

**NATIONAL MASTER FIRST STUDENT
AGREEMENT
(TENTATIVE AGREEMENT)**



FOR THE PERIOD
June 1, 2011 through March 31, 2015

NATIONAL MASTER FIRST STUDENT AGREEMENT

For the Period:

June 1, 2011 through March 31, 2015

Covering:

operations in, between and over all of the states, territories and possessions of the United States.

ARTICLE 1. PARTIES TO THE AGREEMENT

The parties hereto enter into this collective bargaining agreement for the purpose of maintaining harmonious and peaceful labor conditions and establishing methods for a fair and peaceful adjustment of disputes that may arise between the parties. All parties hereto pledge to cooperate with each other in good faith in the enforcement of the terms and conditions of this Agreement. All parties desire to provide uninterrupted operations to the clients they serve and to provide a secure, safe and productive work environment.

Section 1. Employer Covered

The Employer signatory to this National Agreement and associated Local Supplements, addenda and/or riders is First Student, Inc.

Section 2. Unions, Operations and Employees Covered

The Union consists of any Local Union which may become a party to this Agreement and any Supplemental Agreement as hereinafter set forth. Such Local Unions are hereinafter designated as "Local Union." In addition to such Local Unions, the Teamsters First Student National Negotiating Committee ("TFSNNC") representing Local Unions affiliated with the International Brotherhood of Teamsters, hereinafter referred to as the "National Union Committee" is also a party to this Agreement and the agreements supplemental hereto.

The Employer recognizes the Union as the sole and exclusive collective bargaining agent with respect to rates of pay, hours and other terms and conditions of employment for the employees in previously certified or recognized units referenced in Attachment A hereto.

A list of all the Local Unions covered by this National Agreement and the associated categories of employees represented by said Local Unions is described in Appendix A to this National Agreement, which will be updated by the parties by mutual written agreement as additional operations become covered by this National Agreement.

ARTICLE 2. SCOPE OF AGREEMENT

Section 1. Scope and Approval of Local Supplements

It is the intent of the parties that generally negotiated terms and conditions of employment will be set forth in the National Agreement and that locally negotiated conditions generally will be narrowly limited in scope to locally negotiated economic provisions and local terms and conditions of employment. All Local Supplements and/or riders must be submitted to the National Union Committee for review and approval. Failure to be approved in writing by said Committee shall render a Local Supplement null and void. This provision does not alter or substitute for any procedures the Union has for membership ratification.

The Company and the National Union Committee agree that they shall work with the local bargaining parties to seek a fair and equitable agreement prior to the commencement of any strike or job action. In such circumstances either the Company or the Local Union can invoke a one time cooling off period to allow the National Union Committee the ability to assist the Local Union in seeking a resolution to the dispute. Such cooling off period shall expire twenty-one (21) calendar days after the involvement of the National Union Committee or upon a statement by the National Union Committee that further bargaining would be fruitless, whichever occurs first. Such statement by the National Union Committee shall not be issued sooner than five (5) days after its involvement.

Upon the effective date of this Agreement, any previously adopted local agreement, practice or provision which provides less than the wages, hours, and working conditions established by this Agreement and the supplements and/or riders hereto shall become null and void. Furthermore, any lesser conditions contained in any Supplement, Rider or Addendum hereto shall be superseded by the conditions contained in this National Agreement. However, nothing in this National Agreement shall deprive any employee of any superior benefit or term contained in their Supplement, Rider or Addendum.

Section 2. Non-Covered Units

This Agreement shall not be applicable to those operations of the Employer where the employees are covered by a collective bargaining agreement with a Union not signatory to this Agreement, or to those separate units who have not designated a signatory Union as their collective bargaining agent.

Notwithstanding the foregoing paragraph, the provisions of this Agreement shall be applied without evidence of union representation of the employees involved, to all subsequent additions to, and extensions of, current operations which adjoin and are controlled and utilized as part of such current operation, and newly established terminals and consolidations of terminals which are controlled and utilized as a part of such current operation

Section 3. Additional Operations

To the extent legally permissible, the provisions of this national agreement shall extend and apply to any operation where an affiliate of the IBT is certified as the bargaining unit representative. The involved parties shall meet promptly to negotiate a local agreement.

Section 4. Single Bargaining Unit

It is the intent of the parties that each of the groups of represented employees referenced in Appendix A will be governed by this National Agreement and applicable local agreements, supplements and/or riders.

All employees covered by this National Agreement and the various local agreements, supplements and/or riders shall constitute one (1) bargaining unit. The printing of this National Agreement and the various local agreements, supplements and/or riders in separate agreements is for convenience only and is not intended to create separate bargaining units.

ARTICLE 3. UNION RECOGNITION AND DUES

The Company recognizes the Union as the sole and exclusive bargaining agent for all matters affecting the wages, hours and terms and conditions of employment of its employees in the bargaining unit. This Agreement covers all individuals performing work covered by this Agreement or any supplements and/or riders hereto, including: All bus routes or runs, all maintenance mechanic work, and any movement of buses, vans or any other vehicle that will be used for the purpose of transportation by the Employer, as well as all work traditionally and historically performed by bargaining unit personnel.

