to meeting the requirements of the Utilization Review Program described above, emergency comprehensive medical benefits will be paid at 100% of usual and customary charges after the deductible if provided by a PPO network hospital or if the emergency care results in a hospital admission, or at 80% of usual and customary charges if provided by a non-PPO network hospital or if the emergency care does not result in a hospital admission. Comprehensive major medical expense benefits provide up to a lifetime maximum of \$1,000,000.00 after a \$100.00 employee calendar year deductible. The \$200.00 family calendar year deductible may be satisfied by any family combination which in aggregate equals \$200.00 excluding costs incurred under the CTA Group Dental Plan. The percentage payable is 80% for out-patient hospital pre-admission testing and out-patient surgery provided by non-network physicians at non-network facilities; the percentage payable is 100% for out-patient hospital pre-admission testing and outpatient surgery provided by network physicians at network facilities. Second surgical opinions, well baby and neonatal care are paid at 100%. The deductibles apply to all services. The annual out of pocket limit (deductibles plus co-payments for usual and customary charges) is \$1,200.00 for employees and \$2,400.00 for families. Inpatient and outpatient psychiatric benefits include treatment for mental and nervous conditions and alcohol and substance abuse; the lifetime maximum benefit is \$25,000.00. Inpatient psychiatric services are treated as any other condition and are subject to the use of network physicians and hospitals and the Utilization Review Program. Outpatient psychiatric

services are paid at 80% of usual and customary charges to a maximum of 30 visits per year, subject to the use of network physicians and hospitals and the Utilization Review Program.

(The following plan designs are effective January 1, 2012 through April 30, 2013):

PPO Plan Design

BC BS PPO Option 1 Plan

	<u>In-network</u>	<u>Out-of-network</u>
Deductible (Single/Family)	\$100/\$200	\$100/\$200
Coinsurance	100%	80%
Out of Pocket Limit (Single/Family)	\$0	\$1200/\$2400
Office Visits (after deductible)	100%	80%
Rx – Retail	\$3/\$5/\$15 copay (generic/form/non-form)	
Rx – Mail (90 day supply v. 30)	Covered w/2x retail copay	
2003 Employee Contribution (S/F) per Mos.	\$72.65/\$134.40	

Option 2 Plan

	<u>In-network</u>	<u>Out-of-network</u>
Deductible (Single/Family)	\$100/\$200	\$100/\$200
Coinsurance	90%	70%
Out of Pocket Limit (Single/Family)	\$1000/\$2000	\$3000/\$6000
Office Visits (after deductible)	90%	70%
Rx – Retail	\$3/\$5/\$15 copay (generic/form/non-form)	
Rx – Mail (90 day supply v. 30)	Covered w/2x retail copay	
2003 Employee Contribution (S/F) per Mos.	\$54.17/\$96.83	

Option 3 Plan

	<u>In-network</u>	<u>Out-of-network</u>
Deductible (Single/Family)	\$250/\$500	\$500/\$1000
Coinsurance	80%	60%
Out of Pocket Limit (Single/Family)	\$2500/\$5000	\$5000/\$10,000
Office Visits (after deductible)	80%	60%
Rx – Retail	\$3/\$5/\$15 copay (generic/form/non-form)	
Rx – Mail (90 day supply v. 30)	Covered w/2x retail copay	
2003 Employee Contribution (S/F) per Mos.	\$42.53/\$83.33	

Opt Out Option

CTA will buy back benefits at \$950/year per eligible active employee. Eligibility requires proof of alternative coverage. The \$950 will be paid on a pro-rata basis each month during the year with payments reflected as a separate item on employees' payroll checks. An

employee may opt back into any of the effective Health Care Plan Designs, at any time, subject to proof that a change has occurred in the employee's alternative coverage.

5.4(B) SUPPLEMENTAL ACCIDENT BENEFITS. Accident Expenses are treated as any illness under the Comprehensive Major Medical Program:

(i) Emergency care not resulting in a hospital admission provided at any facilities at 80% of usual and customary charges, unless provided at a PPO network hospital, in which case the expenses are paid at 100%.

(ii) Emergency care resulting in a hospital admission paid at 100% of usual and customary charges subject to compliance with the Utilization Review Program.

(iii) Expenses due to the following are not Covered Accident Expenses:

(a) Treatment not certified by a doctor as being necessary in connection with an accidental bodily injury.

(b) Treatment received more than three (3) months following the date the injury occurred.

(c) Treatment on or to the teeth.

5.4(C) GROUP DRUG EXPENSE. Coverage is included under the comprehensive major medical program. After the deductible, prescriptions are paid at eighty percent (80%); no separate prescription drug deductible is required. Drugs covered should mean any drug or medicine which is required to bear the legend "Caution: Federal Law Prohibits Dispensing Without a Prescription" and is prescribed by a licensed physician, including injectable insulin and contraceptives.

