

A G R E E M E N T

BETWEEN

FIRST STUDENT

AND

UNITED TRANSPORTATION UNION

LOCAL 1741

COVERING

WAGES, RULES AND REGULATIONS

FOR

COACH CLEANERS, YARDMEN, TIREMEN AND

LUBRICATION EMPLOYEES

EFFECTIVE AUGUST 1, 2005- JULY 31, 2010

SAN FRANCISCO DIVISION #307

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PREAMBLE

The employee organization is affiliated as Local 1741 of the United Transportation Union. If, during the term of this Agreement, such employee organization wishes to change its affiliation, it may do so provided such change is effected in accordance with all relevant labor law and provided further that only one (1) such change in affiliation shall be permitted during the term of this Agreement.

This Agreement therefore is entered into by the employee organization of the bargaining unit referred to in this Agreement as Local 1741 affiliated with the United Transportation Union and First Student, and its successors and assigns.

First Student, agrees to recognize the United Transportation Union, Local 1741, as the duly designated and sole collective bargaining agent of all their Coach Cleaners, Yardmen, Tiremen and Lubrication Employees, for the purpose of collective bargaining with respect to wages, hours, and working conditions covered herein. The Company agrees to meet as mutually agreed upon with the duly elected and accredited officers and members of the Local Committee of Adjustments established in accordance with the Union's International Constitution on all questions related to this Agreement including all grievances and disputes and controversies arising between the Company and its Coach Cleaners, Yardmen, Tiremen and Lubrication Employees.

RECOGNITION

First Student agrees to recognize the United Transportation Union, Local 1741 as the duly designated and sole collective bargaining unit of the employees for the purpose of collective bargaining with respect to wages, hours and working conditions covered herein, and the Company agrees to meet with the duly accredited officers and committeemen of the Union on all questions related there to.

ARTICLE 1. UNION MEMBERSHIP

Section 1. All the employees within the scope of this Agreement shall become members of the Union not later than the thirty-first (31st) day following the beginning of employment, or not later than the thirty-first (31st) day following the effective date of this contract whichever is later, and remain members in good standing as a condition precedent to continued employment with the Company.

Section 2. All new employees within the scope of this Agreement shall, after their probationary period of thirty (30) days, become members of the Union, and shall thereafter remain a member in good standing as a condition precedent to continued employment with the Company.

Section 3. The Company agrees to notify the Union having work jurisdiction along with other employment sources of job openings in any work classifications covered by this Agreement after job openings or apprenticeship have been posted for bid by current personnel. The Union may refer applicants for such job openings and the Company will not discriminate against any applicant referred by the Union.

Section 4. The Company shall not discharge or discriminate against an employee for any activity on behalf of the Union or any organization with which it is affiliated; for upholding Union principles, for serving on any committee of the Union or for performing any work with which the Union is concerned.

Section 5. The duly authorized representative of the Union may visit the establishment of the Company for the purpose of carrying out and enforcing the terms of this Agreement provided, however, that such activity on the part of the representative shall not interfere with the normal and regular operations. The Union shall notify the Company in writing of the names of the duly authorized Union representatives.

Section 6. Each employee shall be provided with a complete handbook of Company rules.

Section 7. Check Off: The Company agrees to check off all dues and assessments levied by the Union on its members, and will deduct from the employees wages, all dues and assessments and remit same to the Secretary Treasurer of the Local, provided that each employee must sign an authorization card requesting the Company to make such deductions.

ARTICLE 2. EXAMINATION

Section 1. Employees will not be required to bear the expense of any physical, medical or other examinations required by the Company. In the application of this section, the Company shall designate the examining physician.

Section 2. The Company will pay for time spent obtaining a physical or other license or credential required by the Company.

ARTICLE 3. HIRING

Section 1. All new employees shall be on a probationary period for thirty (30) days. Upon completion of the thirty (30) days probationary period, the employee shall be considered regularly employed. The first sixty (60) days the employee will be paid thirty cents (30¢) per hour less the regular rate of pay in his job classification.

Section 2. The Company reserves the right to terminate new employees at its discretion during the probationary period without being required to prove just cause.

ARTICLE 4. SENIORITY

Section 1. The right to preference of work, shifts and assignments shall be governed by seniority. Subject to required qualifications and rules governing the type of service performed. The employee's right to shift preference by seniority shall be exercised only in June, September, December and the month in which Spring vacation occurs or when the Employer changes the proper complement in any class or any shift or when vacancies occur. The Company reserves the right to establish the proper complement of employees in any class or any shift.

Section 2. All employees covered by this Agreement entering the employ of the Company shall be placed on a probationary basis for a period of thirty (30) calendar days. During this probationary period, such persons shall not accrue seniority under the terms of this Agreement. If such employees are retained in employment after the probationary period specified above, their seniority will be retroactive from the date on which they were hired and began work.

Section 3. The Company shall post a current seniority roster every ninety (90) days. Any protest in seniority must be made within thirty (30) days from the date of posting, otherwise the roster shall be accepted as correct.

ARTICLE 5. REDUCTION IN FORCE

Section 1. All employees will be given a two-week notice of layoff or pay in lieu thereof. In the event of change of more than one hour in the sign-on time, the Company will provide one week's notice, except in cases of emergencies and unforeseen operational needs. In the event of scheduled overtime, the Company will notify the employee by the end of the shift of the previous workday.