All present employees who are members of the Local Union on the effective date of this subsection or on the date of execution of this Agreement, whichever is the later, shall continue to satisfy any and all financial requirements or other obligations of the Local Union or meet the requirements of a service fee payor. As a condition of employment all employees must pay either the Union's initiation fees and periodic dues or service fees which in the case of a regular service fee payor shall be equal to the Union's initiation fees and periodic dues, and in the case of an objecting service fee payor shall be the proportion of the initiation fees and dues corresponding to the portion of the Union's total expenditures that support representational actives. All present bargaining unit employees who are not members of the Local Union and all employees who are hired hereafter into the bargaining unit shall satisfy any and all financial requirements or other obligations of the Local Union as set forth above on and after the thirty-first (31st) calendar day following the beginning of their employment or on and after the thirty-first (31st) calendar day following the effective date of this subsection or the date of this Agreement, whichever is the later. An employee who fails to satisfy the financial requirements or other obligations of the Local Union as herein provided, shall be terminated seventy-two (72) hours after his/her Employer has received written notice from an authorized representative of the Local Union, certifying that membership has been, and is continuing to be, offered to such employee on the same basis as all other members and further, that the employee has had notice and opportunity to make all dues or initiation fee payments. This paragraph shall be interpreted to provide the Union and its Local Unions with the maximum Union Security that may be legally permissible.

In the event of any change in the law during the term of this agreement relating to Union Security the Employer agrees that the Union will be entitled to receive the maximum Union Security that may be lawfully permissible.

The Employer agrees to deduct from the wages of all employees covered by this agreement initiation fees and regular monthly dues, including D.R.I.V.E., and send a check for all such money deducted to be received by the Union on or before the third Friday of current month, provided however, that no such deduction shall be made unless and until the Employer is furnished with individual authorization by the employee, in writing, to make such deduction, subject moreover, to all requirements of the Labor Management Relations Act, 1947, as amended.

The Union at its option may require that dues be deducted on a weekly basis.

The Local Union shall indemnify and hold harmless the Company against any and all claims, demands, suits, or other forms of liability that shall arise out of, or by reason of, any action taken or not taken by the Company in reliance upon written authorization of the employees or written statements by Local Union representatives for the purpose of complying with this Article.

New Hires: When new or additional employees are needed, the Employer will give the Union equal opportunity to supply names of applicants. The employer shall choose between applicants referred by the Union along with any other applicants on the basis of their respective qualifications for employment. No applicants will be preferred or discriminated against because of membership or non-membership in the Union.

If any provision of this Article is invalid under the law of any state wherein this Agreement is executed, such provision shall be modified to comply with the requirements of state law or shall be renegotiated for the purpose of adequate replacement. Reopening of the Agreement shall be limited to only the negotiation of the provision(s) determined to be invalid under the law, and all other provisions remain in full force and effect.

ARTICLE 4. TRANSFER OF COMPANY TITLE OR INTEREST

This Agreement and Supplemental Agreements hereto, hereinafter referred to collectively as “Agreement” shall be binding upon the parties hereto, their administrators, executors and assigns. In the event any operation or portion thereof, are sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, the Employer shall make sure that such operation or use of such rights shall continue to be subject to the terms and conditions of this Agreement for the life thereof.

It is understood by this Section that the parties hereto shall not use any leasing device or subterfuge to a third party to evade this Agreement.

The Employer shall give notice of the existence of this Agreement to any heir, transferee, purchaser, lessee, assignee, etc. of the operations covered by this Agreement or any party thereof, and agrees that it will require as a condition of sale, transfer, lease or assignment of the operation or any part thereof, that the purchaser, transferee, lessee or assignee shall assume all of the obligations of this Agreement and shall execute a copy thereof. Such notice shall be in writing with a copy to the Union not less than thirty (30) days prior to the effective date of sale or transfer. No part of the work or operations covered by this Agreement shall be sublet, transferred or in any other manner disposed of without at least thirty (30) days advance written notice to the Union, and opportunity for the Union to discuss the proposed action with the Employer.

If the minimum wage, hour and working conditions in the Company sold, leased, transferred, etc., differs from those minimums set forth in this Agreement, the higher of the two shall remain in effect for the employees involved.

ARTICLE 5. JOB STEWARDS

The Employer recognizes the right of the Union to designate stewards and Alternates from the Employer's seniority list if needed. An Alternate can act only in the absence of a designated Steward.

The authority of job Stewards and Alternates so designated by the Union shall be limited to and shall not exceed the following duties and activities:

1. the investigation and presentation of grievances in accordance with the provisions of the collective bargaining agreement;
2. the collection of dues when authorized by appropriate Local Union action;
3. the transmission of such messages and information which shall originate with, and are authorized by the Local Union or its Officers, provided such messages and information
 - (a) have been reduced to writing, or
 - (b) if not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to repair, or drive any equipment, or any other interference with the Employer's business.

The Employer recognizes these limitations upon the authority of job Stewards and their Alternates, and shall not hold the Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the job Steward has taken unauthorized strike action, slowdown, or work stoppage in violation of this Agreement.

The shop Steward will be permitted reasonable time to investigate, present, and process grievances within the regular schedule of the shop Steward, provided there is no interference with school bus runs, or with the proper performance of the duties of the employees in participating in all meetings with the company over the resolution of grievances or other

company business. The Steward shall not suffer a loss in work opportunity and/or pay due to meetings or hearings scheduled by the company.