Covered Drug Charges shall not include expenses incurred for drugs:

(1) obtained without a prescription,

(2) which are non-legend drugs or for injectable drugs other than injectable insulin,

(3) to eligible persons while such persons are confined as in-patients in a hospital, extended care facility or any similar institution,

(4) which an eligible person is entitled to receive without charge from a municipal, state or federal program, except Title XIX of Social Security Amendments of 1965 (Public Law 89-97, 89th Congress, First Session), or any source whether contributory or not,

(5) which, when taken in accordance with the physician's directions, are in excess of a 34 day supply without necessity of a refill, except for 100 unit doses of a natural thyroid product and nitroglycerin,

(6) for any prescription refill in excess of the number specified by the physician,

(7) devices of any type, even though such devices may require a prescription, such as but not limited to, contraceptive devices, artificial appliances, hypodermic needles, syringes or similar devices,

(8) charges for the administration or injection of any drug,

(9) any drug which is consumed at time and place of prescription order, or

(10) drugs for which the reasonable and customary charge is less than the deductible under the plan.

Refills are covered for one (1) year from the date of the physician's prescription. Thereafter, the employee must obtain a new prescription in order for benefits to be payable.

5.4(D) MAIL ORDER PLAN. If practicable, a plan will be developed under which certain specified maintenance drugs may be ordered by mail.

5.4(E) EMPLOYEE PREMIUM DEDUCTION – PPO. The Employee Premium deduction formula reflecting 75% of the premium increase, 2003 over 2002 and the caps of \$0.13 per hour and \$0.25 per hour single/family, respectively will be utilized for Options 2 and 3 in addition to Option 1. These deductions will not apply to retirees or part-time employees.

Effective after April 30, 2013:

(a) **ELIGIBILITY.** Effective May 1, 2013, active full-time permanent employees of the CTA and their dependents shall be eligible for healthcare coverage as set forth herein. Dependents of an employee eligible for enrollment are defined in Section 5.10. Certified documentation for each dependent enrolled in a plan must be submitted to the CTA.

(b) **COMMENCEMENT OF COVERAGE.** Coverage shall begin under the plan after a full-time permanent employee has been actively at work for three (3) months.

(c) **PROGRAM CHOICES, PAYMENTS AND CONTRIBUTION LEVELS.** The CTA Healthcare program offers employees the ability to select from a variety of plans. This section addresses the PPO options. Section 5.7 addresses the HMO options.

PPO Option 1 (100% Plan)	In-Network	Out-of-Network
Effective Date	Coverage effective 5/1/2013 This plan will be discontinued on 12/31/2013.	
Annual Deductible (Individual / Family)	\$250/\$500	\$500/\$1,000
Annual Out-of-Pocket Limit* (Individual/Family)	Not applicable	\$1,500/\$3,000

<u>Plan Payment Level</u>	100%	80% of U&C
<u>Emergency Room Services (Waived if Admitted)</u>	<u>\$100 copay / visit</u> (Certification required)	
<u>Office Visits (After Deductible)</u>	100%	<u>\$25 copay</u> then 80% of U&C
<u>Wellness Services (as required under PPACA)</u>	100% not subject to deductible	<u>Not Covered</u>
<u>Prescription Drugs – Retail (30-Day Supply)</u>	Generic: \$5 Brand Formulary: \$15 Brand Non-Formulary: \$35	<u>Not Covered</u>
<u>Prescription Drugs – Mail Order (90-Day Supply)</u>	2 X Retail Copayment	<u>Not Covered</u>
<u>Lifetime Maximum</u>	None	
<u>Monthly Employee Contributions (Individual/Family)</u>	5/1/13: \$110/\$220	
<u>PPO Option 2 (80% Plan)</u>	<u>In-Network</u>	<u>Out-of-Network</u>
<u>Effective Date</u>	Coverage effective 5/1/2013	
<u>Annual Deductible (Individual / Family)</u>	<u>\$350/\$700</u>	<u>\$1,000/\$2,000</u>
<u>Annual Out-of-Pocket Limit* (Individual/Family)</u>	<u>\$1,000/\$2,000</u>	<u>\$2,000/\$4,000</u>
<u>Plan Payment Level</u>	90%	70% of U&C
<u>Emergency Room Services (Waived if Admitted)</u>	<u>\$100 copay / visit</u> (Certification required)	
<u>Office Visits (After Deductible)</u>	90%	<u>\$25 copay/visit</u> then 70% of U&C
<u>Wellness Services (as required under PPACA)</u>	100% not subject to deductible	<u>Not Covered</u>
<u>Prescription Drugs – Retail (30-Day Supply)</u>	Generic: \$5 Brand Formulary: \$15 Brand Non-Formulary: \$35	<u>Not Covered</u>
<u>Prescription Drugs – Mail Order (90-Day Supply)</u>	2 X Retail Copayment	<u>Not Covered</u>
<u>Lifetime Maximum</u>	None	
<u>Monthly Employee Contributions (Individual/Family)</u>	5/1/13: \$78/\$158 1/1/14: \$95/\$180 1/1/15: \$105/\$195	
<u>PPO Option 3 (80% Plan)</u>	<u>In-Network</u>	<u>Out-of-Network</u>
<u>Effective Date</u>	Coverage effective 5/1/2013	
<u>Annual Deductible (Individual / Family)</u>	<u>\$500/\$1,000</u>	<u>\$1,500/\$3,000</u>
<u>Annual Out-of-Pocket Limit* (Individual/Family)</u>	<u>\$2,500/\$5,000</u>	<u>\$3,000/\$6,000</u>
<u>Plan Payment Level</u>	80%	60% of U&C
<u>Emergency Room Services (Waived if Admitted)</u>	<u>\$100 copay / visit</u> (Certification required)	
<u>Office Visits (After Deductible)</u>	80%	<u>\$25 copay/visit</u> then 60% of U&C