Section 2. When an employee is laid off, seniority shall accumulate and an employee on this status will be maintained on the seniority roster for one (1) year. Employees shall receive payment for all work within three (3) days of a layoff.

Section 3. Qualified employees will be recalled in seniority order until the last employee has been recalled.

Section 4. Existing, qualified employees will be given first consideration for any job opening due to layoff or termination.

ARTICLE 6. LEAVES OF ABSENCE

Section 1. An employee shall be granted a leave of absence without loss of seniority. This will be limited to a maximum of three (3) months cumulative in any twelve (12) month period, provided the employee makes written application to the Company for such leave of absence.

Section 2. Leaves of absence due to sickness or disability will not be limited under this rule, nor will seniority be affected in such cases, an employee on leave due to sickness or disability must furnish the Company with a written Medical report at least every sixty (60) days, otherwise his/her leave will be subject to cancellation.

Section 3. The Employer and the Union agree to be bound by the Federal Family Medical Leave Act. The employee will be granted a leave of absence pursuant to the eligibility requirements provided in the Act.

ARTICLE 7. WORK WEEK

Section 1. Weekly hours of service shall be forty (40) hours consisting of five (5) consecutive eight (8) hour days, except as mutually agreed between the employee and the Company. All times in excess of eight (8) hours per day or forty (40) hours per week shall be compensated at the rate of time and one-half the employee's regular rate of pay. All times worked in excess of twelve (12) hours in any one (1) day shall be paid at two (2) times the employee's regular rate of pay. All hours worked on Sunday shall be paid at two (2) times the employee's regular rate of pay. There shall be no pyramiding or duplication of overtime hours or pay. When called to work overtime on weekends, employees will be guaranteed a minimum of four (4) hours of work, or pay in lieu thereof.

Section 2. Employees called to work on their regular day or days off shall be paid time and one-half the regular rate of pay, with a minimum of eight (8) hours work. Any exception to Section 1 as mutually agreed upon by the Company and the employee shall be held exempt from this section.

Section 3. All employees under the scope of this Agreement shall be paid on a bi-weekly basis, every other Friday.

ARTICLE 8. PERSONNEL RECORDS

Section 1. Upon request by an employee, authorization will be granted for the employee, at a time convenient to the employee and the Company, to examine her/his personnel record.

Section 2. At the time that discipline is placed in an employee's file, regardless of its nature, the employee and Union will receive a copy.

Section 3. Items in the employee's record more than one (1) year old shall not be used in grievance or disciplinary matters against the employee.

Section 4. Upon review of personnel records by an employee, an item not comprehensible to the employee will be explained.

ARTICLE 9. DISCIPLINE

Section 1. No employee covered by this Agreement will be dismissed or suspended from the service of the Company without sufficient cause and before responsibility has been established by the holding of a fair and impartial hearing provided, however, that in cases of insubordination, intoxication, serious accident or breach of trust, an employee may be dismissed from service or suspended, with the understanding that the employee has the right of appeal as provided for by the Grievance Section in the event the Employee considers his or her removal from service unjust.

Section 2. Discipline by record may be assessed against an employee within seven (7) days after the General Manager of the Company has received information concerning any matter for which discipline may be assessed, with the understanding that the employee will be accorded a hearing upon request within fifteen (15) days of the employee and the LCOA receiving notification of discipline for the purpose of determining his or her responsibility. The employee or the Local Committee of Adjustment may request such a hearing. In case of protest, discipline will be withheld until a decision is reached through the hearing, except as provided in Section 1 of this Article.

Section 3. Prior to the disciplinary suspension or discharge of any employee for reasons other than those stated in Section 1 of this Article, the Company will issue at least one (1) verbal and one (1) written warning notice. Copies of such written warning notice to be placed in the employee's personnel file with copies to the affected employee and the Local Committee of Adjustment. The Company shall follow the principle of progressive discipline.

Section 4. Such written warning notices will be signed by the affected employee prior to their being placed in the employee's personnel file. Such acknowledgement shall not indicate acceptance of charges. An employee protesting such warning notice shall file a grievance within fifteen (15) days of the date that the warning notice was issued, otherwise the discipline will stand against the employee's record.

Section 5. When an employee has committed an act which in the judgement of the General Manager warrants a formal hearing and the General Manager schedules a hearing, such employee and the LCOA will be given a written notice of the hearing and the subject to be investigated, together with the time and place it is to be held; also, a copy shall be furnished to the Local Chairperson of the Union. Such hearings shall normally be conducted on the day of the regularly scheduled Grievance meeting between the Company and the Union.

ARTICLE 9, DISCIPLINE (Continued)

The General Manager will give the employee a hearing within seven (7) days after he/she has received information concerning any matters they may desire to investigate. In the event hearing is held as a result of reports received from persons not in the employ of the Company making charges against the employee, their names and addresses together with the date charges were made will be furnished the employee and the Local Chairperson of the Union two (2) days prior to the hearing.

In cases dealing with written warning, suspensions, or discharge, such charging witnesses may be requested to attend the discipline hearing by the employee or the Union. Should a charging witness fail to attend a discipline hearing, the charge shall be dropped unless prompt and satisfactory explanations are furnished by the witness for his/her failure to attend. Should an employee fail to attend a hearing when so notified, the employee may be dismissed or otherwise disciplined unless prompt and satisfactory explanations are furnished for his or her failure to attend.

Section 6. In all hearings an employee shall be permitted to have her or his authorized Union representative present, and have witnesses appear in her or his behalf; also, submit signed statements by others not present and interrogate any witness giving testimony at the hearing. Copy of any verbatim transcript of hearing taken by one party shall be furnished to the other party.