No Steward shall make any decision with the Employer that conflicts with the terms and provisions of the Contract.

The Union reserves the right to remove the Steward at any time for the good of the Union.

ARTICLE 6. MAINTENANCE OF STANDARDS

The Employer agrees that all conditions of employment relating to wages, hours of work, overtime differentials, other benefits or forms of compensation and general working conditions shall be maintained at not less than the highest standards in effect at the time at that location of the signing of this Agreement and the conditions of employment shall be improved wherever specific provisions for improvements are made elsewhere in this Agreement, or have been negotiated for adequate replacement. The parties recognize that locally negotiated economic provisions and local terms and conditions of employment may be altered by written agreement and ratification of the local bargaining parties subject to Article 2, Scope of the Agreement.

It is agreed that the provisions of this Article shall not apply to inadvertent or bona fide errors, such as clerical or typographical errors, made by the Employer or the Union in applying the terms and conditions of this Agreement. In no event shall it apply to errors, the correction of which may be substantive or where the Union and Company disagree that an error was made. If the Union or the Employer are at an impasse, both parties may use the grievance procedure, if need be, as outlined in the Agreement.

ARTICLE 7. PROTECTION OF RIGHTS

The Employer shall not enter into any agreement or contract with his/her employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such Agreement or Contract shall be null and void. All employees shall work in accordance with this Agreement. The Employer recognizes and acknowledges this Agreement.

Picket Lines: It shall not be a violation of this Agreement, and it shall not be cause for discharge, disciplinary action or replacement in the event an employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any primary picket line, including the primary picket line of Unions party to this Agreement and including primary picket lines at the Employer's place(s) of business, or refuses to go through a picket line due to concerns for his or her safety, or the safety of his/her passengers. Recognizing the special obligation of the Company and its employees to render service to the public, the Union and the Company agree that the presence of a non-Teamster picket or a non-Teamster picket line on or adjacent to the premises of any customer or potential customer of the Company shall not remove the obligation of the employees to render service in the normal routine of Company operations provided such employees are not required to cross a picket line.

Struck Work: It shall not be a violation of this Agreement and it shall not be a cause for discharge or disciplinary action or shall such employee be permanently replaced if any employee refuses to perform any service which the Employer undertakes to perform as an ally of an Employer or person whose employees are on strike, and which service, but for such strikes, would be performed by the employees for the Employer or person on strike.

ARTICLE 8. ACCESS TO PREMISES

Authorized agents of the Union shall have access to the Employer's establishment during working hours after presenting themselves to the facility manager or supervisor to investigate working conditions, collect dues, and inspect all time cards, log books and other payroll records of the Employer, for the purpose of determining whether or not the terms of this Agreement are being complied with. The Employer will make such records available within seven (7) days of the Union's request and will provide a suitable bulletin board exclusively for the Union's use in a conspicuous place for posting of information and interest to the members of the Union. The Union representatives agree to follow the Company's prescribed safety and security regulations while on the Company's premises.

ARTICLE 9. COMPENSATION CLAIMS

The Employer agrees to cooperate toward the prompt settlement of employees' on-the-job injury claims when such claims are due and owing as required by law. The Employer shall provide Worker's Compensation protection for all employees even though not required by state law or the equivalent thereof, if the injury arose out of or in the course of employment.

When an employee is injured on the job, the employee shall be guaranteed a day's pay for the day injured, provided he is instructed to cease work as a result of the injury by the Employer or his physician.

ARTICLE 10. MILITARY CLAUSE

The parties hereto agree that the Employer shall comply with USERRA, as amended, the Reserve Forces Act of 1995, and amendments thereto.

ARTICLE 11. DISCIPLINE AND DISCHARGE

The Employer shall not discipline, suspend or discharge any employee without just cause. In any case of discipline including discharge or suspension, the Company shall promptly notify the employee in writing of the discipline, discharge or suspension and the reason thereof on the effective date. A copy of such written notice shall be given to the Shop Steward and the Union that day.

The Employer recognizes that discipline shall be reasonable and that progressive discipline shall be used to educate an employee to follow the rules and to perform his/her job properly. However, under severe circumstances, progressive discipline may not be required so long as just cause is shown.

A warning notice as herein provided shall not remain in effect for more than nine (9) months from the date of the occurrence upon which such warning notice is based.

A discharged employee must be paid in full for all wages owed him by the Employer within five (5) days from the date of discharge unless the applicable law requires such payment to be sooner.

All employees shall receive their normal pay and benefits during the course of any investigation by the Employer which may lead to the imposition of discipline.

The Company shall advise employees of their right to union representation whenever the Employer meets with the employee about grievances or discipline or to conduct investigatory interviews. If a steward is unavailable, the employee may designate a bargaining unit member who is available at the terminal at the time of the meeting to represent him/her. Meetings or interviews shall not begin until the steward or designated bargaining unit member is present.