<u>Wellness Services (as required under PPACA)</u>	<u>100% not subject to deductible</u>	<u>Not Covered</u>
<u>Prescription Drugs – Retail</u>	<u>Generic: \$10</u> <u>Brand Formulary: \$25</u> <u>Brand Non-Formulary: \$45</u>	<u>Not Covered</u>
<u>Prescription Drugs – Mail Order (90-Day Supply)</u>	<u>2 X Retail Copayment</u>	<u>Not Covered</u>
<u>Lifetime Maximum</u>	<u>None</u>	
<u>Monthly Employee Contributions (Individual/Family)</u>	<u>5/1/13: \$50/\$105</u> <u>1/1/14: \$70/\$140</u> <u>1/1/15: \$80/\$150</u>	

* The Annual out-of-pocket excludes co-payments, annual deductibles, and charges in excess of any Usual & Customary (U&C) charges.

Opt Out Option

Effective 12/31/03 CTA will buy back benefits at nine hundred and fifty dollars (\$950)/year per eligible active employee. Eligibility requires proof of alternative coverage. The nine hundred and fifty dollars (\$950) will be paid on a pro-rata basis each month during the year with payments reflected as a separate item on employees' payroll checks. An employee may opt back into any of the effective Health Care Plan Designs, at any time, subject to proof that a change has occurred in the employee's alternative coverage.

(d) **PPO COVERED SERVICES.** Services must be medically necessary and the employee or dependent must be under the care of a licensed physician or surgeon.

(e) **EMPLOYEE PREMIUM DEDUCTION – PPO.** Effective subsequent to the January 1, 2015 monthly employee contribution increase, an adjustment to the premium will be made on January 1st of the next year reflecting 75% of the premium increase, 2016 over 2015. A similar adjustment will be made effective January 1 every year thereafter. In no case will any net additional deduction exceed the following amounts: for an employee with single coverage, \$0.13 per hour; for an employee with family coverage, \$0.25 per hour.

5.5(A) DENTAL PLAN. The Authority, for each full-time permanent active employee employed and who has been in the employ of the Authority continuously for not less than three (3) months, shall provide, on a contributory basis, the benefit of a CTA Group Dental Plan.

The Authority shall contribute one-hundred percent (100%) of the premium cost of the employees' own premium, and seventy-five percent (75%) of the premium cost of the dependents' premium.

Payment will be made for the covered dental charges which exceed the deductible amount, described below, up to \$2,000.00 per calendar year (\$3,000.00 per calendar year effective May 1, 2013).

A charge will be deemed incurred as of the date the service is rendered or the supply is furnished, except that such charge will be deemed incurred:

- (1) with respect to fixed bridgework, crowns, inlays, onlays or gold restorations, on the first date of preparation of the tooth or teeth involved;
- (2) with respect to full or partial dentures, on the date the impression was taken; and
- (3) with respect to endodontics, on the date the tooth was opened for root canal therapy.

5.5(B) CASH DEDUCTIBLE.

(1) The amount of the individual cash deductible is \$25.00. The family cash deductible is \$50.00. It applies each calendar year, except that:

- (a) if the accumulative family deductible is not satisfied in a calendar year, expenses incurred during the last three (3) months of a calendar year will apply toward satisfying the accumulative family deductible for the following year;
- (b) if the accumulative family deductible is satisfied during a calendar year, a new family deductible must be satisfied for the next calendar year;

(2) Covered dental charges are the charges of a dentist or physician for the services and supplies listed below, required for dental care and treatment of any disease, defect or accidental injury, or for preventive dental care.

(3) Not included is any charge in excess of the charge customarily made:

- (a) for similar services and supplies by dentists or physicians in the locality concerned; or
- (b) where alternate services or supplies are customarily available for such treatment, for the least expensive service or supply resulting in professionally adequate treatment.

5.5(C) PREVENTIVE SERVICES AND SUPPLIES. (Covered at 100%)

- (1) Charges for cleaning and scaling of teeth, but not more than twice in a calendar year.
- (2) Charges for fluoride application to a child's teeth, but not more often than once in a calendar year.
- (3) Charges for space maintainers and their fittings.