Section 7. The General Manager shall render a written decision within six (6) days from the date of the hearing or the date the hearing is concluded. If, after review of a suspension, discharge or disqualification, it is mutually agreed that an employee who was suspended, discharged or disqualified, was completely blameless of charges regarding the offense, he/she shall be reinstated to his/her former position without loss of seniority and will be paid wages lost as though he/she had not been suspended or discharged. It is mutually agreed that not entry shall be made on the employee's record of such suspension, discharge or disqualification, if by mutual agreement the employee was found to be completely blameless. If, however, after such a review, it is found that the employee in question was not completely blameless, then the parties may mutually agree upon a reduction of the penalty and upon what, if any portion of the wages he/she would have earned should be restored to her/him.

Section 8. If the employee or the Union finds any decision made under this Article unjust, the employee or the Union has the right to protest it through the Grievance Procedure.

Section 9. In the application of any of the above sections, if the Union and the Company mutually agree, discipline shall be withheld until the appeal step of the Grievance Procedure has been completed, in cases of protest, except as provided in Section 1 above.

ARTICLE 10. GRIEVANCE PROCEDURE

Section 1. Scope and Procedure: Any grievance or dispute which an employee or the Union may have with the Company arising out of the application or interpretation of a specific clause or clauses of this Agreement or any bonafide dispute shall be adjusted according to the following procedure:

Step 1. The Union or an employee, through the LCOA shall present the grievance, in writing, to the General Manager on or before the date of the next regularly scheduled weekly grievance meeting. The General Manager and the Union shall discuss the grievance at such meeting and the Company's answer shall be given in writing to the Union and the grievant within six (6) days after the meeting at which the grievance was discussed. Nothing in this section shall prevent the Company and the Union from working out day-to-day problems outside the regular grievance meetings, however, whenever possible, all matters shall be dealt with at the regular weekly meetings. Written grievance shall contain the grievant's name, the date that the grievance was filed, the nature of the grievance and the specific article which is in dispute.

Step 2. If the employee or the Union is dissatisfied with the Step 1 answer, the Union may, within seven (7) days of receipt of such answer appeal such decision in writing to the Area President or his/her designate. The Area President or his/her designate shall hold an appeal hearing within seven (7) days following receipt of request for such hearing and render a decision in writing within ten (10) days of such hearing.

Step 3. Mediation: If a grievance or dispute which has been processed in conformance with the procedure set forth in this Agreement is not satisfactorily settled by the written answer of the Area President or her/his designate as provided in this section, the Union may submit the matter to Mediation by sending notice to the Company within thirty (30) days of receipt of the Area President's answer to said grievance that the Union desires the matter submitted to Mediation. Within two (2) days from the date of notice by the Union to the Company for Mediation, the Company and the LCOA shall jointly request the State Mediation and Conciliation Service to mediate the grievance or dispute. The jurisdiction and authority of the Mediator of the grievance or dispute and any opinion and/or award shall be confined exclusively to the interpretation of the explicit provision(s) of this Agreement or issue between the Union and the Company and shall not be binding on either party.

ARTICLE 10, GRIEVANCE PROCEDURE (Continued)

Section 2. Time Limits: Grievances shall be deemed timely only if they are filed in writing within a reasonable time of the occurrence or omission that gave rise to the grievance or within a reasonable time of the time that the grievant and the Union should reasonably have had knowledge of said occurrence or omission. Time limits as set forth in the above grievance procedure may be extended by mutual agreement of the Company and the Union. Any of the above steps of Grievance Procedure may be bypassed upon agreement of the Union and the Company.

Section 3. Information: In the processing of any particular grievance or dispute the Company will make available for inspection in its own office, pertinent call sheets or dispatch sheets, time slips and personnel records of concerned employees to any authorized representative of the Union.

Section 4. Should the Federal Mediation and Conciliation Service Mediator fail to effect an accepted settlement, she/he shall within ten (10) days from the hearing, issue a recommended settlement of the grievance or dispute which shall be issued to the parties in writing.

ARTICLE 11. NO STRIKE - NO LOCKOUT

Section 1. The Union agrees that as long as this Agreement is in effect, none of its members who are employees of the Company, will participate in any strike called for any purpose whatsoever, except for a refusal of the Company to use the Grievance Procedure or refusal of the Company to honor an Arbitrator's award. The Company agrees that during the life of this Agreement, there shall be no lockout.

Section 2. No disciplinary action may be taken against an employee for honoring any picket lines or like action against this Company, other Companies or the San Francisco Unified School District.

ARTICLE 12. TOOL INSURANCE

Section 1. The Employer shall be responsible for the reasonable value of an employee's tool box and contents stolen from the premises of the employer as a result of breaking and entering of such premises while closed for business, or when the employee is off duty and his tool box and contents were properly secured and locked up in an area designated by the employer. The employee shall maintain a current inventory of his tools as a matter of record with the Company. Such inventory shall be updated periodically. In the case of such loss as specified above, it shall be the employee's responsibility to make and submit a written theft report to the police department.

ARTICLE 13. SUPPLIES

Section 1. The Company agrees to furnish rubber boots and waterproof aprons for bus washers and steam cleaners. Employees will also be furnished with rain gear, gloves, eye and face protection, respirators. Respirators shall be available to any employee wishing to use one. The Company shall provide brooms, mops, and all other such tools needed for general upkeep. All tiremen tools and supplies shall be provided and replaced as needed by the Company.

