

MEMORANDUM OF AGREEMENT
BETWEEN
KEOLIS COMMUTER SERVICES
AND
INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS

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THIS AGREEMENT is made this 3rd day of January 2025, by and between the Keolis Commuter Services, hereinafter referred to as the Carrier or Keolis, and the International Association of Machinists and Aerospace Workers, hereinafter referred to as the Organization or IAM. These terms are applicable only to the persons represented by the Organization. The Organization has completed the ratification procedures of the bargaining unit members currently employed by the Carrier and has advised the Carrier that the agreement was ratified by its members on January 2, 2025.

DURATION: 5 years (7/1/23 through 6/30/28)

Except as otherwise specifically stated herein, this Memorandum of Agreement shall become effective on its date of signing and serves to amend the Collective Bargaining Agreement between the parties. This amended CBA shall continue in full force and effect until further amendments are agreed between the parties after written notice of an intended change is served in accordance with Section 6, Title I, of the Railway Labor Act, as amended, by either party hereto no sooner than 90 days prior to July 1, 2028 and a subsequent written agreement to proposed amended terms is executed.

ARTICLE I - WAGES

(a) General Wage Increases.

Effective July 1, 2023, the hourly base rates of pay of employees covered by this Agreement shall be increased in the amount of 5 percent (5%).

Subsequent general wage increases shall be as follows:

July 1, 2024 – 5%

July 1, 2025 – 5%
July 1, 2026 – 5%
June 15, 2027 – 5%

All employees will receive a \$2.00 per hour wage adjustment after the 5% salary increase to their base salary on June 15, 2027.

Retroactive wages: After full and final ratification by the membership, retroactive pay will be paid to eligible employees within sixty (60) days. The term “Eligible Employees” will mean:

1. Any employee who is active on the date of payment to employees or,
2. Any employee who retired between the amendable date (7/1/23) until their date of retirement, or
3. Any employee who died between the amendable date (7/1/23) until their date of death who has a named beneficiary under the Company’s life insurance plan, or
4. Any employee who has been terminated and has been or is reinstated, or
5. Employees on authorized leave of absence will receive their retroactive payment upon their return to active service.

H&W COST SHARING:

As detailed below, employee healthcare contributions will increase upon ratification.

FOR EPO PLAN

Effective upon ratification, the cost for the EPO Plan shall be \$204 a month.

Effective July 1, 2027, the cost of the EPO Plan shall be increased to \$229 a month.

FOR PPO PLAN

Effective upon ratification, the cost for the PPO Plan shall be \$285 a month.

Effective July 1, 2027, the cost for the PPO Plan shall be increased to \$310 a month.

H&W PLAN DESIGN:

CHANGES:

All employees hired on or after ratification shall only be eligible to participate in the EPO. In addition, all other incumbent employees are grandfathered into their existing plans and will have the ability to switch between the EPO or PPO plans during each annual open enrollment period or as applicable during a qualify life event as articulated under the IRS regulations defining such an event.

WORK RULES:

1. NEW RULE – SICK LEAVE

Each employee will be provided with an annual allowance of three (3) sick days to be used in each calendar year. Sick days shall be issued in January of each year and expire at the end of each calendar year. The three (3) paid sick days will be considered as excused absences in accordance with the Carrier's Attendance Policy. However, compensation paid under sick-leave rules or practices will not be considered as compensation for the purposes of bridging a holiday.

2. RULE 6 - BULLETIN AND ASSIGNMENT

Employees shall adhere to a bidding system supplied by the Carrier for job postings. The system may include requiring employees to email or fax bids, and digital jobs postings or biddings.

3. RULE 20 – BEREAVEMENT LEAVE

Bereavement leave, not in excess of three calendar days, following the date of death will be allowed in case of death of an employee's brother, sister, parent, parents siblings, child, grandparent, grandchild, spouse, spouse's parent, spouses siblings, spouses grandparents, stepchildren, stepparents, step grandparents, or domestic partners. In such cases a minimum basic day's pay at the rate of the last service rendered will be allowed for the number of working days lost during bereavement leave. Employees involved will make provisions for taking leave with their supervising officials in the usual manner. Any restrictions against blanking jobs or realigning forces will not be applicable when an employee is absent under this provision.

An employee will have the following options in deciding when to take bereavement leave:

- a) Three (3) consecutive workdays, commencing with the day of death, when the death occurs prior to the time an employee is scheduled to report for duty.
- b) Three (3) consecutive workdays, or three days encompassing any funeral or memorial service.