5.5(D) DIAGNOSTIC AND THERAPEUTIC SERVICES. (Covered at 90%)

- (1) Charges for diagnostic services to determine necessary care, but:
 - (a) charges for full mouth X-rays are covered only once in a 3-year period,
 - (b) charges for bite-wing X-rays are covered only once in a 3-year period; and
 - (c) charges for a diagnostic oral examination are covered only once in a 6-month period.
- (2) Charges for emergency treatment for relief of dental pain on a day for which no other benefit other than for X-rays is payable hereunder.
- (3) Charges for extraction of one or more teeth, cutting procedures in the mouth, and treatment of fractures and dislocations of the jaw, but not including additional charges for removal of stitches or post-operative examination.
- (4) Charges for treatment of the gums and supporting structure of the teeth.
- (5) Charges for root canals and other endodontic treatment.
- (6) Charges for general anesthetics and their administration in connection with oral surgery, periodontics, fractures or dislocations.
- (7) Charges for injectable antibiotics administered by a dentist or physician.

5.5(E) RESTORATIVE SERVICES AND SUPPLIES. (Covered at 50%)

Charges for fillings and crowns necessary to restore the structure of teeth, broken down by decay or injury, but:

- (1) the charge for a crown or gold filling will be limited to the charge for a silver, porcelain or other filling, unless the tooth cannot be restored with such other material; and
- (2) the charge for replacement of a crown or gold filling is covered only if the crown or filling is over five (5) years old.

5.5(F) PROSTHETIC SERVICES AND SUPPLIES. (Covered at 50%)

- (1) Charges for full or partial dentures, fixed bridges, adding teeth to an existing denture if required because of loss of natural teeth, while the person is covered for this benefit, and to replace such teeth, or to replace an existing prosthesis which is over five (5) years old and cannot be made serviceable.
- (2) Charges for repair and rebasing of existing dentures, which have not been replaced by a new denture.

(3) Charges for specialized techniques, involving precision attachments, personalization of characterization and additional charges for adjustments within six (6) months from installation, are not included as covered dental charges. Covered charges for both a temporary and permanent prosthesis will be limited to the charge for the permanent one.

5.5(G) NOT COVERED. Not covered under any section of these benefits are charges for:

(1) Treatment by someone other than a dentist or physician, except where performed by a duly qualified technician under the direction of a dentist or physician;

(2) Orthodontic treatment other than for related extractions or space maintainers;

(3) Services and supplies partially or wholly cosmetic in nature;

(4) Facing on pontics or crowns posterior to the second bicuspid;

(5) Training in or supplies used for dietary counseling, oral hygiene or plaque control;

(6) Procedures, restoration and appliances to increase vertical dimension or to restore occlusion; and

(7) Services and supplies in connection with injury caused by war whether declared or not, or by international armed conflict.

5.6 VISION CARE PLAN. The Authority will provide a Plan "A" Vision Care Plan. The Authority will pay 75% of the employee's premium and the employee will pay 100% of the applicable dependent premium, if he elects to enroll his dependents. Effective January 1, 2013, an active employee shall be entitled to three hundred dollars (\$300.00) for his or her prescription eyeglasses or seventy-five percent (75%) of cost, whichever is less, every two years. The Authority will provide an annual opportunity for employees to enroll in the Vision Care Plan. Once enrolled, employees must remain in the Vision Care Plan for the duration of the Agreement.

5.7(A) HEALTH MAINTENANCE ORGANIZATIONS – (HMOs). Employees will be permitted to participate in HMOs approved by the Authority and the Union, until December 31, 2013 but not thereafter.

(i) The following will be provided from January 1, 2012 through May 1, 2013:

HMO Plan Designs

Unicare HMO

	In network	Out of network
Office Visit Copay	\$10	None
Emergency Room Copay	\$15	
Prescription Drug Copay		
Rx – Retail	\$3/\$5/\$15 copay (generic/formulary/non-formulary)	
Rx – Mail (90 day supply v. 30)	Covered w/2x retail copay	
2003 Employee Contribution (S/F) per Mos.	\$21.50/\$55.68	

HMO Illinois

	In network	Out of network
Office Visit Copay	\$10	None
Emergency Room Copay	\$15	
Prescription Drug Copay		
Rx – Retail	\$3/\$5/\$15 copay (generic/formulary/non-formulary)	
Rx – Mail (90 day supply v. 30)	Covered w/2x retail copay	
2003 Employee Contribution (S/F) per Mos.	\$34.19/\$73.78	

(ii) The following will be provided from May 1, 2013 through December 31, 2013:

<u>COVERAGE</u>	<u>HMO ILLINOIS</u>	<u>CLASSIC BLUE HMO</u>
<u>Effective Date</u>	Coverage effective 5/1/2013 This plan will be discontinued on 12/31/2013	
<u>Annual Deductible</u> (Individual / Family)	None	None
<u>Annual Out-of-Pocket Limit*</u> (Individual/Family)	None	None
<u>Plan Payment Level</u>	100%	100%
<u>Emergency Room Services</u> (Waived If Admitted)	\$15 copay / visit (Certification required)	
<u>Office Visits – Illness and Accident</u>	\$10 copayment per visit	\$10 copayment per visit
<u>Wellness Services (as required under PPACA)</u>	100%, no copayment	100%, no copayment
<u>Prescription Drugs – Retail (30-Day Supply)</u>	Generic: \$3 Brand Formulary: \$5 Brand Non-Formulary: \$15 Self-Injectable: \$50	Generic: \$3 Brand Formulary: \$5 Brand Non-Formulary: \$15 Self-Injectable: \$50

<u>Prescription Drugs – Mail Order (90-Day Supply)</u>	<u>2 X Retail Copayment</u>	<u>2 X Retail Copayment</u>
<u>Lifetime Maximum</u>	<u>Unlimited</u>	
<u>Monthly Employee Contributions (Individual/Family)</u>	<u>5/1/13: \$34.19/\$73.77</u>	<u>5/1/13: \$21.49/55.68</u>

Opt Out Option

CTA will buy back benefits at nine hundred and fifty dollars (\$950)/year per eligible active employee.

Eligibility requires proof of alternative coverage. The nine hundred and fifty dollars (\$950) will be paid on a pro-rata basis each month during the year with payments reflected as a separate item on employees' payroll checks. An employee may opt back into any of the effective Health Care Plan Designs, at any time, subject to proof that a change has occurred in the employee's alternative coverage.

5.7(B) EMPLOYEE PREMIUM DEDUCTIONS – (HMOs). (Effective January 1, 2012 through May 1, 2013 only): The Employee Premium deduction formula in reflecting 75% of the premium increase, 2003 over 2002 and the caps of \$.11 per hour and \$.20 per hour single/family, respectively will be utilized. These deductions will not apply to retirees or part-time employees.

5.8 DENTAL MAINTENANCE ORGANIZATIONS – (DMOs). If practical, employees will be permitted to participate in DMO's approved by the Authority and the Union. The Authority shall contribute one-hundred percent (100%) of the premium cost of the employee's own premium or an amount equal to 100% of the employer paid premium for the Dental Plan (Section 5.5(A)), whichever is the lesser amount. The Authority shall contribute seventy-five percent (75%) of the premium cost of the dependents' premium or an amount equal to seventy-five percent (75%) of the employer paid premium for the Dental Plan (Section 5.5(A)), whichever is the lesser amount.

5.9 PRE-TAX EMPLOYEE CONTRIBUTIONS. If practical, the Authority will establish a "premium conversion only" cafeteria plan for employee contributions for dependent dental premiums and, where applicable, any other health program contributions. Each employee eligible for coverage will elect annually to have his or her contributions paid on a pre-tax basis, thereby reducing his or her federal, state and local income taxes to the extent provided by the Internal Revenue Code section 125.

5.10 DEPENDENTS. The term dependent of an eligible employee is limited to:

- (a) legal wife or husband,
- (b) domestic partner (same sex only),
- (c) civil union partner,

(d) natural children, legally adopted children, domestic partner children, civil union children, and stepchildren up to age twenty six (26) years of age. Any child who is honorably discharged from the military can be covered on the plan up to age 30. Coverage ends on the dependent's birthday. Certified documentation demonstrating the dependent status must be provided for each dependent enrolled in a plan. This certification is required to be submitted to the CTA,

(e) any dependent child who is incapable of self-sustaining employment by reason of mental retardation or physical handicap and who is dependent on the parent for support and maintenance can also be covered under the plan, provided that dependent was covered under the plan prior to the condition occurring. The Authority shall have the right to require proof of the continuance of such incapacity of such child from time to time while said policy remains in force.

It is the sole responsibility of each employee to enroll or remove his eligible dependents.

5.11 ACTIVE EMPLOYMENT REQUIREMENT. Changes in this Article shall be applicable immediately to all eligible employees, including employees on leave due to illness or injury.

5.12 TERMINATION OF INSURANCE. The group benefits, provided for in this Article on any employee or his dependents covered hereby, shall cease immediately when such employee is laid off or employment is terminated, unless otherwise required and to the extent required by law.

5.13 PLACING OF INSURANCE. The insurance specified in this Article shall be provided by a policy or policies written by a reputable insurance company or companies, but this shall be without prejudice to the right of the Authority to provide such coverage through its own Insurance Department, in case the Authority elects to do so.

5.14 7-DAY SICK PAY. Should any employee, covered by this Agreement, who has been in the regular employ of the Authority for not less than twelve (12) months, be absent from duty due to sickness or accident not related to his employment and should any employee who has been in the regular employ of the Authority for not less than ninety-one (91) days be absent from duty due to an accident related to his employment, and provided the employee is under the care of a regularly licensed physician for such incapacity, the Authority will pay the employee's regular wages on the following basis:

(a) If the employee's absence is due to an accident, the Authority will pay the employee's regular wages for the first seven (7) days of such incapacity.