ARTICLE 14. JURY DUTY

Section 1. The Company shall pay the employee for any time lost while on jury duty, including jury selection and witness duty, so long as the employee is appearing under subpoena and is not testifying against the Company or a fellow employee, provided that the employee shall turn in the court appearance certificate and jury fee, if any, before the Company will compensate the employee for the time lost, regardless of the length of time the employee is required to serve on jury duty. All holidays for which the employee is otherwise eligible shall also be compensated.

ARTICLE 15. FUNERAL LEAVE

Section 1. When it is necessary for an employee to be absent from work because of the funeral of the employee's parent (including step-parent), spouse, children (including step-children), siblings (step-siblings), son-in-law, daughter-in-law, parent-in-law, grandparent, or grandchildren, the employer will grant three (3) full days of Funeral Leave with straight time pay.

ARTICLE 16. SEPARABILITY OF SECTIONS AND AMENDMENTS

Section 1. 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 Regulations to the extent that any portion hereof is in conflict therewith, and nothing herein shall require the Company to do anything inconsistent with charters, franchises, indeterminate permits, certificates of convenience and necessity, or laws which it may from time to time operate or exist, nor anything inconsistent with the order or regulations of any governmental authority having jurisdiction to issue same.

ARTICLE 16, SEPARABILITY OF SECTIONS AND AMENDMENTS (Continued)

Section 2. If during the life of this contract between First Student and United Transportation Union, Local 1741, any section, provision or amendment is declared void by a present law or a law enacted after the signing of this contract, all sections, provisions, and amendments not affected by these laws will remain valid and binding on all parties of this contract. The Company will agree to meet with the Union to negotiate resolutions of any conflicts caused by any such unforeseen events. Unresolved disputes shall be subject to the Grievance Procedure.

ARTICLE 17. RATES OF PAY

Section 1. Effective August 1, 2005 the following rates of pay shall be applied to employees in the following classifications:

	Wage Increase	Fueler/ Washer & Lubricator /Tiremen	Coach Cleaner
Current		\$28.22	\$23.85
August 1, 2010	Greater of 2% Inc. or CPI	\$28.78	\$24.33
August 1, 2011	Greater of 2% Inc. or CPI		
August 1, 2012	Greater of 2% Inc. or CPI		
August 1, 2013	Greater of 1.5% Inc. or CPI		
August 1, 2014	Greater of 1.5% Inc. or CPI		

The cost of living adjustment shall be calculated based on the percentage of increase in the twelve (12) month Urban Wage Earners and Clerical Workers (New Series) (CPI) for the San Francisco-Oakland Metropolitan Area, as reported by the U.S. Department of Labor for the June to June period immediately preceding the adjustment date. All new employees will receive thirty cents (30¢) per hour less for the first sixty (60) days of employment.

Section 2. Shift Differential: A premium of fourteen cents (14¢) per hour shall be paid for the entire eight (8) hour shift to all employees whose regular eight (8) hour shift ends or begins between the hours of 6:00 PM and 6:00 AM.

Section 3. Job Descriptions/Titles: It is agreed that all Yard Employees will do other duties at the property such as painting, trash disposal and/or yard work. No employee will be disciplined for failure to perform if the work is outside of the scope of their training or trade.

ARTICLE 18. PAID HOLIDAYS

Section 1. After two (2) months service, employees shall be entitled to the following paid holidays:

Christmas Day	Labor Day
Thanksgiving Day	Memorial Day
New Year's Day	Washington's Birthday
July 4th	Employee's Birthday
Veterans Day	(1) Floating Holiday

The floating holiday will be scheduled by mutual agreement between the Company and the employee. If more than one employee desires the same floating holiday, seniority shall prevail.

Section 2. Employees required to work on these days shall be compensated at double the rate of his/her regular pay.

ARTICLE 19. VACATIONS

Section 1. All employees within the scope of this Agreement shall, after one (1) year's service be entitled to the annual vacation pay, predicated upon the length of service with the Company as follows:

After one (1) year	-	five (5) days
After two (2) years	-	ten (10) days
After six (6) years	-	fifteen (15) days

Employees will take vacation each year. Vacation accrual shall not exceed 35 days at any time. Upon ratification, a pay out will be made to all yardmen who have over 35 days.

ARTICLE 20. MANAGEMENT'S RIGHTS

Section 1. The Management of the business and the direction of the employees subject to the terms of this Agreement including, but not limited to; the right to hire, promote, assign work, discipline and discharge, schedule working hours, overtime and working days, make and impose reasonable work rules are vested exclusively in the Company except as expressly limited and set forth in writing in this Agreement.

ARTICLE 21. NOTICE OF LAYOFF

Section 1. Employees desiring to layoff because of sickness, shall notify the Company as far in advance as possible of their inability to render service, for other reasons, employees shall give a minimum

of eight (8) hours notice to the Company.

Section 2. This Article shall not govern circumstances beyond the employee's control.

ARTICLE 22. SICK LEAVE, LIFE INSURANCE, HEALTH COVERAGE

Section 1. Employees who are on the Seniority roster effective August 1, 1985, shall be credited with ten (10) days and shall be paid their regular days wages (eight (8) hours at prevailing rate) for each day of illness or non-occupational accident up to the maximum allowance for that year. Such payment to be granted for bonafide illness or non-occupational accident only. This sick leave is predicated upon the individual employee earning one (1) day of sick leave according to the following:

One (1) day of sick leave for each twenty-four (24) days worked during the year.