CUSTOMER REMOVAL:

If the Company is required to remove a driver from a route at the School District's request, the Company agrees to discuss the matter with the

School District as soon as practical to attempt to adjust or resolve the issue and will seek permission of the client to invite the Union to participate in such discussions. If the School District maintains its position on the removal of the driver, the Company will meet with the Union to discuss the status of the driver. The Union will be given a copy of the directive requiring the removal of the driver where appropriate. The Company will make every effort to place the employee in substantially equivalent work within the bargaining unit serviced by this Local Union or at another of the company's locations for which the driver is qualified, either of which should be in the geographic area of the Local Union or in another mutually agreeable location. If the School District does not provide a directive requiring removal of an employee in writing, First Student will, in writing, provide the Union and the employee with a description of the directive. The Company shall not initiate or instigate employee removal or customer complaints with the district.

ARTICLE 12. NON-DISCRIMINATION CLAUSE

The Employer and the Union agree not to discriminate against any individual with respect to hiring, compensation, terms or conditions of employment because of such individual's race, color, religion, sex, national origin, sexual preference or age, nor will they limit, segregate or classify employees in any way to deprive any individual employee of employment opportunities because of race, color religion, sex, national origin, sexual preference, or age. Nothing in this agreement shall be interpreted to deny any employee her/his ability to raise statutory discrimination claims through applicable court or administrative proceedings.

The Company and the Union agree that there will be no discrimination by the Company or the Union against any employee because of his/her membership in the Union or because of any lawful activity and/or support of the Union.

ARTICLE 13. ANTI-HARASSMENT

It is the understanding of the parties, that there shall be no harassment by any person, management or Union employee, whether or not it is sexual in nature or any other form.

ARTICLE 14. ABSENCE FOR UNION BUSINESS

The Employer agrees to grant the necessary time off, without discrimination or loss of seniority rights and without pay, to any employee designated by the Union to attend a labor convention or serve in any capacity on other official Union business, provided that written notice is given to the Employer by the Union, specifying length of time off. The Union agrees that in making its request for time off for Union activities, due consideration will be given to the number of employees affected in order that there shall be no disruption of the Employer's operation due to lack of available employees.

Any employee desiring leave of absence from his employment shall secure written permission from both the Union and Employer. The maximum leave of absence shall be for thirty (30) days and may be extended by mutual agreement for like periods, or as provided elsewhere in this contract. Permission for same must be secured from both the Union and the Employer. During the period of absence, the employee shall not engage in gainful employment unless mutually agreed to between the Union and the Employer. Failure to comply with this provision shall result in the complete loss of seniority rights and job for the employees involved. Inability to work because of proven sickness or injury shall not result in the loss of seniority rights.

ARTICLE 15. UNIFORMS

The Employer agrees that if any employee is required to wear any kind of uniform as a condition of his continued employment, such uniforms shall be furnished by the Employer, free of charge at the standard required by the Employer. Employees shall be entitled to display reasonable Teamster union insignia (buttons/pins) on their apparel at their own expense.

ARTICLE 16. PASSENGERS

Drivers, monitors and aides shall be entitled to have their own minor children accompany them on their routes provided they are older than one year and heavier than twenty (20) pounds and further provided that the customer does not affirmatively prohibit such ridership. The Company will not seek to obtain restrictions on such ridership.

No driver shall knowingly permit any unauthorized passengers on any Company vehicle at any time.

ARTICLE 17. LOSS OR DAMAGE

Employees shall not be disciplined for loss or damage unless just cause is shown. No employee may be charged for loss or damage to equipment under any circumstances.

ARTICLE 18. COURT APPEARANCES

When an employee is required by the Company or subpoena to appear in any court for the purpose of testifying because of any accident or conduct he may have been involved in or witnessed during working hours, such employee shall be reimbursed in full by the Employer for all earning opportunity lost because of such appearance, provided the employee is not charged and convicted of criminal negligence. This section shall not apply to employees who are found guilty of drunken driving when involved in an accident during working hours.

ARTICLE 19. DAILY MAINTENANCE OF BUS

Maintenance of Buses: In the event that the Employer requires employees to clean their buses, the Employer will provide the necessary cleaning products including paper towels, sanitizer, window cleaner, and trash bags needed. Employees shall not be required to clean or handle blood, bodily waste or fluids, chemicals or other hazardous substances unless provided proper equipment and training. Drivers may upon returning to the yard be required to physically walk to the rear of the bus and place a “no children on board” placard in the rear window of the bus.

Employees will be paid for all time spent cleaning, checking, inspecting and sanitizing buses. The employer agrees to continue the practice of including in the standard hours time each day for the purpose of drivers’ cleaning and maintaining the inside of their buses.

ARTICLE 20. SAFETY VIOLATIONS

The Company shall pay any fine for a citation issued to any driver for an equipment violation that is not the driver's fault on a company vehicle.

ARTICLE 21. JURISDICTIONAL DISPUTES

In the event that any dispute shall arise between any Local Union parties to this Agreement, or between any Local Union party to this Agreement and any other Union, relating to jurisdiction over employees or operations covered by this Agreement, the Employer agrees to accept and comply with the decision or settlement of the Unions or Union tribunals which have the authority to determine such dispute. The parties do not intend by this paragraph to take away the Employer's right to designate the home domicile of its employees.

ARTICLE 22. BULLETIN BOARDS

The Employer agrees to provide suitable space for a secure, glass enclosed Union bulletin board in each garage, terminal or place of work. There shall be mutual agreement on the place to hang the Union bulletin board. Postings by the Union on such bulletin boards are to be confined to official business of the Union and Union information for the members in the bargaining unit.