(b) If the employee's absence is due to sickness, the Authority will not pay the employee's regular wages for the first two (2) working days of such incapacity, but will pay the employee's regular wages for the third, fourth, fifth, sixth and seventh working day of such incapacity.

Verification of illness by a licensed physician shall constitute proof of claim. Final verification must be approved by the Authority's physician.

5.15 INSURANCE FOR OCCUPATIONAL ACCIDENTAL DEATH AS A RESULT OF FELONIOUS ASSAULT. All employees shall be covered by \$225,000.00 Principal Sum Accidental Death Policy. Such Accidental Death shall be limited to injuries sustained during the course of a felonious assault on the insured employee, provided such death arises while the insured employee is performing the duties of his occupation as assigned by the Authority and with the authorization of the Authority. In addition, coverage will be in force during direct commutation to and from work by the insured employee.

5.16 PARTICIPATION IN EMPLOYEE ASSISTANCE PROGRAM. An agreement between the parties concerning employee participation in the Employee Assistance Program, including benefits available to eligible participants, is attached hereto as Attachment H, and is incorporated by reference herein.

5.17 THIRD PHYSICIAN DETERMINATION. In cases where the Authority's physician does not find that the employee is physically fit to return to duty in his regular job classification or physically fit to return to duty in any job classification and the employee's personal physician is in disagreement on the question of the employee's fitness to return to work, the Authority and the Union will choose a third physician to examine the employee and their third physician's decision shall be binding on the parties. The cost of the third physician will be borne equally by the Authority and the Union.

5.18 RULES. Reasonable rules and regulations shall be promulgated by the Authority to establish a Coordination of Benefits Procedure applicable to the Group Medical and the Group Dental Plan, if enrolled, and to make effective the intent and purpose of the provisions of this Agreement.

5.19 SUBROGATION. In the event benefits are paid for charges incurred by a covered individual as a result of accidental bodily injury or illness, and if the covered individual or covered employee makes a recovery (whether by settlement, judgment or otherwise) from any person or organization responsible for causing such injury or illness or under any no-fault automobile insurance statute, then the Authority shall have a lien upon any recovery. The covered employee shall reimburse the Authority to the extent of such benefit paid by it, provided that in no event shall the covered employee be required to make reimbursement in an amount exceeding the recovery made by the covered individual against the person or organization responsible for causing the injury or illness.

ARTICLE VI - RETIREMENT AND DISABILITY ALLOWANCE

Eligibility requirements and amount of retirement allowance in case of retirement and eligibility requirements and amount of disability allowance in case of total and permanent disability, and the amounts to be contributed by the employees and by the Authority, shall be in accordance with and be governed by 40 ILCS 5/22-101 as amended and the terms and conditions of the Retirement Plan for Chicago Transit Authority Employees, dated June 1, 1949, as amended, now in effect, or any amendments thereto or revisions thereof, hereafter agreed upon.

ARTICLE VII – RETIREE HEALTH CARE TRUST

Pursuant to and effective ninety (90) days after the effective date of 40 ILCS 5/22-101B, a Retiree Health Care Trust is established. The Retiree Health Care Trust shall be solely responsible for providing health care benefits to eligible retirees and their dependents and survivors by no later than July 1, 2009, but no earlier than January 1, 2009. All employees of the Authority shall contribute to the Retiree Health Care Trust in an amount not less than three (3) percent of compensation, which amount shall be deducted by the Authority from each paycheck of each employee and shall be remitted to the Retiree Health Care Trust by the Authority.

ARTICLE VIII – NEGOTIATIONS, GRIEVANCES AND ARBITRATIONS

8.1 PURPOSE. For the purpose of facilitating the peaceful adjustment of differences that may arise from time to time, and to promote harmony and efficiency to the end that the Authority, its employees and the general public may mutually benefit, the Authority and the Union agree to meet and deal with each other through their duly accredited representatives on all differences and grievances, including the interpretation of this Agreement, and should there be any differences or grievances that cannot be amicably adjusted between the respective properly accredited representatives of the Authority and of the Union, the same shall be submitted to Arbitration.

8.2 GRIEVANCE. A grievance shall be defined as any dispute or difference between the Authority and employee or a group of employees, or between the Authority and the Union with respect to the meaning, interpretation or application of the terms and provisions of this Agreement.

Recognizing that grievances should be raised and settled promptly, grievances must be raised and processed within the specified time limits. The specified time limits may be extended by mutual agreement.

8.3 PROCEDURE. Grievances will be processed in the following manner:

Step 1: The grievance must be submitted in writing by the Union to Department Manager or designee by delivering a copy to Employee Relations. The grievance must be submitted by the Union within fifteen (15) working days of the occurrence or knowledge of the occurrence giving rise to the grievance. The Department Manager or designee shall investigate the grievance. The Department Manager or designee shall provide a written response to the Union setting forth the basis for the response within fifteen (15) working days of receipt of the grievance.

