

Four (4) YEAR CONTRACT

MEMORANDUM OF AGREEMENT

**JANUARY 12, 2013
THROUGH
JANUARY 12, 2017**

ENTERED INTO BY AND BETWEEN

Blue Bird Coach Lines, Inc., dba Coach USA - Erie and its successors, lessees, and assigns, with its principal office at 7171 W. Ridge Road, Fairview PA 16415, hereinafter referred to as the Company, party of the first part,

AND

Local Union 1342 of the Amalgamated Transit Union, with its principal office at 196 Orchard Park Road, West Seneca, New York 14224, hereinafter referred to as the Union, party of the second part.

The parties do hereby agree as follows:

ARTICLE I

SECTION 1 - Objective - The purpose of the agreement is to promote and insure harmonious relations, cooperation and understanding between the Company and the Union to insure true collective bargaining, and to establish standards of hours and labor, rates of pay and working conditions, and to that end the Company pledges itself to give to its employees, considerate and courteous treatment, and the employees, in turn, pledge themselves to render to the Company loyal and efficient service, and to promote and advance to a successful end the welfare and prosperity of the Company and the Union.

ARTICLE II

SECTION 1 - Union Recognition - The Company recognizes the Union as the duly designated and sole collective bargaining representative for all full-time and part-time bus drivers and maintenance personnel who work for the Company, working in classifications listed in this agreement, excluding all office clerical employees, guards, professional employees and supervisors as defined in the act. The Company agrees to meet and treat with duly accredited officers of the Union on all questions relating to hours, wages and working conditions and agrees to deal with it as hereinafter provided.

SECTION 2 - Grievance Procedure - All differences, disputes and grievances, including discipline and discharges cases, between the parties arising out of or by virtue of the within collective labor agreement, shall be disposed of in the following manner it being understood that either party can file a grievance as provided for in this section.

- A. Within fifteen calendar days of knowledge of the incident:
 - 1. Employee to the designated individual at the Corporate Headquarters, Erie, Pennsylvania and the Company to the division steward with copy to President of the Union, Union Headquarters, West Seneca, New York. Sent by fax, regular mail or given personally and signed for.
 - 2. Answer to above within thirty (30) calendar days of receipt sent by fax, regular mail or given personally and signed for.

- B. Within ten (10) calendar days of receipt of answer:
 - 1. Employee response to answer, if applicable, to the designated individual at the Corporate Headquarters, Erie, Pennsylvania and the Company response to answer, if applicable, to the division steward with copy to President of the Union, Union Headquarters, West Seneca, New York. All sent by fax, regular mail or given personally and signed for.
 - 2. Answer to above response within thirty (30) days or receipt sent by fax, regular mail or given personally and signed for.

- C. Within thirty (30) calendar days of receipt of answer or response either party may request the matter be appealed to an impartial arbitrator to be chosen by mutual agreement between the parties hereto. If the parties fail to agree upon an arbitrator within ten (10) calendar days, either parties may request the Federal Mediation and Conciliation Service or the American Arbitration Association under the rules and regulations that they may be furnished a list of seven (7) persons qualified to act as impartial arbitrators from which a selection will be made by mutual agreement. The Company and the Union shall each pay half of the fees of the arbitrator. The stenographic cost, if any, shall be paid by the Company or the Union, whichever orders the same. The decision of the arbitrator shall be final and binding on both parties, and the arbitrator shall not have the power to alter, amend or change any terms of this agreement.

- D. An exception to the above statute of limitations shall be with regard to hourly rates of pay only.

SECTION 3 - Discipline - An employee may not be disciplined, suspended, or discharged, nor may entry be made against his/her record without reasonable proof of sufficient cause. In each case where disciplinary action is contemplated, he/she will be given a written statement of charges against him/her. No employee shall be removed from service prior to a hearing unless said employee is charged with acts of insubordination, theft, payroll falsification, repulsive/obscene misconduct, or where an employee has been involved in an accident, and the Company feels the employee shall not be permitted to continue in service until a thorough investigation of the accident is completed. It is understood that hearings will be held at employees home terminal.

Within ten (10) days of the time the Company has knowledge of an incident, the Company must notify the employee and Union that a hearing will be scheduled, however it is understood that the hearing date must be scheduled within thirty (30) calendar days from the date the Company had knowledge of the incident or a longer period mutually agreed to should the incident occur away from the employees home terminal. The ten (10) day time period will not begin until the employee returns to said terminal. Should the incident occur on a Friday, Saturday, Sunday or Holiday, the hearing will be held as outlined above. Any disciplinary action involving days off, such notice of discipline must be given within seven (7) days from the time of the hearing. Notification thereof shall be furnished to the Union simultaneously therewith. Should said employee be exonerated of the incident in question he/she will be compensated according to actual work lost. Discipline shall be rendered according to the following progression:

In regards to Article II - Section 3 - Discipline, it is understood review of the employee's record shall not exceed the past twenty-four (24) months of work, unless mutually agreeable, or unless is not consistent with statutory law, however in regards to an employee's "General Record" review of the employee's record shall not exceed twenty-four (24) months.

FIRST OFFENSE - A hearing will be held. The employee will be issued a warning and depending on the severity of the offense also given a three (3) to six (6) month probation period and/or one (1) to three (3) days off without pay, with no loss of benefits.

If it is a first offense of leaving a person on the vehicle without permission, employee will be terminated without recourse

SECOND OFFENSE - A hearing will be held. The employee will be given a six (6) to nine (9) month probation period and/or three (3) to five (5) days off without pay, with no loss of benefits. If it is a second offense for running out of fuel the employee will be terminated without recourse.

THIRD OFFENSE - A hearing will be held. The employee will be given a nine (9) to twelve (12) month probation period and/or five (5) to ten (10) days off without pay, with no loss of benefits. If it is a third offense of a preventable accident or a customer complaint the employee will be terminated without recourse.

Only violations of a similar nature shall be used in determining discipline.

The Company retains the right to shorten or lengthen the above progression where a specific incident would warrant same and retains the right to impose probation up to one (1) year. Any employee with twelve (12) years or more service with the Company will be given special consideration.