Employees who "overdraw" on their sick leave accrual shall have such overdrawn amounts (days) deducted from their final paycheck if their employment with the Company does not equal the twenty-four (24) qualifying factor outlined above. Unused sick leave can be accrued and carried over from the previous contract and from school year to school year or an employee will be paid for unused sick leave at the end of the month of November of each year at the employee's option.

Sick leave pay will be equivalent to the employee's regular daily wages, eight (8) hours times their then prevailing hourly rate of pay. Upon termination, employees will be paid for all unused sick leave accrued at their then prevailing hourly rate of pay.

Employees who gain seniority status after the opening of school will accrue sick leave on the basis of the following:

One (1) day of sick leave for each twenty-four (24) days worked during the year. Only whole days may be accrued and paid under this Article. The employee must apply in writing for sick leave pay.

1. Sick leave may be used for emergency or personal purposes with the approval of the General Manager.
2. Employees requesting to layoff because of sickness shall notify the Company as far in advance as possible.

ARTICLE 22, SICK LEAVE, LIFE INSURANCE, HEALTH COVERAGE (Continued)

3. The maximum accrued sick pay shall be ninety (90) days. The sick pay accrual ceases once the maximum is reached; however, if sick pay is used by the employee, the accrual resumes upon the employee's return to active employment until the maximum is once again reached.

Section 1b. When an employee is in treatment for a job-related injury, he/she is to be compensated for all lost time; provided however that the employee will work with the Company to attempt to schedule therapy outside of the employee's normal work hours.

Section 2. All benefits in this Agreement shall be extended to all eligible employees covered by this Agreement. In the event that health coverage is not in force due to an administrative error by the Company, the Company shall cover the cost associated with its error.

In the event that any of the health insurance plans that are in effect during the life of this Agreement are cancelled, the Company will make its best effort to replace that plan with a similar plan that is available through a commercial carrier at a commercially competitive rate. In the event that a health insurance plan that is designated by this Agreement is cancelled, any employee enrolled in that discontinued plan will be allowed to enroll in any other plan that is designated by the labor agreement. The Company will notify the Union immediately upon learning of such cancellation and within fourteen days thereafter, either party will have the right to serve notification of its intent to reopen this section, only, of the Collective Bargaining Agreement for the purpose of addressing this occurrence through good faith bargaining in an effort to reach a mutually agreeable resolution.

Section 3. The Company shall maintain medical and Life Insurance payments whenever an employee is on a work-related disability for up to eighteen (18) months. Such payments shall be maintained by the Company for a period of twelve (12) months whenever an employee is on a sick, maternity or disability leave which is non-work related.

Such payments shall be maintained by the Company for nine (9) months in the case of child care leave.

This section becomes effective with the ratification of this Agreement. If an employee is on a leave of absence as referenced in Section 3, at the time of ratification, the time limits for that leave of absence and medical contributions will begin effective upon ratification of this Agreement.

Section 4. Life Insurance - The Company shall provide \$25,000 of Life Insurance for each employee for the life of this Agreement. This coverage shall be on a twelve (12) month basis. This Life Insurance cost will be borne entirely by the Company and the Life

ARTICLE 22, SICK LEAVE, LIFE INSURANCE, HEALTH COVERAGE (Continued)

Insurance coverage will extend through furlough, holidays, vacations, as well as during the school term. Furlough is defined for the purpose of this section as a temporary layoff of a known duration corresponding to regular school closing for Christmas and Summer vacation.

Section 5. Health: Employees performing service will have the following option concerning group health insurance:

1. Medical Insurance
 - a. Kaiser V - Group #7614, or;
 - b. First Plus Medical Insurance Plan
2. Dental Insurance
 - a. Blue Cross Prudent Buyer Dental Plan 5000 or its equivalent, or;
 - b. Dental Net Plan 550 or its equivalent.
3. Vision Insurance
VSP Vision plan

This coverage shall be on a twelve (12) month basis and will extend through furlough, normal season layoffs and holidays, as well as the school term unless indicated differently in provisions of this Agreement. The parties agree that Pacific Care will remain in place through September 30, 2010. Effective October 1, 2010 First Plus Medical Plan will replace Pacific Care Option 1

Employees may elect to make the required contributions with pre-tax dollars if and as provided by Section 125 of the Internal Revenue Code. In addition, beginning January 1, 2011 employees may participate in the First Student Flexible Spending Account . The Company will administer the programs.

Domestic Partners and the children of Domestic Partners within the definition of dependents for medical care shall be included in medical coverage provided by Kaiser or First Plus Medical Plan. Such definition of Domestic Partners and the children of Domestic Partners shall be defined by the insurance carriers (Kaiser and First Plus Medical). To qualify for and maintain eligibility, Domestic Partners and children of Domestic Partners must satisfy all conditions and provisions required by the carrier offering coverage.

For the Plan Year effective October 1, 2010, the employee monthly contribution toward medical premiums will be as follows:

	EE Only	EE + 1	EE + Family
Kaiser	\$15.00	\$24.00	\$30.00
First Plus Medical	\$15.00	\$24.00	\$30.00

ARTICLE 22, SICK LEAVE, LIFE INSURANCE, HEALTH COVERAGE, SECT. 5, cont.