4. RULE 39 – VACATION

Add:

Employees will be allowed to utilize up to two (2) weeks of vacation in daily increments.

Section 1 – Vacation for New Hires (Year 0)

Effective January 1, 2025, new hire employees working full-time will be eligible to have paid vacation days, to be taken as single day vacation subject to all applicable rules, based on their date of hire month in Year 0 as follows:

- January/February 5 days
- March/April 4 days
- May/June 3 days
- July/August 2 days
- September/October 1 day

Section 2 – Vacation Year 1 Non-qualifying Employees

Effective January 1, 2025, employees working full-time in their second calendar year of employment (Year 1) who did not qualify for vacation in the prior year (Year 0) under the National Vacation Agreement will have five (5) paid vacation days, to be taken as single day vacation subject to all applicable rules.

5. RULE 21 – LEAVE OF ABSENCE

UNPAID LEAVE OF ABSENCE:

A. TYPES OF UNPAID LEAVES OF ABSENCE AVAILABLE TO EMPLOYEES

1. Medical Leave of Absence

Keolis will provide medical leaves of absence, including for work-related injuries, based on Federal laws.

2. Military Leave of Absence

A Military Leave of Absence will be granted as required under applicable Federal law and Rule 27.

3. Small Necessities Leave of Absence

Keolis will provide employees with leave of absence for short periods of time in accordance with the Commonwealth of Massachusetts' Small Necessities Leave Act ("SNLA").

4. Parental Leave of Absence

Keolis will provide leave of absence to employees for the birth of a child, or the

placement of a child under the age of 18 for adoption.

5. CBA Leave of Absence

Employees who are not eligible for any of the above referenced, unpaid leave of absences, or who have exhausted all the time allotted under any of the above leaves of absences, may be entitled to a continued "CBA Leave of Absence," in accordance with the following:

- i. Upon written request to the Labor Relations Department, with a copy to the General Chairperson, an employee may be granted an unpaid "CBA Leave of Absence" limited to a total of ninety (90) consecutive days in any twelve (12) month period without loss of seniority.
- ii. The decision to grant or deny a request for a CBA Leave of Absence, and the length of any leave that may be granted, is at the discretion of Keolis.
- iii. If the need for the CBA Leave of Absence is foreseeable, the employee shall make the request for the leave at least two (2) weeks prior to the requested commencement of the leave to provide the Company with adequate time to consider the request.
- iv. A request for a CBA Leave of Absence, and any continued extension thereof, must contain a statement concerning the reason(s) for the employee's need for the leave of absence.
- v. If the request for the CBA Leave of Absence is due to an illness or disability that is not otherwise covered by an existing CBA rule or provision the following will apply:

The employee must provide written documentation from a certified medical professional specializing in the illness or disability that is the reason for the employee's request for the CBA Leave of Absence, evidencing their initial or continuing inability to perform the duties of their position at the time of their request. Failure to provide the required documentation requested by the Company, unless otherwise excused from doing so, may result in a denial of a CBA Leave of Absence for the employee and disciplinary action by the Company. The Company will provide a form for the employee to utilize for their doctor or doctors to provide the following information:

1. A description of the employee's disabling condition.
2. A statement of physical or other disabling limitations, quantified where possible; and
3. The prognosis for the employee's recovery and an anticipated return-to-work date; and

4. A statement of treatment.
- vi. An employee on a CBA Leave of Absence due to illness or other disability may be required to submit medical documentation to evidence a continuing illness or disability upon request of the Company. To the extent the employee is required to submit such medical documentation to evidence a continuing illness or disability, it is the responsibility of the employee to promptly provide the requested documentation on a form provided by the Company in order to remain on the medical leave. In all instances, the employee shall update the Company if there is a change to their condition pursuant. The Company shall maintain the above information in a confidential manner and not disclose such information to third parties without the employee's written consent except when such disclosure is required by law, in which case, the Company shall take all reasonable efforts to provide the employee with written notice of the disclosure. The Company shall make all reasonable efforts to limit intra- Company disclosure to management personnel who require such information.
- vii. The Company will require an employee to provide proper medical documentation from a certified medical professional familiar with the illness or disability in question of their ability to resume all of an employee's essential duties of their position upon request of the Company as a condition of releasing an employee from a CBA Leave of Absence due to illness or disability.
- viii. An employee will be required to use any accrued sick leave while on a CBA Leave of Absence, regardless of the reason until the employee's accrued sick leave has been exhausted. An employee may use any accrued vacation at their election after sick leave has been exhausted in accordance with the applicable Rules in this Agreement.
- ix. A CBA Leave of Absence is in addition to, and not in lieu of, any other unpaid leave of absence that the employee may be entitled to, to include (but not necessarily be limited to) an employee's right to leave under the FMLA. When applicable, and as appropriate, an employee will be required to utilize all other forms of unpaid leave of absences that the employee qualifies for, in that leave's entirety, before being eligible for a CBA Leave of Absence.