- A. If letters of complaint form the basis for disciplinary actions or entries into an employee's record, the employee shall have the right to demand a hearing within ten (10) calendar days after being notified of such disciplinary action or entry against his record. Where verbal complaint forms the basis for disciplinary action, the Company will make a request in writing to the complainant for a

written statement. A copy of the request shall be provided to the employee and his/her representative. Should it be found that an employee involved in a complaint has contacted the complainant without the permission of the Company it shall be grounds for immediate dismissal.

- B. No employee will be required to attend a hearing on their day off, unless mutually agreed to by the employee, the Company, and the Union.

SECTION 4 - Personal Record Charged - Disciplinary action charged on the record of an employee shall be removed from the employee's record after a period of two (2) calendar years from the date of the event, if no similar disciplinary action has been charged, with the exception of dishonesty, chargeable accident, or any other incident that the Company feels is serious in nature which will remain on the employee's record for the duration of their employment.

SECTION 5 - Discipline Rendered - Whenever possible discipline rendered for any reason shall take place within twenty (20) calendar days of the Company's knowledge of the incident. Discipline forfeited if action is not taken within twenty (20) calendar days from the date of said knowledge.

SECTION 6 - No Strike - No Lockout Clause - The parties having herein provided for the final disposition of all disputes, differences and grievances which may arise between them under and by virtue of the within labor agreement, the Union agrees that it will not, nor the employees members of the Union, participate in any strike, slow down, work stoppage or interruption of service called for any purpose or reason whatsoever. The Company agrees that it will not lock out its employees under any circumstances during the lifetime of this agreement.

SECTION 7 - Personal File Review - Any employee may have the opportunity to review their personnel file once each calendar year providing they make a request to the Company, in writing, seven (7) days prior to the date they desire to inspect their file.

ARTICLE III

SECTION 1 - Union Check Off - The Company agrees to check off and remit to the Financial Secretary of Local 1342 of the Union, monthly from the pay of each employee who is a member of the Union and who has so authorized the Company in writing, all dues, initiation fees and such regular assessments as may be assessed against such members. Requests for check off for assessments will be signed by the Financial Secretary or the President of Local 1342.

Union Sponsored Life Insurance Coverage's - The Company agrees to check off life insurance premiums for members covered by same. The Union will notify the Company which members are affected. Dues shall be remitted to the Union by the fifth (5th) day after the payday covering the final pay period for the month.

SECTION 2 - Union Security - All new employees within the terms of this agreement must become and remain members of the Union following their new hire probation period as a condition precedent to continued employment with the Company. All employees covered by this agreement shall become and remain members of the Union as a condition precedent to the continued employment with the Company.

SECTION 3 - Work Coverage Under Labor Agreement - It is understood and agreed that all work covered by this agreement will be performed by members of the Union with the exception of the Superintendent of Maintenance who may perform work for the purpose of training an employee not having the experience and ability to perform the work required.

- A. In addition to the Superintendent of Maintenance, the Maintenance Supervisor, at all garage locations will be excluded from this provision and shall be able to perform work as required.
- B. The Company shall retain the rights to bring in skilled, outside technicians to perform work in the training of personnel not having the experience or ability to perform the work required.
- C. Work done outside the garages of the Company shall also be excluded from this section.
- D. The Company may, at its option, retain a working service and Safety Foreman who shall be required to carry out instructions issued by Supervision and who shall be required to report to Supervision and who shall be a member of the Union.

SECTION 4 - Non Payment of Dues - All persons who are members of the Union and are not in good standing as to payment of dues, assessments or initiation fees will not be permitted to work until same are paid in full.

SECTION 5 - Notification of Names and Addresses of Union Officers - The Union agrees to notify the Company in writing of the names and address of respective, duly accredited representatives and committees immediately upon their election or appointment to such offices. Notice to such accredited representative shall constitute notice under the provisions hereof if sent to the addresses furnished.

SECTION 6 - Bulletin Boards - The Union will be allocated space on the Company's bulletin boards where notices pertaining to meetings, special events and other proper matters will be permitted.

SECTION 7 - Union Emblems - An appropriate official emblem of the Union will be placed on all Company owned coaches operated by members of the Union.

ARTICLE IV

SECTION 1 - Management Rights Clause - The Company reserves its exclusive rights to exercise the normal functions of management. It is recognized that the Company has the prerogative to hire and fire workers, to direct its personnel, and to operate the lines and conduct the business of the Company.

SECTION 2 - Conflict with Laws - It is understood and agreed that the provisions of this agreement shall be subordinate to any present or subsequent Federal, State or Municipal law or regulation to the extent that any portion hereof is in conflict therewith, and nothing herein shall require the Company to do anything inconsistent with the charters, franchises, indeterminate permits, certificates of convenience and necessity, or law under which it may from time to time operate or exist, or anything inconsistent with the orders or regulations of any competent government authority having jurisdiction to issue the same.

ARTICLE V

SECTION 1 - Physical Examinations – The Company will pay the full cost of any required fingerprinting, physicals, drug and alcohol testing, excluding any and all pre-employment testing requirements. Physical examinations shall be made by a physician selected by the Company. An MRO appointed by the Company will review all physicals to deem the employee fit to perform their duties in accordance with all current rules and regulations as established by any regulatory body covering commercial drivers. An employee must obtain the physical examination prior to the expiration of their current physical examination in order to remain in service.

- A. Employees failing to pass a medical examination in accordance with governmental requirements by a competent medical authority will be disqualified from service.

SECTION 2 - Employees Injured on the Job - Employees injured on the job shall be paid in full for the day of the accident provided the attending physician advises him/her not to work for the balance of the day. If able to work, he/she will return to their duties. Failing to do so, he/she will not be paid for the hours not worked. Maintenance employees who require additional treatment as a result of an injury on the job shall be allowed to make up the lost time by extending their shift.

SECTION 3 - Report Off Duty Because of Illness - Whenever possible notification of at least six (6) hours must be given to the Company before reporting off duty because of illness, but in no instance shall notification be less than four (4) hours.

- A. In the event of illness of more than three (3) days or if treated at a hospital prior to the return to work, at the conclusion of such illness, employee shall submit to the Company medical evidence of fitness to return to work from a bona fide licensed medical doctor or other satisfying evidence if required by the Company.

SECTION 4 - Requesting Time Off - Employees desiring to be absent from duty on any day or days other than regular assigned non working days, must notify the Company in writing, not later than seven (7) days prior to the date requested. The Company will approve or deny the above, in writing, within ten (10) days of request submission. This provision will not be applicable when employees are unable to give notice of intended absence due to illness. In the event an employee needs time off and is unable to notify the Company seven (7) days in advance as outlined above, the Company will make every possible effort to grant the employee's request whenever possible.