Effective October 1, 2010, the Pacific Care Plan shall be eliminated and replaced by the First Student First Plus Medical Plan. The employee will continue to make the contributions as set forth in the table above. For each year thereafter the following contribution caps will apply:

For each year thereafter, the following contribution caps will apply:

	Employer Cap for Benefit Contribution Increases
October 1, 2011	Up to 20%
October 1, 2012	Up to 20%
October 1, 2013	Up to 20%
October 1, 2014	Up to 20%

Dental and Vision coverage shall be provided for the employee only. Dependents may be eligible for Dental and Vision coverage, however, the additional premium cost shall be borne entirely by the employee. It is further agreed that for the term of this Agreement the Company will pay the entire employee only premium for employees electing Prudent Buyer Dental Plan 5000, or Dental Net Plan 550. In addition, effective October 1, 2010 the Company will replace the Vision Plan (Eye Med) with the VSP Vision plan. The company agrees to provide VSP vision care @ 100% for employees. The employee will pay full cost for any dependents.

Employees may elect to make the required contributions with pre-tax dollars if and as provided by Section 125 of the Internal Revenue Code. In addition, beginning January 1, 2011 employees may participate in the First Student Flexible Spending Account. The Company will administer the program.

New Employees - upon beginning employment, the Company will provide the applicable premium per month per employee as outlined above, towards Group Medical Insurance under the following eligibility rule: If employees enter employment on or prior to the 15th of any month, they will be covered the month following, if employed after the 16th of the month, they will be covered the second month following their employment. Terminating employees will be covered the month of termination. Eligibility for Health Benefits - Employees recalled from indefinite layoff, and employees returning from personal leaves of absence of more than one calendar month

ARTICLE 22, SICK LEAVE, LIFE INSURANCE, HEALTH COVERAGE, SECT. 5
(Continued)

shall be provided Group Health Insurance as outlined above upon returning to service. The following eligibility rules shall apply:

If employees begin working on or prior to the tenth (10th) of any month, they will be covered for that month; if they begin after the

tenth (10th), they will be covered the month following.

Employees leaving the service of the Company because of: Termination, indefinite layoff, or personal leaves of absence of more than one calendar month will be covered for the month in which they leave service. However, any employee laid off indefinitely in the month of June, will be covered for July and August. The Company will notify the Union and any affected drivers, in writing, of its intention to discontinue payment of a Bus Driver's health and life insurance premiums before coverage is actually terminated. In the event a dispute arises over a driver's eligibility, the company will continue coverage until the matter is settled through the Grievance Procedure.

All such grievances will go directly to the appeals stage and the time limits for initial presentation shall be waived. If determined that employee is not eligible, the employee will refund the payment to the Company.

DOCTOR'S VERIFICATION: The employer shall have the right to request and receive medical verification from any employee that is absent for more than two days during a school year or if the employer has reason to believe that the employee's absence is not excused.

The Company will consider requests for information from the Union for pertinent information regarding Health and Welfare Benefits if the Union can demonstrate relevance and if such request is in compliance with employee privacy concerns and HIPPA laws.

Opt-Out Health Benefits Program Payment

Beginning effective October 1, 2010 the Opt-Out benefit will be available to all eligible employees who voluntarily decline to enroll in offered First Student Medical Insurance available to all eligible bargaining unit employees if they meet the below eligibility requirements.

1. Employees must be active employee on October 1, 2010, holding a bid position of the most recent bid period.
2. Employees must have been enrolled in a First Student Medical Insurance plan for at least 1 year during the previous 6 years.
3. Employees not enrolled in a Medical Insurance Plan in the 2009 - 2010 plan year but were enrolled in a Medical Insurance plan within the previous 6 years will only be eligible for the single employee opt out payment of \$2000.00.
4. Employees hired on or after October 1, 2010 may elect to receive Opt-Out payments.
5. Employees are eligible for the Opt-Out benefit if they sign and acknowledge that they will not be eligible to later enroll themselves or dependents into any Medical Plans during the following enrollment year except as noted below under Loss of Insurance. Employees may in subsequent years elect to enroll in an offered Medical Plan and forego the Opt-Out benefit. For example, if the employee elects to Opt-Out for the 2011 benefits year they could enroll in plans for 2012 and forego the Opt-Out Benefit.
6. Employees must remain eligible for Medical Insurance to participate in the Opt-Out program. Employees seeking to receive the Opt-Out benefit for spouses or eligible other dependents must provide proof that the dependents meet the Company's benefits qualification criteria. Employees who are not eligible for spouse or other dependents coverage will be eligible for the individual only plan Opt-Out benefit.
7. Employees are eligible for the Opt-Out benefit if they can provide the Company with employer or plan confirmation of coverage under another plan such as: a) Spouse's/partner plan (other than a First Student Inc Plan), b) private plan, c) plans offered through a second employer (e.g. another job providing health benefits) or; d) a retiree or government/military health plan.
8. The Company reserves the sole right to evaluate the economic viability of this plan annually. This plan will be in effect for a minimum of two (2) years to establish viability. The Company will furnish the Union data to establish viability. If in the employer's sole opinion this plan is not financially viable, notice will be given to the union of the termination of this plan.

Loss of Insurance: If the employee suffers a plan qualifying event and loses the alternative health insurance coverage during the Opt-Out year, the employee will be eligible for coverage under

the First Student plans but they must repay any prorated benefit payments, on a full month basis, for the periods they are to be covered by First Student Medical plan. The repayment shall begin by payroll deduction beginning the month benefits start and repaid by the end of applicable benefits year.