B. RETURN TO WORK FROM AN UNPAID LEAVE OF ABSENCE

In addition to those procedures that may be outlined within Keolis' policies, employees are required to:

1. Return to the services of the Company immediately after the scheduled expiration of an unpaid leave of absence (or any agreed extension thereof).
2. For a leave of absence extending thirty (30) days or more, an employee is required to complete a return-to-work exam prior to returning to work. Depending on the duration of the leave, an employee may be required to be recertified in their qualifications prior to returning to service. It is the responsibility of the employee, when possible, to coordinate with the Company at least two (2) weeks prior to the return-to-work date to ensure that the return- to-work exam is completed before the expiration of the leave of absence.

An employee who fails to complete a return-to-work exam, if applicable, and/or fails to return to work immediately following the expiration of a leave of absence will be deemed to have voluntarily resigned and the employee's name shall be removed from the seniority list. Exceptions may be made for employees who present sufficient written proof as described elsewhere in this Rule to the Company that the employee was incapacitated and had no means (self, family, friends, etc.) to notify the company of such, which prevented the employee's return to work or proper notification to the Company.

The Company shall determine the adequacy of any written proof submitted and whether the extended absence should be treated as a continued leave of absence or whether an employee shall be deemed as resigned.

3. Employees on a leave of absence lasting for 29 days or less may return upon 48 (forty-eight) hours' written advance notice to the Leave Administration Department with a copy to the General Chairperson. If this leave is for medical purposes, a return to work note from the medical provider clearing the employee to return to work will be required to be provided to the Leave Administration Department.
4. Employees on approved, unpaid leave of absences who are found, after formal investigation, to have engaged in other employment while they are out on leave from Keolis, shall forfeit their seniority, and be considered out of service, unless special arrangements have been made with the official granting the leave of absence and the designated representative of the Organization prior to an employee on a leave of absence engaging in other employment.

C. OTHER UNPAID LEAVE RIGHTS

- (a) Employees of the Company who become full-time duly accredited representatives of the Union or are employed exclusively by the Union shall be considered on a leave of absence until sixty (60) days after release from such employment.
- (b) Other duly accredited representatives of the employees shall be granted necessary time off for investigations, consideration and adjustment of grievances, negotiations, or to attend meetings of employees. The time off for the accredited

representatives shall be paid by the Union.

(c) Employees out of work under the disability provisions of the Railroad Retirement Act shall retain seniority until they attain the age of sixty-five (65) years at which time their names will be removed from the seniority roster. The positions vacated by them, if not abolished, will be bulletined for permanent appointment. Should they recover sufficiently to resume service prior to attaining the age sixty-five (65) years, they shall be permitted to exercise seniority in accordance with the applicable Rules in this Agreement.

(d) All leaves of absence shall run concurrent with Federal leave when applicable.

6. RULE 24 – DISCIPLINE – INVESTIGATION - APPEAL

Add:

(i) For the purposes of Organization appeals and the Carrier's response, email correspondence is an acceptable form of official communication.

7. RULE 25 – GRIEVANCES

Add:

(i) For the purposes of Organization appeals and the Carrier's response, email correspondence is an acceptable form of official communication.

8. APPENDIX A – HOLIDAYS

The Carrier shall establish Juneteenth as a Holiday, effective 2025.

9. RULE 46 – PAYING OFF

All Employees hired on or after ratification of this agreement will be required to enroll in direct deposit.

10. RULE 53 – TRAINING

When employees require additional training to become or remain qualified for positions, they may be assigned to classroom, online and/or on-the-job training and testing at such times and places as necessary. Online training may be utilized for non-skilled training, such as Diversity, Equity and Inclusion, harassment, safety and security, bias and other such instructions. Employees will be paid at the pro-rata rate for classroom, and/or on-the-job training and testing not to exceed eight hours pay per day.