ARTICLE VI

SECTION 1 - Vehicle Pre and Post Inspection - All drivers will receive an additional fifteen (15) minutes pay for the pre-trip inspection and fifteen (15) minutes pay for post-trip inspection of the vehicle they are assigned, and to report to the Company, on the proper form provided, any and all damage existing. Failure to file a report, whether or not damage exists, or falsification of report, shall be the basis for progressive discipline, up to and including termination.

SECTION 2 - Working for a Competitive Company - Any employee working for a competitive company, while being employed by the Company, will be terminated immediately.

SECTION 3 - Confidentiality of Company Information - It shall be the responsibility of each employee to maintain the confidentiality of Company information. Any remarks which are detrimental to the Company shall be grounds for progressive discipline up to and including termination.

SECTION 4 - Refund of Company Funds - All funds spent by the employee which are chargeable to the Company will be reimbursed, without delay where valid receipts are submitted. Purchase of an unusual nature must be preauthorized in order to be reimbursed.

ARTICLE VII

SECTION 1- Seniority - The seniority of all new employees shall advance as of the hour and date of first work performed in the department in which they are assigned. Should two or more employees commence service on the same date and hour, alphabetic listing of the last name shall determine the order of their seniority.

- A. Seniority rank of operator - The seniority rank of operators shall be determined by the date of graduation from drivers school, by the hour and date of application for employment, if simultaneous graduation from drivers school.
- B. For pay rate purposes, commencement of employment is deemed to be the date of the commencement of actual service.

SECTION 2 - Seniority Rosters - Current seniority rosters for maintenance and drivers will be posted on bulletin boards as of March 1st, and September 1st, of each year. Any protest in seniority rosters must be made within ten (10) calendar days from the date of the posting or the roster will stand as correct, indisputable errors accepted. Current seniority rosters will be furnished to the Union. Rosters will be posted on all division boards.

SECTION 3 - Change of Seniority - Nothing herein shall preclude the changing of seniority provision providing such change or changes are mutually agreed upon between the Company and the Union, further providing that such change shall not be made without the majority of approval of the membership affected as evidenced by referendum vote.

SECTION 4 - Letter of Termination of Service - At the termination of service with the Company, an employee, upon request will be given promptly a letter showing their term of service and their capacity in which employed.

SECTION 5 - Members in Armed Services - Employees in the Armed Forces of the United States shall be entitled to reemployment rights as provided by Federal Law.

SECTION 6 - Notification to Union on Status of Employees - The Company agrees to notify the properly accredited officer of the Union promptly in writing covering the employment, classification, discharge, resignation, layoff, recall, leave of absence, sick leave, and vacation allowances of each employee who is covered by the terms of this agreement.

SECTION 7 - Employee Seniority Groups - Shall consist of the following:

- A. Maintenance Department
 - 1. full-time employees
 - 2. part-time employees
- B. Coach Operators
 - 1. full-time operators
 - 2. part-time operators
- C. Transit Operators
 - 1. full-time transit operators
 - 2. part-time transit operators
- D. Line Run Operators
 - 1. full-time line run operators
 - 2. part-time line run operators

SECTION 8 - Full-Time Bus Operators' Quotas

- A. Coach Operators – The Company will maintain a minimum of 17 full-time Coach Operators.

SECTION 9 - Transferring from Seniority Group - An employee who becomes qualified and changes from one seniority group to another shall retain overall date of hire in seniority and applicable benefits. If an employee decides to change from full-time status to part-time status, they must give a two (2) week notice.

SECTION 10 - Reverting to Original Seniority Group – Any employee may have the option to revert in seniority within the original group if an opening is available. This options may be only be exercised twice during employment. Any employee can revert without loss of seniority.

SECTION 11 - Holding of Seniority in One Classification - Employees will not be permitted to retain and accumulate seniority in more than one classification, except in cases where a driver on furlough status is permitted to work in the garage; such employee will retain and accumulate with the driver classification until recalled as a driver. After being recalled, such employee must return to their former classification or forfeit their seniority. If such employee elects to remain in the new classification, they would have the right to retain their Company service but retain and accumulate seniority within the classification from date of first work performed. The same would apply in the case of maintenance employees on furlough status being allowed to be reemployed as a driver.

SECTION 12 - Layoff and Recall - Layoff and recall shall be handled in accordance with Company seniority held within each seniority group, within each division, providing the employee or employees involved have the qualifications needed to perform such work. In the event of a layoff and recall, Company and Union will meet to discuss qualifications of said recalls.

SECTION 13 - Termination of Seniority - Employee's continuous service record and seniority status shall be terminated in the following events:

- A. If employee quits.
- B. If employee is discharged for a just cause.
- C. If employee is absent without notifying the Company for three (3) consecutive working days.
- D. If after layoff the Company gives notice to return to work on a specific date and the employee agrees to return to work on that date and does not return to work at that time he/she agrees, or

If after layoff the Company gives written notice by certified mail to the last known address shown on the Company records requesting the employee to work and the employee fails to notify the Company within three (3) days that the employee is available for work within seven (7) days from the date of the notice

and actually does not return to work upon the specified date, no less than seven (7) days from the date of the notice, provided a list of such recalled employees is given to the Union at the time the notices are sent to the employees.

E. If the employee does not return to work at the expiration of the leave of absence.

SECTION 14 - New Employees - As new employees are hired, the Company will classify the new hires into a specific seniority group.

SECTION 15 - Part-Time Employees - All part-time employees are covered by Union security, Union check-off, grievance procedure and applicable rates of pay and other provisions of this agreement as specifically stated as covering part-time employees.

SECTION 16 - Employment Preference for Disabled and Furloughed Employees - When new employees are required by the Company, disabled employees and employees who have been furloughed due to lack of work shall be given preference in employment over new, outside applicants if qualified to perform the work available.

ARTICLE VIII

SECTION 1 - Probationary Period - The probationary period for new employees shall be ninety (90) working days from their date of hire. During the respective period described above, such employees shall be deemed to be on probation and may be released by the Company, and during such period no provision of the agreement as to discipline, grievances, arbitrations, seniority, deduction of dues, fees or assessments, leave of absence, or similar related matters shall apply to such employees. Employees will not be entitled to any Company benefits until successfully completing their probationary period. Unless notified to the contrary within the respective period described above, it shall be understood that an employee's application for permanent employment has been approved unless it later develops that false information materially affecting the acceptance of application for employment was given, in which event such employee shall be subject to dismissal by the Company.