Benefit: All participating active employees shall receive the benefit payment by November 30th of the benefit year less any applicable state or federal taxes. New employees hired after this date and who elect the Opt-Out program will receive their prorated payment from the benefits eligibility date on the following November 30th.

Single Emp -	\$2000.00
Emp + Spouse	\$2500.00
Emp + 1 Child	\$2500.00
Emp + Partner	\$2500.00
Emp + Children	\$3500.00
Adults + Children	\$3500.00

ARTICLE 23. NO IMPLIED WAIVER

Section 1. If at any time the UTU or the Company shall elect not to assert it's right under any provision of this Agreement in the event of a breach hereof, such lack of action in this respect shall not be construed as a continual waiver of any right under the provision of this Agreement.

ARTICLE 24. NON DISCRIMINATION

Section 1. There shall be no discrimination, harassment, interference or coercion of any applicant, trainee, employee or rehire, active or non-active for any reason prohibited by applicable Local, State or Federal Law including age, citizenship, color, race, national origin, political or religious beliefs, sex, union affiliation or union related activities.

ARTICLE 25. SAFETY

Section 1. All employees shall be required to wear safety glasses and safety shoes at all times while on duty. The Employer shall provide such safety equipment as follows:

Safety Shoes: The Company shall provide an annual boot allowance to Yard personnel in the amount of \$132.00, payable in May when the employee has provided a receipt for such safety shoes. Yard personnel shall be required to wear safety shoes at all times while on duty.

Safety Glasses: Regular safety glasses are provided at no charge to all employees. Those employee requiring prescription safety lenses will be reimbursed for reasonable needs provided appropriate receipts are furnished.

Employees not complying with this policy will be subject to discipline up to and including discharge.

ARTICLE 26. DURATION OF AGREEMENT

Section 1. This Agreement shall be in full force and effect from August 1, 2010, until and including July 31, 2015, and shall continue in force thereafter from year to year unless either party shall have given sixty (60) days written notice to the other of its desire that same terminate or be amended on July 31st succeeding such notice.

MEMORANDUM OF AGREEMENT ARBITRATION

A. Should either the Company or the LCOA refuse to accept the FMCS Mediator's recommendation(s), then the grievance or dispute may, within thirty (30) days from the date of the Mediator's recommendation be referred to Arbitration by either party. The Party not abiding by the recommendation(s) of the Mediator shall be considered the moving party under this Memorandum of Agreement even though the other party initiates the Arbitration Procedure to secure the Mediator's recommendation(s).

B. The Arbitrator shall have no authority to add to, detract from, alter, amend, or modify any provisions of this Agreement or impose on any party hereto a limitation or obligation not explicitly provided for in this Agreement or to alter any wage rate or wage structure.

C. In the event the Union and the Company cannot agree within five (5) days upon a person to act as the Arbitrator, the Union and the Company shall immediately thereafter jointly request the Federal Mediation and Conciliation Service to submit to them a list of five (5) qualified and available Arbitrators. It shall be stated on the request that no person submitted on the list by the Federal Mediation and Conciliation Service shall have any official, financial or other connection with, or interest in the Company or the Union. Within five (5) days after the receipt of said list, the Union and the Company shall each strike an equal number of names from it in the following manner:

The Company and the Union shall determine by lot the order of elimination and thereafter each shall, in that order, eliminate an equal number of names from said list. The losing party shall eliminate a name from the list first. The remaining name shall

Memorandum of Agreement - Arbitration, (cont.)

thereupon be accepted by both the Company and the Union as the Arbitrator. The Union and the Company shall immediately thereafter notify the Federal Mediation and Conciliation Service and the Arbitrator of their joint selection. The Arbitrator shall within five (5) days from the date of his/her selection set the date for the hearing.

D. If by the time of hearing the parties have been unable to agree upon written submission agreement defining the issue, then the Arbitrator shall determine the issue to be arbitrated from the written grievance, answer and appeals from each step of the Grievance Procedure.

E. It is understood that the expense of the Arbitration shall include the fees and expenses of the Arbitrator, and, if requested by the Arbitrator, an official transcript of the Arbitration hearing and the cost thereof which are allocable to the copy received by the Arbitrator. These and all other necessary fees and expenses decided

by the Arbitrator necessary for complete and full hearing shall be borne by the moving party. Should the moving party request a transcript on its own behalf, a copy of such transcript will be made available to the other party at no expense to the other party. Each party shall bear the expense for the preparation and presentation of its own case, including any fees or expenses necessary to produce witnesses in support of its contentions. The Arbitrator may call said witnesses and if they are employed by the Company, the Company agrees to release witnesses from work if they are on duty. If called by the Company, the Company will reimburse her/him for time lost.

F. The Arbitrator shall attempt to expeditiously decide the matter submitted. The decision of the Arbitrator shall be in writing, and when issued, shall be final and binding. At the conclusion of the hearing and upon request of either party oral agreement or written brief, or both, will be submitted on such terms as to time as the Arbitrator directs. The Arbitrator's decision shall be rendered within thirty (30) days of the date required briefs are filed, or if no briefs are required, within thirty (30) days of the close of the Arbitration hearing.

G. All grievances and disputes involving the interpretation, application or breach of this Agreement which arise as the result of an occurrence during the life of this Agreement shall, after the expiration of same continue to be governed by the terms hereof, and shall be presented and adjusted in accordance with the provisions of this section.