Online training, at the option of the employee, may be done at home or at a location supplied by the Carrier. Each online training module will have a value attached by which each employee will be compensated if the training is performed outside their regularly scheduled work hours. For example, if the module is valued as 90 minutes, the employee will be paid an hour and a half. Online training will not exceed four (4) hours a quarter and will be paid at a pro-rata rate at a minimum of one (1) hour.

If it is necessary to change the rest days or working hours of employees in order to provide training, the Carrier may do so and no overtime shall be paid as long as two rest days are allowed in a seven-day period commencing with the first day of training. Classroom and/or educational training will be considered as "hours worked of the assignment in that workweek" for the purpose of qualifying for double time as provided for in Rule 13(a).

11. NEW RULE - SIDE LETTERS AND MEMORANDUMS OF UNDERSTANDING

Side Letters of Agreement, Memorandum of Agreements or similar documents shall be considered as fully executed only when they have been signed and authorized by the respective department head, a Labor Relations designee and the IAM Local President and the IAM General Chairman.

12. NEW RULE - ZIPPER CLAUSE

The parties shall work together to identify all current and past Side Letters of Agreement, Memoranda of Agreement or similar documents that will remain or be added to the new collective bargaining agreement. If either party discovers a previously signed side letter after completion of this process, both parties will confer to determine its validity.

"ME TOO" PROVISION

This agreement includes a "Me Too" clause as outlined below, intended to ensure equitable economic treatment among all unions negotiating collective bargaining agreements with the Carrier during the same negotiation cycle.

For the purposes of this clause, "equitable economic treatment" shall mean that when the terms of each *other* relevant Union's subsequently negotiated agreement in this cycle are hypothetically applied to this Union's workforces to assess comparative economic value, the terms of any subsequently settled negotiation with *another* Union when applied to this Union shall not be materially different in relative economic value than the relative economic value of the terms of the agreement reached between the Carrier and this Union in the first instance, taking into account both wage and non-wage benefits. This comparison will consider the impact of the other Union'(s) specific wage and non-wage benefits as if they were granted to this Union's members, using the annual earnings equivalent as the basis for comparison. The concept of "terminal value" shall not apply in performing the comparative economic value evaluation.

Non-wage benefits under this provision include, but are not limited to, additional paid holidays, clothing allowances, per diem benefits, wage differentials, and any other economic benefit negotiated in lieu of direct wage increases. The economic value of these non-wage benefits will be converted into an annualized earnings equivalent based on the methodology outlined below. This methodology will take into account the specific circumstances and membership composition of each Union to ensure a fair and accurate comparison of overall economic value. It is presumed that the terms of the health and welfare benefits program and contribution levels are identical across the unions and thus those benefits are not included in the calculation method herein.

The annual earnings calculation and conversion of non-wage benefits to their annual earnings equivalents will be performed as follows:

Methodology for Annual Earnings Equivalent Conversion:

1. **Annual Earnings Calculation:** The relative economic value of a collective bargaining agreement (CBA) will be calculated as an annual earnings equivalent for each year of the agreement's term. This calculation will encompass both the compounded wage increases and the static value of non-wage benefits.
2. **Wage Increases:** Wage increases, which are typically applied on July 1st of each year, will be calculated on a compounded basis, reflecting their accumulative impact on annual earnings over the agreement's duration.
3. **Non-Wage Benefits Conversion:** Non-wage benefits, including but not limited to additional paid holidays, clothing allowances, and per diem benefits, will be converted into their annual earnings equivalent using the following steps:
 - a. **Value Assignment:** Assign a monetary value to each non-wage benefit based on its cost or the value it provides to the employee.
 - b. **Annualization:** Convert this value into an annualized figure that reflects its contribution to the employee's total annual earnings. This figure will be added to the compounded wage earnings to compute the total annual earnings equivalent for each year of the agreement.
4. **Total Economic Value Comparison:**
 - a. **Hypothetical Application:** The terms of each other relevant Union's negotiated agreement in this cycle will be hypothetically applied to this Union's workforces to assess comparative economic value. This comparison will consider the impact of the other Union'(s) specific wage and non-wage benefits as if they were granted to this Union's members, using the annual earnings equivalent as the basis for comparison.
 - b. **Adjustment Mechanism:** Should the comparison reveal that the terms of a subsequently negotiated agreement would have provided a materially higher total annual earnings equivalent in the aggregate across all years than the terms negotiated