The Company shall have the right to extend an employee's probation up to thirty (30) working days. In any event, the Union shall have the right to collect dues and assessments after ninety (90) working days.

ARTICLE IX

SECTION 1 - Leaves of Absence - Employees may be granted a leave of absence of thirty (30) days or more without loss of seniority if mutually agreed to by both the Union and the Company. Leave of absence due to sickness or disability will not be limited under this provision nor will seniority in such cases be affected provided that a Company physician certifies to the necessity of such sick leave. However, such employee may be required to be examined by a reputable physician at the request of the Union or the Company at the end of thirty (30) days of absence from duty to substantiate illness and the party requesting such examination will pay for same. In the event the employee fails

to attend such examination or upon such an examination is found to be fit for duty and fails to report immediately thereafter, their seniority shall be terminated. An employee on leave of absence may accept employment elsewhere without loss of seniority or employee privileges, except that they shall not accept employment with any bus lines or other firm competitive with Coach USA WNY either directly, indirectly or personally unless mutually agreed upon in writing by the Union and the Company. The employee desiring to return from a leave of absence before expiration thereof will give ten (10) days advance notice to the Company and the Union.

- A. The Company will adhere to all requirements as provided under the family medical leave act.

SECTION 2 - Leave of Absence for Union Business - Those employees, a maximum of two (2) per division, who are committee members of Local 1342 shall be granted the necessary leave of absence to permit the performance of their duty as such committee members, providing reasonable notice shall be given and the number of leaves to be granted will not interfere with the business of the Company and such employees shall suffer no loss of rights or benefits enjoyed by other employees. Whenever possible, seventy-two (72) hours notice will be given. The Company will extend the Union similar courtesy in regards to timely notification of request for meetings.

- A. The Union agrees that its members covered above will not abuse the rights set forth herein.
- B. Members, employees of the Company, being used in service of the Union will, while in such service, retain and accumulate all seniority rights and benefits enjoyed by other employees.

ARTICLE X

SECTION 1 - Vacations – Effective January 1, 2006, all full-time employees will be entitled to vacation benefits based on their full-time seniority date as follows:

1 to 2 years seniority	1-week vacation
3 to 11 years seniority	2 weeks vacation
12 to 15 years seniority	3 weeks vacation
16 to 19 years seniority	4 weeks vacation
20 years seniority or more	5 weeks vacation

All part time Operators who have earned more than \$15,000.00 in the prior year will be entitled to a one (1) week vacation.

All part-time Operators who have earned more than \$10,000.00 in the prior year will be entitled to three (3) days vacation.

- A. Eligible employees will receive vacation pay based upon a forty (40) hour workweek.

- B. If a holiday falls during a vacation period, the employee shall receive vacation pay and pay for the holiday. The Company shall assign all vacations not signed for. Any employee out of town on assignment during the vacation sign up shall sign for their vacation immediately upon return.
- C. Eligible employees must take their vacation time specified and the choice of vacation time will be based on seniority. Vacations may be taken on a per-day basis with management approval.
- D. Summer and Fall month vacation, (i.e. March, April, May, June, September, October and November, will be limited to one (1) employee per week per terminal. One (1) operator and one (1) maintenance employee. Management reserves the right to increase vacation quotas if staffing levels permit.
- E. Eligible employees must use vacations by the end of the calendar year.
- F. Eligible employee anniversary dates will determine vacation eligibility. Choice of selecting vacation periods will be posted between January 1st and January 21st of each calendar year. A person with less than one-year seniority will be restricted to indicate their choice of vacation period after their anniversary date. Finalized vacation lists will be posted in each division.
- G. Vacation pay will be received the last pay period prior to the commencement of the time that an employee actually takes the vacation.
- H. An employee must give a minimum of fourteen (14) calendar days advance notice of resignation or retirement to receive any balance of earned vacation time.
- I. Any employee terminated for cause shall forfeit vacation. This section shall not apply to employee reinstated to their prior position.
- J. Due to injury or illness a full-time employee may be out a maximum of four (4) months in one calendar year before losing their vacation for the following year.

SECTION 2 - Holiday Pay - For full-time employees, there shall be seven (7) paid holidays composed of the following:

New Year's Day	Memorial Day
Fourth of July	Labor Day
Christmas Day	Thanksgiving Day
Easter Day	

Part-time Operators who earn more than \$15,000.00 in the prior year; there will be three (3) paid holidays as follows:

Easter Day

Labor Day
Thanksgiving Day

Part-time Operators who earn more than \$10,000.00 in the prior year; there will be two (2) paid holidays as follows:

Easter Day
Thanksgiving Day

- A. For eligible employees, if you are not available for work the day preceding or the day following a holiday, you will not be paid for the holiday. Except with permission by the Company to be absent on such day they will be entitled to such holiday pay.
- B. All full-time employees and full-time regular and extra operators and full-time maintenance employees shall receive holiday pay for holidays outlined above based on eight (8) hours pay.
- C. In the event employees work on any said holiday, such employees shall receive straight time pay for work performed on such holiday in addition to their holiday pay.
- D. If a holiday falls during a vacation period, the employee shall receive the vacation pay and pay for the holiday.
- E. Full-time employees on sick leave of not less than three (3) days or more than thirty (30) days will be paid for any holiday falling in their period of said sick leave.
- F. All work assigned on a holiday will be assigned in reverse full time order unless work is requesting in writing by senior operator.

SECTION 3 - Death in the Immediate Family - A full-time employee shall be given three (3) days off with pay, eight (8) hours per day for the death of a spouse, mother, father, stepmother, stepfather, mother-in-law, father-in-law, sister, brother, or child provided the days off fall on the employee's regular day of work. Such days off shall include up through the day of the funeral.

SECTION 4 - Paid Sick Leave – All Eligible full-time employees shall be entitled to receive five (5) days sick/personal leave per year. No waiting period for sick days. Unused days will be paid to employee at years end.

Part-time Operators - More than \$15,000.00 – Three (3) days per contract year.