Step 2: If the grievance is not resolved at Step 1 and the Union desires to appeal, it shall be referred by the Union to the Vice-President, Employee Relations, or designee within fifteen (15) working days after receipt of the Authority's answer at Step 1. The Vice President, Employee Relations, or designee shall place the grievance on an agenda for Meeting between representatives of Employee Relations and the Union to be held within fifteen (15) working days after receipt of the Union's appeal. If no resolution takes place at the above Meeting, the Vice-President shall submit a written response to the Union within fifteen (15) working days following the Meeting.

8.4 ARBITRATION. If the grievance is not resolved in Step 2, above, and the Union or the Authority wishes to appeal the grievance, the Union or the Authority may refer the grievance to arbitration within fifteen (15) working days of receipt of the Authority's written Response provided to the Union at Step 2.

8.5 THE SELECTION OF THE ARBITRATOR. ¹Within ten (10) working days after the Union refers the grievance to arbitration the parties shall meet to select an Impartial Arbitrator. Should the parties be unable to agree upon the appointment of the Impartial Arbitrator, then either party to the arbitration may request the Federal Mediation and Conciliation Service (FMCS) to furnish a list of five (5) arbitrators who are currently available to serve from which the Impartial Arbitrator shall be selected by each party alternately striking a name from the panel until only one name remains. The order of striking shall be determined by the toss of a coin.

8.6 DECISION. The decision of the arbitrator shall be final, binding, and conclusive upon the employee, the Union and the Authority. The authority of the Arbitrator shall be limited to the construction and application of the specific terms of this Agreement and/or to the matters referred to him for arbitration. He shall have no authority or jurisdiction directly or indirectly to add to, subtract from or amend any of the specific terms of this Agreement or to impose liability not specifically expressed herein. A decision of the Arbitrator must be made within sixty (60) days of final brief presentation of both parties, unless extended by mutual consent of the parties.

8.7 TIME LIMITS. If the Union does not timely file or appeal as provided above in the Grievance/Arbitration procedure, the grievance shall be considered withdrawn. If the Authority does not timely respond as provided, the grievance shall automatically move to the next step.

8.8 EXPENSES. The parties shall divide equally the administrative costs and expenses of the neutral arbitrator. Other expenses shall be borne by the party incurring them.

8.9 DISCHARGE CASES. In discharge cases, every effort shall be made to schedule the hearing within sixty (60) days of the selection of the arbitrator. The arbitrator shall be requested to agree to render a decision within twenty (20) working days of the hearing, receipt of the transcript, or the briefs, whichever is later.

ARTICLE IX – TERM OF AGREEMENT

9.1 TERM OF AGREEMENT. This Agreement and the provisions thereof, when signed by the proper officials of the Authority and the Union shall become operative as of the first day of January 2012 and shall remain in force until and including December 31, 2016 and shall continue in full force and effect from year to year thereafter, unless written notice is given by either party hereto to the other on or before sixty (60) days prior to December 31, 2016 or sixty (60) days prior to December 31st of any subsequent contract year, requesting that the

¹ The following sentence was included in the tentative agreement but excluded from the Agreement: "The party requesting arbitration shall name its arbitrator at the time the request for arbitration is made."

Agreement be amended or canceled. If amendment is desired, the contents of the amendment shall be submitted by either party to the other not later than sixty (60) days prior to any expiration date, and such amendment shall not become effective until the first day of January following the expiration date, provided changes mutually agreeable to the representatives of both parties may be made at any time.

Notwithstanding the foregoing, the Agreement may be reopened if the amended Authority budget submitted pursuant to Section 2.18a. of the Regional Transportation Authority Act is not approved by the Board of the Regional Transportation Authority.

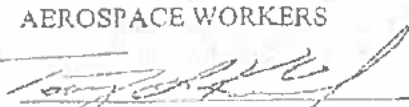
9.2 SOLE AGREEMENT. This written Agreement constitutes the sole and entire agreement between the parties hereto and supersedes all prior Agreements, oral and written, between the Authority and Union and expresses all obligations of and restrictions imposed on the Authority during its term. Arrangements, provisions and procedures previously agreed to by the parties, either formally or informally, and past practices followed by the parties shall henceforth be void unless included herein.