ARTICLE 23. PERSONAL IDENTIFICATION

If the Employer requires employees to carry personal identification, the cost of such personal identification shall be borne by the Employer, including replacement costs.

ARTICLE 24. PERSONNEL FILES

The Company shall maintain a single personnel file for each employee. Upon a reasonable request by an employee, authorization will be granted for the employee at a time convenient to the employee and to the Company to examine his/her personnel file in the presence of a Union Steward or Union Representative. Upon inspection, an employee shall be supplied with a reasonable number of copies of any documents in his/her file. Upon review of personnel records by the employee, an item not comprehensible to the employee will be explained. After such review, a written acknowledgement by the employee of such review will be placed in the personnel file.

Employees shall be entitled to place a letter of rebuttal to any document placed in their file.

Documents shall be presented to employees before being placed in their personnel file.

The Company shall maintain files in accordance with applicable law for all matters pertaining to a particular employee, which shall be accessible to the employee.

The Company will not release any information in an employee's personnel file to outside sources other than date of employment unless legally required to do so or if authorized in writing by the employee.

This article shall not be construed to deprive or diminish the Union's right to information that is necessary and relevant to carrying out its duties as the exclusive bargaining representative.

ARTICLE 25. DEFECTIVE EQUIPMENT AND DANGEROUS CONDITIONS OF WORK

The Employer shall not require employees to take out on the streets or highways any vehicle that is not in a safe operating condition or not equipped with the safety appliances prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment unless such refusal is unjustified. Any equipment which is refused because not mechanically sound or properly equipped shall not be used by other drivers until the Maintenance Department has adjusted the complaint. Under no circumstances will an employee be required to engage in any activity involving dangerous conditions of work or danger to person or property.

Employees shall not be required to exceed the stated capacity of any vehicle.

The Employer shall provide fire extinguishers, flares, working radio, breakdown kits, and first aid kits including biohazard protective materials.

Parking Lot/Yard Safety: The Employer shall provide proper lighting and maintenance to all areas as well as clean and sanitary restrooms with functioning hot and cold water sink faucets.

Right to File a Complaint: The Employer may not discharge or discipline or discriminate against any employee because the employee, or another person at the employee's request, has filed a complaint or begun a proceeding related to a violation of a commercial motor vehicle safety or security regulation, standard, or order, or occupational safety and health regulation or standard, or has testified or will testify in such a proceeding, or if the Employer perceives that the employee has filed or is about to file a complaint or has begun or is about to begin a proceeding related to a violation of a commercial motor vehicle safety or security regulation, standard, or order, or occupational safety and health regulation or standard.

ARTICLE 26. UPGRADING

Bargaining unit employees will be upgraded (familiarization on larger equipment) on a voluntary basis and such training time will be paid for by the Employer. Upgrading will be processed in the following manner:

- (a) There will be a sign-up list for those employees who desire to be upgraded at the initial bid period prior to the start of school.
- (b) The number of employees to be upgraded will be determined by the Employer. Employees will be upgraded based on seniority provided they are qualified by: driving record, attendance and physical condition (within previous twelve (12) months). The Employer will notify the employee and the Union of the disqualification of any employee who has applied, subject to review through the grievance procedure, if needed.
- (c) The Employer will schedule upgrading sessions whenever appropriate and employees will be trained in seniority order. If the employee does not attend a scheduled session at his home terminal, unless impossible to do so, his name will be removed from the upgrading list. Employees will be given one (1) week's notice of a training session.
- (d) Employees will be allowed forty (40) hours for any upgrading training at the non-revenue rate of pay.

ARTICLE 27. DRUG AND ALCOHOL POLICY

In acknowledgement of the nature of the Employer's operation and the very special and overriding safety considerations, the parties have adopted formal provisions for fitness for duty drug and alcohol screening. Such provision is included in Appendix B which is attached hereto and is expressly made part of this Agreement.

The parties further agree to adhere to all DOT rules and regulations concerning drug testing methodologies and requirements. Should the DOT mandate changes in drug testing mandates and procedures, the parties shall meet to ensure compliance with the changes.

ARTICLE 28. LAYOFF

The Employer will give all employees and the Local Union at least five (5) working days' notice of permanent layoff for lack of work or pay in lieu thereof. These provisions shall not apply when a layoff is caused by reasons beyond the control of the Employer, such as an act of God, or Customer, or School District cancellations without warning. This does not limit any greater notice required by any federal or state law.

ARTICLE 29. TRANSFER RIGHTS

The Union and the Employer agree that any time an employee covered by this Agreement is assigned for the Employer's convenience to a lower paying classification, said employee shall continue to be compensated at employee's normal hourly rate. The Employer and Union further agree that when an employee covered by this Agreement successfully and voluntarily bids into a lower paying job classification, the employee shall be compensated at the regular hourly rate for that job classification. The Union and Employer agree that when an employee is assigned to a higher pay classification the employee will be paid at the higher rate.