Part-time Operators – more than \$10,000.00 – Two (2) days per contract year.

- A. Payment for sick leave shall be eight (8) hours for each full day of work lost as outlined above.
- B. An employee terminated for cause or who quits their employment shall not be entitled to earned sick leave. This section shall not apply to an employee reinstated to their prior position through arbitration or mutual agreement.
- C. If an employee does not use their allotted sick/personal days within the calendar year they will be reimbursed at their normal rate of pay for any unused days. This payment will be made in the second pay period of January.

ARTICLE XI

SECTION 1 - Health and Welfare Plan – The Company will contribute the following to the plan for all full-time Operators. In addition to rates listed below the Company will pay 50% of any future premium increases:

Effective Date:	Per Month
January 12, 2012	\$270.00

The Company will contribute the following to the plan for all full-time Operators with ten (10) or more years seniority. In addition to rates listed below the Company will pay 50% of any future premium increases

Effective Date	Per Month
January 12, 2012	\$345.00

The Company will contribute the following to the plan for all part-time Operators provided they worked an average twenty (20) hours will pay 50% of any future premium increases. In addition to rates listed below the Company will pay 50% of any future premium increases

Effective Date	Per Month
January 12, 2012	\$230.00

The Company will contribute the following to the plan for all full-time maintenance and body shop employees. In addition to rates listed below the Company will pay 50% of any future premium increases

Effective Date	Per Month
January 12, 2012	\$325.00

- A. If an eligible employee is out due to injury or illness, the Company will continue to contribute to his/her said insurance up to a maximum of six (6) months provided the employee does the same. Said employee, however, shall have the option to continue their coverage under the Company policy by paying to the

Company, the full cost of the same in advance of the premium date until returning to work.

- B. It is understood and agreed that new full-time employees would have a three (3) month waiting period, new part-time employees would have a six (6) month waiting period before becoming eligible for Company paid premium. Such employees can apply for such coverage at their expense during the waiting period if they desire.
- C. Any employee not qualified for Company contributions may avail themselves of coverage, providing they pay the full cost of coverage throughout their employment.
- D. The Union may seek changes to the existing Health and Welfare Plan; subject to Company approval, but in no event shall any changes cost the Company money.
- E. Any full-time employee who is entitled to and received paid health insurance benefits may elect to receive an allowance of \$500.00 plus percentage of any future increase of premium in lieu of family medical insurance or \$250.00 plus percentage of any future increase of premium in lieu of single coverage in lieu of having their insurance coverage paid on an annual basis each December, appropriate taxes will be deducted. Employee must notify the Company and show proof of health insurance in effect before the 1st of December in writing. This allowance will be paid by the last pay period in January.
- F. The Company will seek and secure a short and long term disability plan for employees. Participation will be voluntary and the premium will be fully paid for by the employee.

SECTION 2 – 401 K Plan – Any employee enrolled in the ATU 401 K Plan, the Company will contribute a maximum of one percent (1%) of the employee’s weekly gross wages provided employee contributes at least one percent (1%) of their gross wages.

ARTICLE XIII

SECTION 1 - New Runs and Permanent Vacancies - All new runs and permanent vacancies within each seniority group between general bids and regular assignment will be advertised by written notice on the bulletin boards at such division within ten (10) days prior to the affected date. Such notice will state where the run or vacancy exists and the hour and date bids close. If no bid is received, the run or permanent vacancy will be assigned to the youngest operator on the extra list of the extra board doing such assignment. The Company may use part-time operators to cover the run providing all full-time operators are previously assigned. Successful bidders on work advertised under this section cannot exercise seniority for other vacancies within sixty (60) calendar days, unless displaced themselves.

SECTION 2 - Consultation Prior to Posting of Runs - The Company agrees that it will consult with properly accredited representatives of the Union prior to the posting of bids of all new runs and agrees that copies of the scheduled runs will be given to the representatives or President of the Local Union prior to posting.

SECTION 3 - General Bids - General run bids will be advertised not less than ten (10) calendar days prior to the effective date. Copies of such bids will be forwarded to the Union two (2) calendar days prior to being posted. It is understood that there will be at least one general bid each year. Bids will be effective from January 1 through December 31. No bid will be asked for over the telephone unless mutually agreed to by the Union Representative and the Company Representative.

SECTION 4 - Establishment of Boards - The Company, in its discretion, may establish a board in any city where its work exists, and may discontinue such board at its own discretion.

SECTION 5 - Line Run Operators - All line operators will bid from a terminal point, which will be worked out by the Company, most economically in their regular route operations.

SECTION 6 - Payment According to Bid Specification - All vacancies, both permanent and temporary will be paid according to the bid specification on a per day basis.

SECTION 7 - Learning of Routes - All extra operators shall be required to know the routes and be able to operate all scheduled runs of the Company prior to performing work. Two days at minimum wage will be paid for breaking in on such routes.

SECTION 8 - Pooling of Runs - The Company shall have the right to pool runs with other bus companies.

ARTICLE XIV

SECTION 1 - Full-Time Boards - The Company, at its discretion, may establish a full-time board in any city where its work exists, and may discontinue such board at its own discretion. The Company agrees to notify the Union whenever it established a full-time extra board or discontinues one.

SECTION 2 - Report Guarantee - Operators given a report to protect a schedule which does not materialize will be given a minimum of two (2) hours pay at the applicable rate of pay. If after one (1) hour, work does become available, the operator will be paid for the one-hour report plus the available piece of work.

SECTION 3 - Maintenance Employees on Driving Assignments - It is understood and agreed that whenever maintenance employees are used on driving assignments they will receive their maintenance rates of pay during their shift time. After shift time they will be paid the extra operators rate of pay on such assignments. Such driving assignments will

be separate and a part of the 40-hour week. Such maintenance employees may be used by the Company when no drivers are qualified and available for work.

ARTICLE XV

SECTION 1 - Overtime - Overtime will not be assigned on a discriminatory basis.

SECTION 2 - Charter Work Assignment - All charter work performed by employees within the seniority groups listed in Article VII, Section 7 of this agreement shall be on a seniority basis, with the understanding that emergency situations and existing contracts shall take precedence when assigning charters. See Article XXII, Section 1.

SECTION 3 - The Roster Board - will be posted in view of employees at each terminal by 2:00 p.m. each Wednesday for a seven (7) day period with the exception of last minute changes.