AUTHORIZED BY:

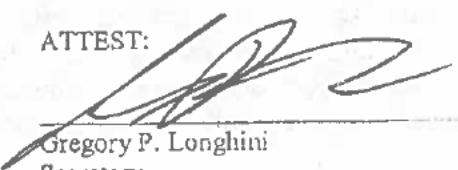
CHICAGO TRANSIT BOARD
ORDINANCE NO. 013-46
ORDINANCE DATE: 4/19/13

AUTOMOBILE MECHANICS LOCAL
UNION NO. 701, INTERNATIONAL
ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS


Terry Peterson
Chairman, Chicago Transit Board

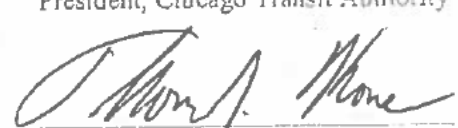

Business Representative

ATTEST:


Gregory P. Longhini
Secretary
Chicago Transit Board

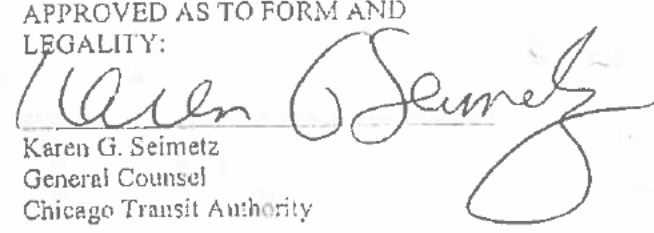
RECOMMENDED:


Dorval R. Carter, Jr.
President, Chicago Transit Authority


Thomas McKone
Chief Administrative Officer
Chicago Transit Authority


Brad L. Jansen
Deputy General Counsel, Labor and
Employment
Chicago Transit Authority

APPROVED AS TO FORM AND
LEGALITY:


Karen G. Seimetz
General Counsel
Chicago Transit Authority

ATTACHMENT A

FAIR SHARE

MEMORANDUM OF UNDERSTANDING

- (a) All employees covered by this Agreement who are not members of the Union, shall, commencing 30 days after the effective date of this Agreement, or 30 days after the date of their initial employment, and continuing during the terms of this Agreement, and so long as they remain non-members of the Union, pay to the Union each month their Proportionate Share of the cost of the collective bargaining process, contract administration and pursuing matters affecting employee wages, hours and conditions of employment as defined in Section 3(g) of IPLRA.
- (b) Such Proportionate Share payment by non-members shall be deducted by the Authority from the earnings of the non-member employees, and the Authority shall remit said Proportionate Share once each month promptly to the respective financial secretary of the Local, provided, however, that the Union shall submit to the Authority an affidavit which certifies the amount constituting said Proportionate Share not to exceed the dues uniformly required of members of the Union, and which describes the rationale and method by which the Proportionate Share was determined, including a designation of the expenditure categories which were included in determining the Proportionate Share.
- (c) Upon receipt of said affidavit, the Authority shall provide to the Union a list of the names of all employee non-members of the Union from whose earnings the Proportionate Share payments shall be deducted and their work locations.
- (d) Upon the Union's receipt of an objection to the Proportionate Share amount, the Union shall deposit in an escrow account, separate from all other Union funds, the amount of fee payments received on behalf of an objector or objectors that is fairly placed at issue by the objection(s). The Union shall furnish objectors and the Authority with verification of the terms of the escrow arrangement and, upon request, the status of the fund as reported by the bank. The escrow fund will be established and maintained by a reputable independent bank or trust company and the agreement therefor shall provide that the escrow accounts be interest bearing at the highest possible rate; that the escrowed funds be outside of the Union's control until

the final disposition as provided for herein; and that the escrow fund will terminate and the fund therein be distributed only by the terms of an ultimate award, determination, or judgment including any appeals or by the terms of a mutually agreeable settlement between the Union and an objector or group of objectors.

- (e) In any proceeding involving the determination of the Proportionate Share hereunder, the Union shall participate and provide all financial and other records deemed relevant by the adjudicating body.
- (f) If an ultimate decision in any proceeding hereunder directs that the amount of the Proportionate Share should be lower than the amount fixed by the Union, the Union shall promptly adopt said determination and notify the Authority to reduce deductions from non-members of said prescribed amount.
- (g) The Union shall indemnify and hold harmless the Authority, its members, officers, agents and employees from and against any and all claims, demands, actions, complaints or suits that shall arise out of or by reason of action taken by the Authority for the purposes of complying with the above provisions of this Article, or in reliance on any list, notice, certification, affidavit, or assignment furnished under any of such provisions.
- (h) Any employee of the Chicago Transit Authority who is in a bargaining unit represented by the Local, who is not a member of the Local, and who claims that the calculation of his/her Proportionate Share fee is inaccurate (hereafter "objecting non-member" or "objector") has the right to invoke the procedures that are available to objecting non-members under IPLRA.
- (i) Nothing in this Memorandum shall inhibit or interfere with the right of non-association of employees based upon bona fide religious tenets or teaching of a church or religious body of which such employees are members. Such employees shall pay an amount equal to their fair share determined under this fair share agreement to a non-religious charitable organization mutually agreed upon by the employees affected and the Union. If the affected employees and the Union are unable to reach an agreement on the matter, an organization shall be chosen from an approved list of charitable organizations established by the Illinois Local Labor Relations Board.

ATTACHMENT B

This Attachment B is reserved for future material and is not applicable for the Agreement in force during the period January 1, 2012, to December 31, 2016.