ARTICLE 30. SENIORITY

Seniority shall prevail at all times. Seniority for employees governed by this Agreement shall be defined as the period of employment with the Employer in the work covered by this Agreement, at the terminal (or terminals) within the jurisdiction of the Local Union. It shall be deemed to include any seniority presently held by an employee through agreement between the Employer and the Local Union prior to this Agreement. Where the current practice of a Master Seniority List exists, it will continue in effect for the duration of this Agreement. Seniority provisions set forth in local agreements or addenda shall prevail over inconsistent provisions set forth herein.

Loss of Seniority: Seniority shall be broken only by:

1. Discharge;
2. Voluntary Quit;
3. Failure to respond to a notice of recall for regular work for seven (7) consecutive days after receiving notice, or by mutual agreement;
4. Unauthorized leave of absence;
5. Unauthorized failure to report for work for three (3) consecutive days when working and on a seniority list;
6. If an employee has not worked for the Employer for twenty-four (24) continuous months.
7. An employee who is absent due to a work-related injury or illness shall not suffer a break in seniority, provided the employee returns to work thirty (30) days after being medically cleared.

Maintenance of Seniority: No employee shall lose his seniority rights if he performs all things required of him under the conditions set forth in this Agreement, or:

1. If he is laid off except as provided herein;
2. If he is sick or recuperating from some illness or accident except as provided herein;
3. If he is on a bona fide leave of absence but must remain in good standing with the Union by the payment of the current dues,

also if the leave of absence has not exceeded twelve (12) months.

Transfer of Seniority: If an employee has been approved for transfer to a location within the jurisdiction of a different Local Union he shall maintain his years of service with the company for the purpose of any wage and benefit provisions/progressions. Any employee who has been approved for transfer into a different location shall have his/her seniority end-tailed for any and all bidding purposes.

ARTICLE 31. SENIORITY LIST

Within thirty (30) days after the signing of this Agreement, and at least quarterly thereafter, a list of employees, arranged in the order of their seniority, shall be posted in a conspicuous place at the place of employment and a copy furnished to the Union for Union files. The Union copy will show names addresses and phone numbers of each employee. Claims for corrections to such seniority list must be made to the Employer and the Union within thirty (30) days after the allegedly inaccurate posting is initially made.

ARTICLE 32. JURY DUTY

Any regular seniority employee who is called for jury duty shall be paid his regular rate of pay for all days the employee serves on the jury for up to three weeks per year. The Employer agrees to pay such amount upon presentation of proof by the employee. The Employer may deduct from the jury duty pay amounts received by the employee from the government for jury duty. Due to the critical nature of the service provided by the employees, and the likelihood that suitable replacements may not be available, the employee and Company will jointly cooperate to limit any potential disruption as a result of jury duty.

ARTICLE 33. EXCLUSIVE AGREEMENT

This is the exclusive National Agreement between these parties with all prior national agreements becoming void on the effective date of this Agreement. This Agreement includes all addenda and Letters of Agreement executed simultaneously herewith and subsequent hereto provided. Some are signed or initialed by both parties and those Addenda will be part and parcel of this Agreement. However, nothing in this agreement shall result in the reduction of pay or benefits to employees in the bargaining unit.

ARTICLE 34. UNIT WORK

No person outside of the Bargaining Unit shall be permitted to perform work normally performed by a member of the Bargaining Unit except in the absence of sufficient numbers of Bargaining Unit Employees, or in a recognized emergency. The Employer will not subcontract, lease or diminish bargaining unit work opportunities. The Employer shall hire additional bargaining unit employees when the amount of work justifies such hiring.

ARTICLE 35. SUMMER RECESS

The Company will support the application for unemployment insurance sought by employees who are not working during the summer recess.

ARTICLE 36. POSITIVE RELATIONS COMMITTEE

The parties will endeavor to work together constructively to develop a positive labor-management relationship that supports the long term needs of the Employer, the Union and the employees. It is our goal to demonstrate that labor-management collaboration can produce market-leading competitive performance and a superior workplace for employees. In this spirit, the parties agree to conduct communications in a manner which is respectful of the other party. The parties are committed to a relationship based on proactive communications designed to minimize conflict and address the legitimate concerns of both parties.

To this end, the parties agree to establish a cooperation committee composed of equal representation to meet periodically in order to review and discuss issues of mutual importance and to resolve disputes. It is the intent and desire of the parties that such committee will function to minimize disputes and disagreements. The committee will meet to:

1. consider cooperative efforts to promote harmony and efficiency among employees, the general welfare of the company and the safety in operations;
2. explore the potential for engaging in common legislative activities and communications with federal, state and local government entities;
3. explore joint approaches to achieving union and company organizational effectiveness;
4. promote employee training initiatives to maintain a safe and productive workforce; and
5. to encourage cooperation to promote innovation, quality of service and continued growth.

ARTICLE 37. WORK RULES/POLICIES

The Company agrees it shall provide the Union advance notice of new rules/policies, including the employee handbook and changes to existing work rules/policies and the Union shall be provided an adequate opportunity to substantively confer prior to implementation.

It is understood all rules/policies will be reasonable and the Union has the right to challenge the substance and reasonableness of the changes and the implementation thereof through arbitration or other appropriate legal processes.

The Company also agrees the provisions of this collective bargaining agreement and any supplements or addenda hereto supersede and control over any inconsistent provisions in any Company handbooks, rulebooks or policies.