SECTION 4 – Work Assignments –Employees given transit or line run work assignments will be paid at their regular rate of pay or applicable rate whichever is higher.

ARTICLE XVI

SECTION 1 - Line Operators - Line operator rate of pay:

Effective Date	Hourly Rate
January 12, 2013	\$13.94
January 12, 2014	\$14.22
January 12, 2015	\$14.36
January 12, 2016	\$14.65

A. It is understood and agreed whenever a line run operator is used to work a line run on his/her day off, such line operator will receive the line operator’s rate of pay. It is understood that when a line run operator performs any other work he/she will be paid the full time operator rate of pay.

B. Minimum Guarantee on line runs. The Company will pay an eight (8) hour minimum guarantee on the following regular runs: Olean - Buffalo

SECTION 2 - Full-Time Operators

Effective Date	Hourly Rate
January 12, 2013	\$13.89
January 12, 2014	\$14.15
January 12, 2015	\$14.29
January 12, 2016	\$14.58

- A. Full-time operators will be guaranteed \$150 per week. The guarantee will be based on a seven (7) day week, Sunday 12:01 a.m. to Saturday 12:00 midnight. Said guarantee to be for driving. Full-time Operators must request guarantee by the end of business day of the following Friday to be eligible. It is understood that in the event there is no full-time charter work available, drivers will be assigned line run and transit work. It is further understood that failure to accept any assignment will nullify the guarantee for the work and the operators will be subject to disciplinary action for refusals.

SECTION 3: Part-Time Operators:

Effective Date	Hourly Rate
January 12, 2013	\$13.31
January 12, 2014	\$13.58
January 12, 2015	\$13.72
January 12, 2016	\$13.99

- A. It is the obligation of the employee to notify their division dispatcher if not reachable, then division supervisor at home for work available in conjunction with the weekly guarantee.
- B. Operators to be considered as available under the provisions of this section must provide themselves with a home telephone and/or cell phone in order that they may be called in proper turn. The Company will cooperate with the operators and upon request, furnish them with information as to their standing on the extra board and probable time they may be called. A standard call to report to duty to be three (3) hours except in the case of emergency.
- C. All part-time employees hired after December 6, 1978, after achieving three years seniority average of 1200 hours per year over three years – total 3600 hours – will receive a rate of forty (40) cents an hour below full-time operators and remain at this ratio until full-time status is attained. This section will apply to part-time Coach drivers hired after January 13, 1986 who receive the same rates of pay and benefits as operators of a similar seniority group hired prior to January 13, 1986.
- D. All drivers with less than ninety (90) working days of employment shall receive twenty-five cents (\$.25) per hour less until ninety (90) working days of employment has been reached.

SECTION 4 - Transit Bus

Effective Date	Hourly Rate Part-Time	Hourly Rate Full-Time
January 12, 2013	\$11.78	\$12.52
January 12, 2014	\$12.02	\$12.77
January 12, 2015	\$12.14	\$12.90

January 12, 2016

\$12.38

\$13.16

- A. On charters if operating a coach, part-time coach rate will apply. If operating a transit bus on a transit bus charter, transit rate will apply.

SECTION 5 – Rates - Bus operators hired prior to December 6, 1981 who have received C.O.L.A. increases shall retain same through out their employment with the Company. It is understood any employee will receive their current rate of pay and benefits. In addition, they will also be eligible for any listed increase to both rate of pay and benefits outlined in the appropriate section that applies to the employee. Any percentage increase will be calculated on the employees current rate of pay.

SECTION 6 - Uniform Allowance - All operators must be in complete uniform at all times when operating equipment owned by the Company. Operators who have worked for the Company over one (1) year will receive a uniform allowance, to be issued in a voucher form, included with the first paycheck following anniversary date of hire. Said uniform allowance is to be used solely for the purchase of Company approved uniforms. Uniform allowance shall be allocated according to the following schedule:

Drivers to receive uniform allowance quarterly during their first year of employment as outlined in this section (A through C). For the first year, only the minimum hours will not be needed.

Voucher Value

- | | |
|--|-------|
| A. Full-time Operators | \$200 |
| B. Part-time Operators
(earned over \$10,000. | \$160 |

SECTION 7 – Safety Awards

There will be additional allowance for drivers as outlined below for no chargeable accidents in the previous one-year period. In order to be eligible, driver must have earned \$10,000.00 or more during the preceding year. The time period for determination of these safety awards will be computed from January 1st - December 31st of each year during the term of the contract. This will not be paid to those operators who qualify for other safety awards contained in this contract.

- | | |
|--------------------|----------|
| Full-Time Operator | \$300.00 |
| Part-Time Operator | \$270.00 |
| Transit Operator | \$270.00 |

SECTION 8 - Extra Work - In the event an operator works at least fifty (50) hours in any week, he or she will then be placed at the bottom of the seniority list as it pertains to extra work for that week. Every effort will be made to rotate operators in respect to same, in every classification.

ARTICLE XVII

SECTION 1 - Maintenance Classification, Hourly Rates of Pay

Contractual increases will be paid regardless of current rate of pay.

Rate Per Hour

Effective January 13	2013	2014	2015	2016
Mechanic	\$15.72	\$16.03	\$16.19	\$16.51
Semi-Skilled Mech.	\$15.15	\$15.45	\$15.60	\$15.91
Mechanic Helper	\$14.77	\$15.07	\$15.22	\$15.52
Greaser	\$14.51	\$14.80	\$14.95	\$15.25
Tire Man	\$14.06	\$14.34	\$14.48	\$14.77
Bus Washer	\$12.03	\$12.27	\$12.39	\$12.64

Night shift differential of \$0.20 per hour for third shift hours.

Shifts in Maintenance and Body Shops will be picked by order of seniority. (e.g. Full-time employees pick full time shifts, part-time employees pick part-time shifts)

SECTION 2 - A-1 Mechanic Classification and A-1 Skilled Body Classification -

A classification of A-1 Mechanic and A-1 Skilled Body classification is established with the rate of pay to be mutually agreed to by the Company and the Union. It is further agreed that the Union will not unreasonably withhold its approval of such mutually agreed rate of pay.

SECTION 3 - Maintenance Department - Maintenance Department employees hired prior to December 6, 1981, who have received C.O.L.A. increases, shall retain same throughout their employment with the Company.