MEMORANDUM OF UNDERSTANDING

The parties undersigned agree that classification seniority as stipulated in Article 5, Reduction in Force, Section 1, shall be defined as the length of service accumulated in any given classification covered by this Agreement. Its effect will be as shown in the following:

For example, assume that there are three Lubricators:

Employee X was hired into the Lubricator position on October 1, 1968.

Employee Y was hired as a Yardman on February 1, 1968, and promoted to the Lubricator position on February 1, 1969.

Employee Z who was hired as a Yardman on February 1, 1968, and promoted to the Lubricator position on October 1, 1968.

The seniority order in the Lubricator Classification would be:

- 1 - Z
- 2 - X
- 3 - Y

Any reduction in force within the Lubricator classification would be applied accordingly.

MEMORANDUM OF AGREEMENT 401-K PLAN

Section 1

1. Eligible employees shall be defined as employees at least twenty-one (21) years of age with at least one year of service (at least one thousand hours of work) within the bargaining units covered by the Coach Cleaners, Yardmen, Tiremen, and Lubrication Employees.
2. The Plan shall become effective January 1, 1995 with Company contributions and employee payroll deductions beginning on that date.
3. The Company shall pay for the administration of the Plan.
4. Participants shall be defined as those eligible employees who have made a contribution to the Plan.
5. Entry into the Plan shall be permitted on the first day of the calendar quarter after completing one year of service.

6. Plan Funding: The Plan will permit employee pre-tax deferrals and Company matching on a monthly basis as follows:

Employee Contribution	Company Contribution
1%	0.5%
2%	1%
3%	1.5%
4%	2%
5%	2.5%
6% +	3%

7. The Plan will permit rollover contributions.

8. The Plan shall permit Company lump sum contributions. The Company shall make such lump sum contribution of \$300.00 on behalf of each participating employee who qualifies under Section 1, 1. of this Memorandum of Agreement and beginning on July 31, 1995 and continuing on each subsequent July 31st for the life of the Collective Bargaining Agreement.

9. Vesting: The Company matching contributions are subject to the following vesting schedule.

Years of Service:	1	2	3	4	5
Percent Vested:	20%	40%	60%	80%	100%

10. Forfeitures will be used to reduce Company contributions.

11. Hardship withdrawals are permitted utilizing IRS guidelines.

MEMORANDUM OF AGREEMENT 401-K PLAN (Cont.)

Section 1 (Cont.)

12. In-Service withdrawals are permitted only after age 59 ½.

13. Distributions: Distributions must begin no later than the April 1 following the year the employee attains age 70 ½. If a participant receives a taxable distribution (including a withdrawal) of any part of their vested account, the distribution may be subject to a 10% penalty tax.

14. The Company shall fund the matching contributions to the Plan on a monthly basis.

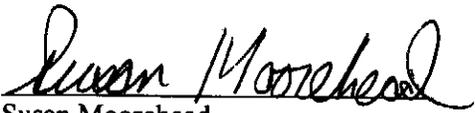
15. The Company shall have absolutely no obligation to make any contributions to the Plan or to provide any funds to tPlan or to any employee or to participate in any fashion in the administration of the Plan at any time after it no longer provides school bus service to the San Francisco Unified School District under its current or a successor revenue contract.

In witness whereof, the parties hereto have hereunto set their hands this 28th day of September, 2010.

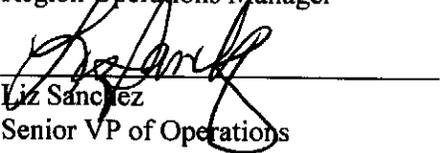
FOR THE COMPANY:



Larry Rodriguez
Director Labor Relations – West

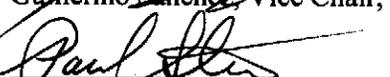
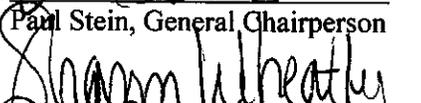
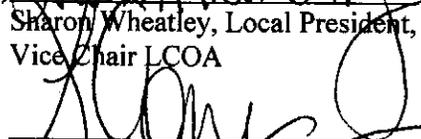
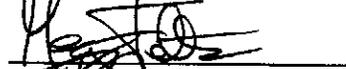
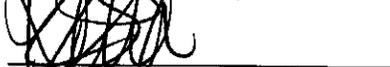
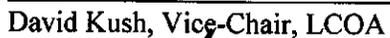
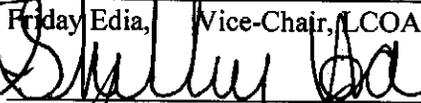


Susan Moorehead,
Region Operations Manager



Liz Sanchez
Senior VP of Operations

FOR THE UNION:


Guillermo Sanchez, Vice Chair, LCOA
Paul Stein, General Chairperson
Sharon Wheatley, Local President,
Vice Chair LCOA
Lois Correa, Local Vice President,
Vice Chair, LCOA
John Reardon, Sec/Treas, LCOA
Meg Felt, Secretary, LCOA
Keva Knox, Vice-Chair, LCOA
David Kush, Vice-Chair, LCOA
Friday Edia, Vice-Chair, LCOA
Shelby Hall, Vice-Chair, LCOA
James Charas, Vice-Chair LCOA
Paulette Spencer, Vice-Chair LCOA
Sherry Klein, Vice-Chair LCOA
Nataly Cruz

LCOA

Natalie Colen Macario, Vice-Chair