ARTICLE 38. FAMILY AND MEDICAL LEAVE

Employees who have worked for the employer for a minimum of seven hundred (700) hours within any twelve (12) month period are eligible for unpaid leave of the type set forth in the Family and Medical Leave Act of 1993 and any relating state law that applies.

Eligible employees are entitled to at least twelve (12) weeks of unpaid leave during any twelve (12) month period for the following reasons:

1. Birth or adoption of a child or the placement of a child in foster care;
2. To care for a spouse, child or parent of the employee due to serious health condition;
3. A serious health condition of the employee.

The employee's seniority rights shall continue as if the employee had not taken leave under this Section, and the Employer will maintain any health insurance coverage during the period of the leave.

The employee is required to provide the Employer with at least thirty (30) days advance notice before leave under this Article begins, if the need for leave is foreseeable. If the leave is not foreseeable, the employee is required to give notice as soon as practicable. The Employer has the right to require medical certification of a need for leave under this Act. In addition, the Employer has the right to require a second opinion, at the Employer's expense. If the second opinion conflicts with the initial certification, a third opinion from a health care provider selected by the first and second opinion health care providers, at the Employer's expense may be sought, which shall be final and binding.

As a condition of returning to work, an employee who has taken leave due to his/her serious health condition must be medically qualified to perform the functions of his/her job. In cases where employees fail to return to work, the provisions of the applicable supplemental agreement will apply.

It is specifically understood that an employee will not be required to repay any of the employer contributions for his/her health insurance during leave but shall be responsible for his/her employee contributions during this absence. No employee will be disciplined for requesting or taking the leave under this Article.

Disputes arising under this provision shall be subject to the grievance procedure. The provisions of this Section shall not supersede any state or local law which provides for greater employee rights.

ARTICLE 39. HOURS OF WORK AND OVERTIME

Hours of work and overtime shall be negotiated at the local level. Employees shall be paid for all time spent in the service of the Employer as directed by the Employer.

ARTICLE 40. EXAMINATIONS

When directed by the Employer, all examinations shall be paid for by the Employer. In the event that an employee is removed from work to take such examination and is later determined to be fit for work, the employee will be made whole by the Employer.

If a dispute develops between the Employer and the Union as to whether or not the employee is physically qualified to work, the Union and the Employer shall mutually agree to an impartial doctor, hospital, clinic, etc., for the purpose of resolving the physical qualifications of the employee. All fees involved shall be borne by the Employer, except when the employee chooses to use his own doctor. The only amount the Employer will be obligated to pay in such instance is the amount that is charged by the Company doctor for service.

Whenever there is an issue regarding any employee's physical well-being and a doctor needs to be used to evaluate him for any reason, the Union will be notified prior to any employee being forced to see a doctor. The Employer also agrees to provide *Weingarten* rights and access to a steward to any employee in conforming to this Article.

ARTICLE 41. BACKGROUND CHECKS

The Company shall perform criminal and driving background checks prior to the hiring of the employee. It is understood that during the tenure of the employee's employment he/she will be subject to subsequent background checks which shall be limited to criminal and driving records. No credit information will be used against the employee. An employee who is returning for work after an absence and is ready, willing and able to work shall not sustain an economic loss due to any delay as a result of completing the background check. Employees will comply with reasonable background check procedures.

ARTICLE 42. JOINT NATIONAL GRIEVANCE REVIEW COMMITTEE

The parties hereto have created a joint national grievance review committee (JNGRC) to consider and resolve disputes involving issues of national or regional significance including but not limited to company policies like the Freedom of Association policy, which is herein incorporated by reference and attached as Appendix C. The purpose of the committee is to review such disputes prior to the submission of the matter to the final authority for resolution (whether an arbitrator or a panel) set forth in the local agreement out of which the dispute arises or this National Agreement.

1. **Composition of the JNGRC.** The joint national grievance review committee will consist of an equal number, but no more than four (4), representatives from each party. Each side shall have a designated co-chair. The co-chairs shall preside over any meeting or hearing of the committee. Outside lawyers shall not be permitted to serve on the JNGRC.
2. **Frequency of meeting.** The committee shall meet quarterly or more frequently at the committee co-chairs' discretion.
3. **Docket.** Both co-chairs must agree that a particular grievance is appropriate for review by the committee. Determination of whether a matter is appropriate for consideration by the JNGRC is exclusively within the discretion of the co-chairs acting jointly. The co-chairs shall jointly prepare a docket of cases to be considered.
4. **Authority of the JNGRC.** The JNGRC shall function with the same authority as a neutral arbitrator or mediator. The JNGRC shall have the authority to issue final and binding decisions. If the JNGRC deadlocks on a case or rejects consideration of a case, the matter shall be referred back to the parties for final disposition under the provisions of the local agreement. Unresolved disputes arising from the National Agreement shall be submitted to final and binding arbitration upon written notice from either party.
5. **Conduct of the meeting of the JNGRC.** The JNGRC shall establish its own rules of procedure within one hundred twenty (120) days of the ratification of the National Agreement that are not inconsistent with this agreement. The procedure shall be designed to be user friendly and intended

to permit discussion of the merits of the dispute. There shall be no court reporter or stenographer present for the JNGRC proceedings unless mutually agreed to by the parties. Briefs and Statements made by the committee members or any guest, witness or presenter during the course of JNGRC proceedings shall not be used in any subsequent legal or arbitration proceedings. It is intended that this will promote a full and free discussion of the dispute at issue. Presentation of cases to the JNGRC shall be made by means of briefs prepared by the Local Union and Local Company Manager. Such briefs shall include a short factual recitation, relevant exhibits, and proffers of witness testimony when necessary. Live presentations to the JNGRC are disfavored. Ordinarily, decisions of the JNGRC will be issued within 24 hours of reviewing the case. If a decision, however, is not rendered within 30 days of being heard by the JNGRC, then such matter shall be automatically considered deadlocked unless agreed to otherwise by the co-chairs.