SECTION 4 - Job Promotion Procedures

- A. Maintenance Department seniority shall determine job promotions and demotions within the Maintenance Department, but the Company shall make the decision as to whether an employee is qualified for such promotions. In the event of a layoff or demotion an affected employee may bump down to a lower classification within the same department so long as they are skilled to handle the position and will be paid at the applicable rate of pay of the new position.
- B. Semi-skilled mechanics who have served with the Company for at least four (4) years and who have served as semi-skilled mechanics for at least two (2) years may be advanced to the mechanics classification providing they are qualified therefore and if such vacancy occurs within the mechanics classification.

- C. Mechanics' helpers who have served with the Company for at least two (2) years and who have served as a mechanic's helper for at least one (1) year may be advanced to a semi-skilled mechanic classification providing they are qualified therefore and if such vacancy occurs within the semi-skilled mechanic classification.
- D. Greasers who have been with the Company for at least one (1) year and who have served as a greaser for at least one (1) year may be advanced to a mechanic's helper classification providing they are qualified therefore and if such vacancy occurs with the mechanic's helper classification.

SECTION 5 - Maintenance Employee Guarantee - All full-time maintenance employees are guaranteed forty (40) hours per week within the maintenance department. Maintenance employees requested to work continuously after their normal report off time will be paid straight time rate of pay. Such forty (40) hour per week guaranteed work will be made available during such seven (7) day work week provided assignments do not conflict, except for acts of God or other causes beyond the control of the Company.

With respect to maintenance employees only, the forty (40) hours each week will be made available in seven (7) days - Sunday, 12:01 a.m. to the following Saturday, 12:00 midnight.

SECTION 6 - Two Hour Work Guarantee - If a maintenance employee is called into work two (2) hours prior to the start of their work shift, such employees will then continue to work their regular work shift. If a maintenance employee is called into work more than two (2) hours prior to their work shift, such employee will also work their regular shift hours in addition to such time called into work early.

SECTION 7 - Called from Home Prior to Regular Work Shift - All maintenance employees will be paid a two (2) hour guarantee when ever required to report for work provided they are called from home for such work outside their regular bid tour of duty. A Road Call Board will be set up by the Company for mechanics. Such boards will be worked on a rotation basis to equalize such work to all mechanics.

SECTION 8 - Maintenance Clothing Allowance – The Company will provide uniforms for Maintenance and body shop employees. If uniforms are not turned in when maintenance employees leave employment, the cost of said uniforms will be deducted from employees last pay check.

SECTION 9 - Tool Breakage Allowance - All maintenance employees working as a mechanic, semi-skilled mechanic, mechanic's helper, greaser, and/or those employees working the paint and general body man classification of skilled, semi-skilled, journeyman and apprentice shall receive the following breakage allowance, providing they have at least one (1) year full-time seniority:

\$250.00 Per Full Calendar Quarter

- A. Such allowance shall be paid on a three (3) month basis.
- B. The Company reserves the right to demand that the employees covered herein shall have sufficient tools to carry out their duties.

SECTION 10 - Maintenance Meal Allowance - Mechanics sent out on roadwork will receive a paid meal allowance the same as operators per meal on a daily basis. The same formula relative to time periods as outlined under driver portion will prevail; reference Article XX, Section 3.

SECTION 11 - Maintenance Room Allowances – All mechanics needing a hotel room will not be required to share a room. The Company will arrange for hotel rooms and will pay for the cost of said room.

SECTION 12 - Breaks - Maintenance employees will receive a fifteen (15) minute break within four hours worked.

SECTION 13 - Workmanship - to read as follows: Mechanics who are identified as having performed poor workmanship will be subject to disciplinary actions up to and including dismissal. If a dispute arises regarding the company action the union reserves the right to the grievance/arbitration procedures.

SECTION 14 – CDL License – All new mechanics are required to possess the required CDL (with P endorsement) license to perform their job duties. Required licenses must be obtained within the required probationary outlined in Article

ARTICLE XVIII

SECTION 1 - Bus Operator Check-In - Operators are to turn in all materials: time sheet, itineraries, expenses, advanced monies, etc. immediately upon completion of their tour of duty to their supervisor. When supervisor is unavailable, turn in is to be made prior to the next tour of duty. Failure to comply with this rule will result in immediate termination.

ARTICLE XIX

SECTION 1 - One-Day Charters - Charters of less than twenty-four (24) hours with mileage less than 160 miles on duty. The employee will be paid with the option for continuation of work up to a maximum of eight (8) hours more. For example, if a trip is to Buffalo and return, taking six (6) hours, the operator can work two (2) hours or more to complete a day's work. The Company reserves the right to combine work at its discretion.

- A. On charters of less than twenty-four (24) hours, the operators will pay for their own meals.

SECTION 2 - Charter of Two or More Days - On a charter of twenty-four (24) hours or more, during each twenty-four (24) hour period where a driver does not drive at all, that period will be computed as an eight (8) hour day.

SECTION 3 - Operator Meal Allowance - On charters of twenty-four (24) hours or more, meal allowances will be paid as follows:

Breakfast	\$5.00
Lunch	\$9.50
Dinner	\$11.75

There shall be no meal allowance where the meal is provided by the Company.

When leave time is before 6:00 a.m. the operator will receive breakfast allowance. When the leave time is before 11:00 a.m. the operator will receive lunch allowance. When the leave is before 4:00 p.m., dinner allowance will be given.

With respect to arrival time, breakfast will be allowed if the arrival time is after 8:00 a.m. Lunch will be allowed if the arrival time is after 1:00 p.m. and dinner allowance will be allowed if the arrival time is after 9:00 p.m.

SECTION 4 - Reimbursement of Charter Expenses - There will be reimbursement for expenses on charters where valid receipts are submitted. Purchases of an unusual nature shall be preauthorized.

All funds will be placed in drivers lockers. The company assumes no responsibility for misplaced funds.

SECTION 5 - Multiple Day Charter Assignments - Any charter of special work of over two (2) days will be assigned eight (8) hours before leaving time from garage.

SECTION 6 - Operator Room Allowance – The Company will pre-arrange and pay for all rooms while on charter assignments of twenty-four (24) hours or more.

The Company will attempt to have customers' book rooms for drivers in the properties they will be staying in on the first night.

Drivers will receive their own rooms at Company expense.

SECTION 7 - Charter Requests - All written requests for any driver will be given consideration. Copies of said written requests will be provided to the local representative upon request. Any operators can be requested.

SECTION 8 - Payroll Corrections - Any errors, omissions or corrections in pay will be adjusted in the next weeks pay.

SECTION 9 - Charter of an Unusual Nature - Charters of unusual nature (over 30 days in length) will be assigned a specific rate of pay of seven hundred dollars (\$700.00) per week plus meal allowance. This will be pro-rated at a daily rate for any days over a week but short of a full week (based on a 6 day week).

International charters (i.e. Allied, Trafalgar, Pam Tours, etc.) will be paid at a daily rate of \$150.00 plus meal allowance when applicable.

These trips will be assigned only to drivers wishing to do them by sign up only.

SECTION 10 - Operator Request for Relief - Where an operator requests relief from duty on a multi-day assignment and in the case of extreme emergency, the company with prior approval of the General Manager will pay their expenses from the point of relief not to exceed \$250.00.

SECTION 11 - Day Off - All employees shall have one day off per week as long as it does not affect the operations of the Company or that it does not cost the Company money.

ARTICLE XX

SECTION 1 - Delayed Time Pay for Breakdowns - If an operator is delayed after exerting every possible effort not to be delayed, they will be compensated at their applicable hourly rate for time delayed, eight (8) hours for every twenty-four (24) hours with the exception of an instance where the employee has no alternative but to remain with the vehicle. In which case they will be paid continuous time.

ARTICLE XXI

SECTION 1 – Use of Part-Time Operators – The Company may use part-time operators providing there are no full-time operators available and qualified, except when part-time operators are requested in writing. The Company agrees to contact such full-time operators either personally or by telephone to ascertain if they are available and if not, the Company can then use such part-time operators. An issue relative to whether such full-time operators are deprived of work will be subject to the grievance procedure.

SECTION 2 – Part-Time Operator Preference for Full-Time Work – All present part-time operators will be given preference of going on full-time status employment before the Company hires from the outside, providing all driving qualifications are met and all other Company qualifications are met in order of seniority, within the division.

SECTION 3 – Part-Time Operators Availability to Work – Part-time operators, in order to be considered, must submit their hours of availability on form provided in duplicate. Copy to the Company by the 15th of the previous month showing availability for the full month. Failure to abide by this section, no recourse or complaint can be registered. Each time said availability changes a new form must be submitted. Work

will be assigned according to seniority and availability wherever possible. Any change notification shall be submitted two (2) weeks in advance with the business reason for the change.

Due to the high cost of maintaining driver qualifications, the Company will not maintain the employment status of any part-time driver who is not available for assignments at least two weekends per month (must be available at least two days out of Friday, Saturday and Sunday)

A part-time driver who is not available for assignments Thursday through Sunday will not be considered available for any trips where he may be requested.

ARTICLE XXII

SECTION 1 – Company Rules and Regulations – All existing rules and regulations related to the operation and conduct of the Company’s business not in conflict with the provision with the agreement will remain in effect until superseded or changed by subsequent rules or regulations not in conflict with this agreement. Copies of said rules and regulations entitled Manual of Rules will be furnished to all employees and the President of the Union. When bulletins are issued they will be posted on all bulletin boards maintained by the Company and a copy will be provided to the Union. Violations of the said rules shall be the basis for progressive discipline up to and including termination.

SECTION 2 – Changes to Agreement – Irrespective of the provisions for compensation and work rules pertained in this agreement, the Company and the Union recognize that work opportunity in the future may require modifications and compensation and rule changes. The Company and the Union agree that changes requested by the other party, in writing, to modify compensation or to change work rules will be answered in writing within twenty (20) days. Failure to object, in writing, within twenty (20) days, will constitute agreement with the requested change. Requests will be sent to the President of the Company, or his/her designate or the President of the Union, or his/her designate. Certified, return receipt requested or given personally to either party and signed for.

ARTICLE XXIII

SECTION 1 – Changes in State and Federal Laws – If any provision or provisions of this agreement becomes in violation of any Federal or State law wherein the agreement is inoperative, the remainder of the agreement will remain in force and effect and said provision or provisions shall immediately become subject to joint negotiations in order to establish a replacement provision or provisions. The replacement provision or provisions shall be developed in conformance with law and as near as possible along the original intent expressed by the parties in the invalid provision or provisions. Where said provision or provisions shall be inoperative only as to the state in which it is declared to be illegal or invalid.

ARTICLE XXIV

SECTION 1 – Safety Equipment – Employees shall be required to use safety equipment while working under coaches with air bellows. Such equipment to be made available by the Company.

SECTION 2 – Company Owned Equipment – Employees, who, in the process of their work, use Company owned tools and equipment will be issued tool checks by the Company. Such checks will be charged to each employee to who issued on a custody receipt and in case of loss, the employee will be charged for same. Company owned tools and equipment must be returned by the employee to the Company after use of same. In the event of loss of such Company owned tools or equipment, the employee will be responsible. Employees leaving the employment of the Company will turn in and account for all checks for receiving Company tools and equipment or pay the cost of same.

ARTICLE XXV

SECTION 1 – Termination of Agreement - This agreement shall be in effect from January 12, 2013 12:00 midnight until and including January 12, 2017, 12:00 midnight and shall remain in effect from year to year thereafter, unless changed or terminated as herein provided.

SECTION 2 – Modification of Agreement – Either party desiring to make any changes or modifications in this agreement to become effective at the end of said term January 12, 2017 or any annual extension thereof beyond January 12, 2017 or desiring to terminate this agreement at the expiration thereof, shall notify the other party in writing of this desire to either enter into negotiations for the purpose of making changes or modifications herein or of its desire to terminate this agreement at sixty (60) calendar days prior to the expiration date of this agreement or any extension thereof.

In the event any change or modification so requested by the other party is not mutually agreed upon prior to the expiration date of this agreement or any renewal thereof, the agreement shall be extended by mutual consent. After receipt of notification requesting changes or modifications in the agreement, parties agree to set mutually satisfactory date to meet and discuss the same.

**BY BUTCH KAYLOR, GENERAL MANAGER,
BLUE BIRD COACH LINES, INC., DBA
COACH USA ERIE**

BY VINCENT G. CREHAN, PRESIDENT/BUSINESS AGENT

AMALGAMATED TRANSIT UNION LOCAL 1342