6. Deadlock Procedure. In situations where the National Joint Grievance Review Committee deadlocks and provisions of the National Master, FOA or other company policies, are central to the dispute (Articles 1 through 49), such dispute shall be submitted to a mutually agreeable neutral arbitrator for final and binding resolution. If the parties are unable to agree upon an arbitrator, they shall request a panel from the FMCS (National Academy members only) from the Washington D.C. area. The dispute resolution machinery contained in local riders, addenda or supplements do not have authority to interpret the provisions of the National Master (Articles 1 through 49) without the consent of the Employer and the National Union Committee.

ARTICLE 43. NO STRIKE/NO LOCKOUT

As a corollary to the local dispute resolution procedures operating in conjunction with the National Grievance Review Committee, and unless specifically set forth otherwise in this Agreement or any Supplements or Riders hereto, the Local Union agrees that it shall not call, institute, or authorize any strikes, walkouts, sitdowns, slowdowns or other concerted refusals to work, and the Employer will not lock out, over any matter that can be resolved through the contractual grievance procedures during the life of this Agreement. Subject to Article 2, this provision applies only during the time period during which both this National Agreement and the applicable local rider/supplement are simultaneously in full force and effect.

In addition, for the life of the National Master portion of this agreement (Articles 1 through 49) no nationwide strikes, walkouts, sitdowns, slowdowns or other concerted refusals to work shall be authorized.

ARTICLE 44. DIRECT DEPOSIT

If the employee requests, the Employer shall directly deposit the employee's regular paycheck into the employee's bank account on or prior to the regular payday. No employee shall be compelled to use direct deposit.

ARTICLE 45. MISCELLANEOUS BENEFIT PROVISIONS

Overnight Lodging: The Employer shall provide clean and safe overnight lodging. Absent agreement, drivers shall not be required to chaperone passengers outside the bus. Drivers shall not be compelled to share a hotel room. The Employer shall make lodging arrangements in advance.

Qualification Expenses: The Company agrees to pay for required criminal and driver record checks.

Expenses: No employee shall be required to front any lodging, fuel, or repair expenses. The Employer shall reimburse all drivers for telephone calls and expenses incurred having a direct relation to operations. Expense reimbursement shall be paid no later than the next pay period following the submission of receipts.

Pay Checks: Any payroll discrepancy of \$50 or more, not due to the fault of the employee and promptly brought to the attention of management, will be corrected within twenty-four (24) hours by cash or check. Payroll discrepancy of less than \$50 will be corrected in the following week's paycheck.

Flu Shots: The Company shall make flu shots available to all bargaining unit personnel at no cost to the employee.

Pension/ 401K: Subject to local agreement, the bargaining unit will be eligible to participate in either the Company's 401K plan or a Teamster 401K plan in accordance with the rules and regulations established in each plan. The Company's matching contribution shall be paid to either plan.

ARTICLE 46. GENDER CLAUSE

Whenever the term “he” or “she” is used throughout this Agreement, it shall be construed and interpreted as pertaining to both genders, male and female.

ARTICLE 47. HEALTH CARE

The parties recognize the importance of employer-provided health care and agree to establish a health care committee to evaluate and implement improved health care options to members of the bargaining unit. The committee shall meet quarterly. The parties are committed to finding alternative ways of providing affordable health care to all members of the bargaining unit.

ARTICLE 48. SEPARABILITY AND SAVINGS CLAUSE

Separability: Any part of this Agreement which conflicts with applicable City, State, or Federal laws or regulations shall be considered invalid. Such invalidity will not affect any other provision. Nothing contained in this Agreement is intended to violate any Federal or State laws, rules or regulations made pursuant hereto.

In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations after receipt of written notice of the desired amendments by either employer or Union for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. There shall be no limitation of time for such written notice. It is the intent of this agreement that the parties arrive at substitute language that effectuates to the extent legally possible, the original intent of the invalid provision(s). If the parties are unable to arrive at mutually agreeable substitute language, the matter shall be referred to a neutral arbitrator who shall resolve the dispute.

ARTICLE 49. TERMINATION

This Agreement shall take effect on and be retroactive from the first day of June 2011, and shall remain in full force and effect until March 31, 2015, and shall then renew itself from year to year unless either party to the Agreement gives written notice to the other party at least sixty (60) days prior to the expiration of this Agreement of a desire to change, amend, or terminate this Agreement. Subject to Article 2, Scope of Agreement, Section 1 of this Agreement, Locally negotiated supplements, agreements, riders, and addenda that have an earlier expiration date shall operate as a full economic reopener upon expiration and the parties shall retain their ability to use their economic weapons in support of their bargaining positions.

For the employees:

For the employer: