

AGREEMENT

between

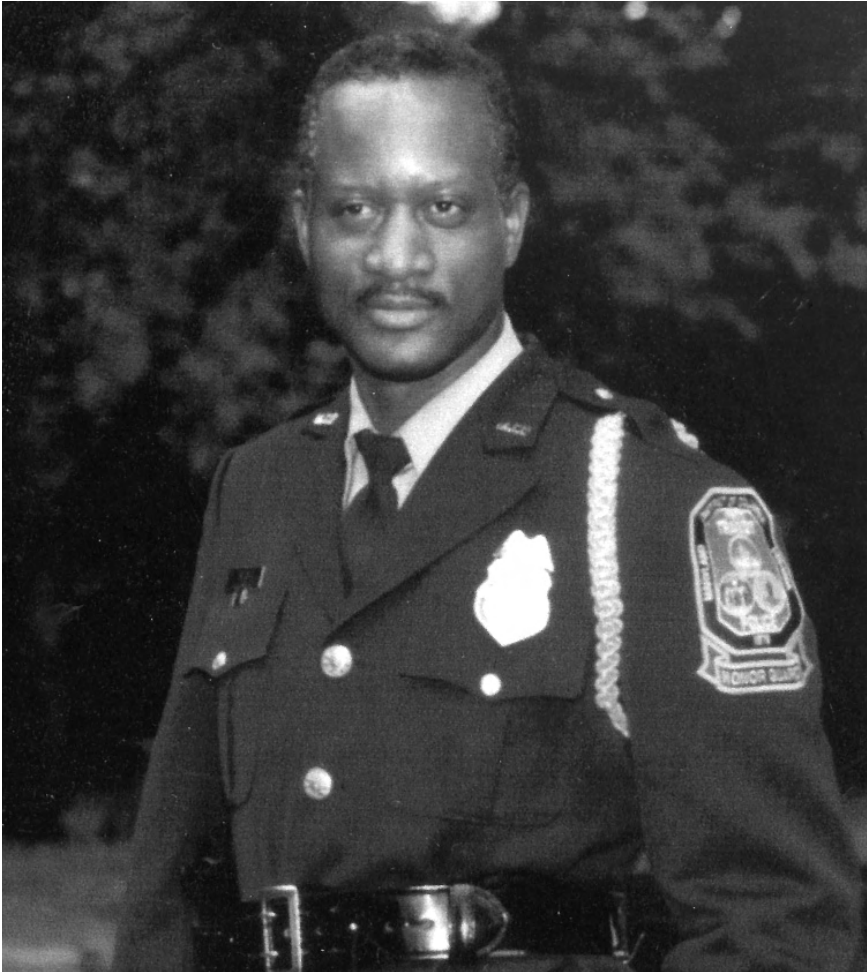
Washington Metropolitan
Area Transit Authority

and

Fraternal Order of Police/
Metro Transit Police Labor
Committee, Inc.



Effective from January 1, 2008
to
September 30, 2010 Inclusive



OFFICER JAMES (JIMMY) W. HILL., BADGE #151
METRO TRANSIT POLICE OFFICER
1976 – 2005

This Contract is dedicated to *James W. Hill* who died June 7, 2006. Jimmy was one of the first Metro Police Officers starting in 1975 as a Security Officer becoming a fully sworn Police Officer when the Department was established in 1976. He faithfully served as a Foot Patrol Officer his entire career, retiring December 1, 2005. In 1977, he was instrumental in organizing the Officers into the Teamsters Union and negotiated the first contract. He worked as a Shop Steward and on the Executive Board of the Union from 1981 through 2003. He was directly involved with every contract during that time, having great influence on improving working conditions, Officers' rights, benefits and other economic issues. He counseled many Officers not only through grievances, but also with personal problems. Jimmy gave of himself in every way. At Christmastime, with the Transit Police Department, he tirelessly performed charitable work for "Toys for Tots". In addition, he worked to make the "Harry Davis/Marlon Morales Scholarship Fund" and the annual Crab Feast/Barbeque great successes. He established the Department's Honor Guard Unit. In 2003, he initiated procedures to decertify from the Teamsters Union and join the Fraternal Order of Police Union, succeeding in November 2004. He considered this change to be in the best interest of the Police Officers and essential to best control "our" destiny. He was the first FOP Labor Board Chairman for this, the first negotiated contract under the Fraternal Order of Police. It is a fitting memorial that this contract be dedicated in honor of Officer James W. Hill. He will be missed, but never forgotten.

"Good is Better, Better is Best, Never Rest Until Our Good is Better and Our Better is Best."

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PREAMBLE

This Agreement, made and entered into this 1st day of January, 2004, by the Washington Metropolitan Area Transit Authority (hereinafter referred to as "the Authority") and the FOP/Metro Transit Police Labor Committee, (hereinafter referred to as "the Union"), has as its purpose assisting the Authority in providing the best possible service to the public; the promotion of harmonious relationships among the Authority, its employees and the Union; the establishment of an equitable and peaceful procedure for the resolution of differences; and the establishment of rates of pay, hours of work, working conditions and other related economic conditions of employment.

ARTICLE 1 - RECOGNITION AND UNIT

Section 1. The Authority recognizes the Union as the exclusive bargaining agent of employees covered herein for the purpose of negotiating wages, hours and related economic conditions of employment.

Section 2. Definitions. Unless otherwise specified, the following terms shall have the following meanings in this Agreement:

- (a) "MTPD" - Metro Transit Police Department.
- (b) "Days" - Calendar days, including days off and holidays.
- (c) "Shift" - The hours that an employee is regularly assigned to work.
- (d) "Employee" - All regular, full-time, sworn police officers and candidates, but excluding all officers having supervisory authority and/or excluded pursuant to Section 66(b) of Public Law 92-349.
- (e) "Chief" - Chief of Metro Transit Police Department.
- (f) "Union" - FOP/Metro Transit Police Labor Committee.

ARTICLE 2 - UNION SECURITY

Membership in the Union is not a condition of employment for employees covered by this Agreement.

ARTICLE 3 - CHECKOFF OF DUES

Section 1. The Authority shall deduct Union dues and assessment fees from the wages of those employees who individually and voluntarily certify to the Authority in writing that they authorize such deductions.

Section 2. The Union shall furnish the Authority with the employee's written checkoff authorization. A copy of the authorization form is contained in Appendix A.

Section 3. The Union shall promptly furnish to the Authority a written schedule of union dues and assessment fees and shall promptly notify the Authority in writing of any changes in these amounts. The Union shall also furnish to the Authority a monthly itemized statement for each employee whose dues and fees to be deducted are different than the standard dues and fees. A change in the amount of any union dues or initiation fees to be deducted by the Authority shall become effective no less than thirty (30) days following receipt by the Authority of notice from the Union of such change. The remittance is to be made to the Union by the Authority not later than the fifteenth (15th) day of each month.

Section 4. The Authority shall deduct service fees from employee wages as provided in this section.

- (a) The Authority shall deduct, without a written authorization, a service fee from the wages, whether paid bi-weekly or otherwise, of each unit employee who does not become a member of, or maintain membership, in the Union.
- (b) The Authority shall start deducting service fees from each unit employee who is not a Union member within two (2) pay periods of the employee's entry on duty, and shall start deducting service fees from each current unit employee who is not a Union member no later than the second full pay period following the effective date of this Agreement.
- (c) In recognition of the fact that the Union is responsible for representing the interests of all bargaining unit employees without regard to membership in the Union, the Authority agrees to deduct a service fee from the wages of those employees within the bargaining unit who elect not to become members of the Union. This deduction shall not require written authorization from the non-member employee and shall commence within two (2) pay periods of the employee's date of entry on duty with the Authority or the effective date of this Agreement, whichever is later. The amount of the service fee shall be certified annually in writing by the Union to the Authority; provided such amount shall not exceed the pro rata portion of the Union's membership dues attributable to the Union's cost of representation, negotiation, and/or contract administration. The Union agrees to assume responsibility to insure compliance with the requirements established by federal court decisions with respect to the constitutional rights of service fee payors.

Section 5. The Union agrees to indemnify and hold the Authority harmless from any and all claims, suits, judgments, attachments and any other liability resulting from any deduction from wages made in accordance with this Article.

ARTICLE 4 - PROBATION

Section 1. All employees newly hired or rehired shall be considered "probationary" employees until two-hundred and fifty (250) days have elapsed from the time of swearing in. For the purpose of satisfying the 250-day time period, MTPD will not count days spent on limited duty or worker's compensation. If at any time during the probationary period, there is a question as to the eligibility of the employee to satisfactorily complete the employee's probationary period, MTPD must advise the employee, but no later than thirty-five (35) days

prior to the completion of the probationary period. The discharge or discipline of a probationary employee shall not be subject to the grievance provisions of this Agreement.

Section 2. Any employee who has successfully served a probationary period and who is subsequently voluntarily separated from the service shall not be required to serve a probationary period if re-employed by the Authority within 365 days from the date of such separation; provided, such employee shall meet the qualification and certification standards of the position at the time of re-employment.

Section 3. At first opportunity, a reasonable period of time will be provided for Union orientation for newly hired employees during their recruit training period.

ARTICLE 5 - SENIORITY, RIF, AND RETURN-TO-SERVICE

Section 1. For purposes of this Agreement, and unless otherwise specified, seniority accrues from the date the employee is entered upon the payroll of the Authority as a Metro Transit Police (MTP) Officer Candidate. For those employees with the same hire date, as a MTP Officer Candidate, seniority will then be determined on an alphabetical basis; e.g., Officer A would have greater seniority than Officer G, both of whom were hired on December 15, 1979. Alphabetically determined seniority shall not be changed by subsequent name changes due to marriage, court order, or other reasons.

Employees transferred from Special Police to Transit Police prior to July 7, 1975 shall be credited with service for seniority purposes while employed as a Special Police Officer. Special Officers transferred after July 7, 1975 to Transit Police Officers shall be credited with seniority commencing on the date of transfer.

Section 2. The Authority shall post and simultaneously furnish the Union seniority lists on April 1 of each year, noting each employee's last date of hire. Additionally, the list will be updated on or about October 1 of each year. The Union shall be notified orally or in writing within seven (7) calendar days of all newly hired employees.

Section 3. An employee's seniority shall be terminated for the following reasons:

- (a) Resignation, voluntarily quit, discharge for just cause or retirement; or
- (b) Unauthorized absence for three (3) consecutive work days; or
- (c) Failure to return to work within five (5) scheduled work days after delivery of written notice of recall from layoff to the last known address; or
- (d) Layoff in excess of 365 consecutive days; or
- (e) Accepting other employment while on leave of absence for health reasons, without the prior approval of the Chief.

Section 4. In the event a reduction in force is necessary, employees will be laid off on the basis of their relative qualifications, provided that if two or more employees are relatively

equally qualified, seniority shall be the governing factor. Employees shall be eligible for recall, in reverse order of layoffs, for a period of 365 days.

Upon the recall of the employee, the employee shall continue to accrue seniority during the period of the layoff and the salary shall be established at the step the employee held at the time of the layoff.

Section 5. Upon the reemployment of any employee, previously separated from the Department in good standing, the employee's starting salary, at the discretion of the Chief, may be established at the step the employee held at the time of the employee's separation. However, the employee's seniority date shall be the date of the employee's reemployment and in accordance with Article 5, Section 1 of this Agreement.

Section 6. When an employee is on disability leave, he shall continue to accrue seniority; and, in the event he returns to active duty, his salary shall be established at the step the employee held at the time of the disability.

Section 7. An employee who is laid off will receive one month's base pay for each completed year of service to a limit of three months' pay.

Section 8. An employee who resigns from the Authority and is subsequently rehired by the Authority may purchase prior pension service credit. If the employee withdraws his/her contributions, the employee will pay the employee's contributions plus Plan interest.

Section 9. MTPD will make available a position for an employee who is medically certified to return to active service from disability retirement, provided that the employee demonstrates that he/she meets required law enforcement certification criteria.

ARTICLE 6 - FILLING OF VACANCIES

Section 1. If the Authority decides to fill bargaining unit positions which have been rendered vacant by resignation, death, retirement or removal of previous incumbent, or if additional jobs are newly created, a notice of such vacancy shall be posted for seven (7) days. The Authority's Office of MTPD shall first consider all requests for transfers to that position, if any. In the event that two (2) or more employees who have requested such transfer are equally qualified for the position, the employee with the greatest seniority, as defined in Article 5, Section 1, shall receive the transfer.

Each vacancy announcement shall state the respective weight to be given for each criteria to be used to evaluate applicants. The criteria to be used to evaluate applicants may include a written examination, an oral board, performance evaluations, an in-basket exercise, job related education, or experience or other criteria associated with the particular position which the MTPD determines to be suitable for each vacancy announcement. The foregoing is not meant to limit or control independent evaluations performed by entities outside of the Authority.

For the purpose of this Section, a transfer shall be considered a move from one Table of Organization position to any other Table of Organization position within the bargaining unit. A transfer may be within the same work location or to a different work location and may involve similar or dissimilar job functions. If a new, permanent location opens within the Transit Zone, the initial openings or any subsequent vacancies based on the Table of Organization shall be up for bid.

Section 2. The Authority may assign employees on temporary assignments within MTPD, provided the assignments are limited to sixty (60) days. If the assignments are longer than the said time, it must become a permanent vacancy and be put up for bid; except under necessary circumstances, this time period may be extended by mutual consent between the Authority and the Union without the assignment becoming a permanent vacancy during the extension period. All extensions of time will subsequently be confirmed in writing.

Section 3. Vacancies shall be filled within thirty (30) days after official approval and being successfully bid on. This period may be extended by mutual consent by the Authority and the Union. Employees on annual or sick leave shall be notified of all vacancies by the Union. MTPD will provide the Union with a list of employees on extended annual or sick leave as soon as possible.

ARTICLE 7 - NON-DISCRIMINATION

The provisions of this Agreement shall be applied by the Authority and the Union to all employees without discrimination because of age, sex, race, color, religion, national origin, political affiliation, sexual orientation or preference, union membership and legal union activity including decertification activity by union members.

ARTICLE 8 - UNION REPRESENTATIVES AND UNION ACTIVITY

Section 1. The Authority shall recognize five (5) Union representatives designated by the Union for the purpose of processing grievances. Grievances shall be processed at Steps 1 through 3 of the procedure set forth herein by the representative designated by the Union for the employee involved. The Union shall immediately supply the Authority with a roster of the Union representatives designated under this Section and thereafter shall immediately notify the Authority of any changes in such roster.

Section 2. Grievances shall be processed during on-duty hours, provided that this does not disrupt MTPD operations. In the event that the employee's and/or Union representative's on-duty hours do not coincide with the on-duty hours of the supervisor to whom the grievance is to be presented, the grievance shall be processed during the supervisor's on-duty hours and nothing herein shall be construed to require the Authority to pay an employee for processing grievances during the employee's off-duty hours. Five (5) union representatives may participate in negotiations for a new agreement without loss of pay.

Section 3. Elected Positions. In case any employee covered by this Agreement is elected or appointed to an elected position in the Union, requiring the employee's full time with the Union, the employee shall upon application be reappointed to a position within the classification of the employee's former position, provided said employee applies for reappointment within three (3) years after leaving the service of the Authority and the employee is eligible for retraining and physically and mentally qualified. The application must be made within thirty (30) days from the expiration of the employee's term of office or appointment.

During said leave of absence, the employee will be afforded an opportunity to attend all mandated training necessary to insure their ability to meet the qualification and certification standards of the position. Furthermore, an employee elected or appointed to such position as described above shall be granted leave of absence upon request to attend the duties of said office and upon the expiration of the employee's tenure in office the employee shall be returned to the employee's proper place in the service; provided, the employee meets the qualification and certification standards at the time of return to duty. The employee shall maintain the employee's full seniority rights from the time of the employee's last active employment with the Authority.

Section 4. Union Functions and Leave Bank

(a) No more than two (2) members of the Union selected to attend a function of the Union, such as conventions or educational conferences, shall be allowed leave without pay to attend such conferences and/or conventions.

(b) The Authority shall establish a leave bank into which each member shall donate three (3) hours of annual leave in the first pay period of each calendar year. The Union's Chairman may utilize the accumulated leave to work on union-related matters or designate other Union officials to draw upon the accumulated leave to attend Union related training and conferences. In addition, any member may voluntarily elect to donate an additional three (3) hours of annual leave in January to the leave bank if a written designation is provided to the Authority.

ARTICLE 9 - GRIEVANCE PROCEDURE

Section 1. A grievance is defined as a dispute between the Authority and the Union concerning the meaning, interpretation and/or application of this Agreement, including discipline or discharge.

Section 2. A grievance as defined in this Article may be initiated by the Union, by any employee, or the Authority. Once a grievance is initiated by one party, the other parties are barred from raising the same grievance.

Section 3. No grievance shall be entertained or processed unless it is filed within the time limits set forth herein. If a grievance is not appealed to the next step in the grievance pro-

cedure within the time limits set forth herein, the grievance shall be deemed settled on the basis of the last response to the grievance.

Section 4. The parties may agree in writing to extend any time limits.

Section 5. If a party fails to provide a response or fails to meet within the time limits set forth herein, the grievance may be immediately appealed to the next step of the grievance procedure; the failure to provide a response within the time limits set forth herein shall not constitute a waiver of the party's right to oppose the grievance.

Section 6. In processing grievances against the Authority, the following steps shall be followed in accordance with Sections 1-5:

- Step 1: The aggrieved employee, with the Union representative, shall discuss the grievance with the employee's immediate supervisor within seven (7) days after the employee is notified of the MTPD action giving rise to the grievance. When the MTPD action giving rise to the grievance is discipline reflected in a written notice to the employee, the grievance shall be initiated within seven (7) days after the employee receives the written notice of the discipline. All documents necessary to support the action taken shall be provided to the employee. The supervisor shall attempt to adjust the grievance and shall respond orally to the employee within seven (7) days after the discussion.
- Step 2: If the grievance is not settled at Step 1, the Union shall file a written grievance with the supervisor designated by MTPD within seven (7) days of the Step 1 response. The written grievance shall contain a brief statement of facts describing the complaint, a statement of the provisions of this Agreement alleged to be violated, and a statement of the relief requested. The supervisor shall give a written response to the Union and to employees named in the grievance within seven (7) days after receipt of the written grievance.
- Step 3: If the grievance is not settled in Step 2, the Union shall file a written grievance with the Chief or his designee within seven (7) days after receipt of the Step 2 response. The parties shall meet within fourteen (14) days to try to resolve the grievance. The Chief or his designee shall give a written response to the Union and to employees named in the grievance within seven (7) days after the discussion.
- Step 4: If the grievance is not settled at Step 3, the employee may appeal to the Trial Board or the Union may invoke arbitration but not both; a timely Trial Board appeal will take precedence over a timely invoking of arbitration. When an employee appeals to the Trial Board and the Union invokes arbitration for other employees involved in the same grievance, the decision of each tribunal will be binding on the respective employees. In order to invoke arbitration, the Union will serve notice of intent to appeal to the

Authority together with a written statement of the specific provisions of this Agreement at issue. If the grievance is not appealed to the Trial Board or to Arbitration as provided in this Section within seven (7) days after the Authority's response at Step 3 of the aforesaid grievance procedures, it shall be considered settled in accordance with such response, and shall be final and binding upon the aggrieved employee and the Union.

Section 7. In processing grievances against the Union, the following steps shall be followed in accordance with Sections 1-5:

Step 1: MTPD shall file a written grievance with the Chairman of the Labor Committee within fourteen (14) days after MTPD is notified of the Union action giving rise to the grievance. The grievance shall contain a brief statement of facts describing the complaint, a statement of the provisions of this Agreement alleged to be violated, and a statement of the relief requested. The parties shall meet within fourteen (14) days to discuss the grievance. The Chairman of the Labor Committee shall give a written response to MTPD within seven (7) days after the discussion.

Step 2: If the grievance is not settled at Step 1, MTPD may initiate final and binding arbitration. MTPD must demand arbitration by written notice from MTPD to the Chairman of the Labor Committee within seven (7) days after receipt of the Step 1 response.

ARTICLE 10 - ARBITRATION

Section 1. The Union or the Authority may invoke arbitration as specified in Article 9, Sections 1, 6 and 7, respectively. The Union may not invoke arbitration for recipients of counseling on the grounds that the penalty is too severe. The penalty in such cases will not be within the jurisdiction of any Board of Arbitration. Counselings are, however, still subject to the first three steps of the grievance procedure.

Section 2. The arbitration panel will be composed of an arbitrator designated by the Union, an arbitrator designated by the Authority, and a neutral arbitrator. The parties will establish by mutual agreement a list of at least three neutral arbitrators. The parties will designate these arbitrators in rotation to serve as the neutral arbitrator on grievance arbitration panels.

Section 3. The jurisdiction and authority of the Arbitration Panel regarding the grievance and its report shall be confined exclusively to the interpretation of the express provision or provisions of this Agreement at issue between the parties. The Panel shall not have the authority to add to, detract from, alter, amend or modify any provision of this Agreement; and, its report shall be consistent with all applicable laws and ordinances, except as modified by the Duration of Agreement clause. The Arbitration Panel shall not hear or decide more than one (1) grievance without the mutual consent of the Authority and the Union. The written report of the Arbitration Panel on the merits of any grievance adjudicated within its jurisdic-

tion and authority as specified in this Agreement shall be final and binding on the aggrieved employee, the Authority and the Union. The report of the arbitration panel shall be rendered within thirty (30) days, if possible after the conclusion of the hearing. Following receipt of the Panel's award, the parties within seven days may jointly request an executive session prior to formal adoption of the award.

Section 4. The Authority and the Union shall share equally the fee and other expenses of the impartial arbitrator and the cost of the transcript in connection with the arbitration proceeding. All other expenses will be borne by the party incurring the expense.

ARTICLE 11 - DISCIPLINE

Section 1. Disciplinary action is a means of correcting employee behavior in instances where there is a violation as outlined in Section 2 of this Article. MTPD may impose the following discipline:

- (a) Counseling: A counseling can be oral or written. Notations regarding counselings and oral warnings shall not be placed in an employee's police service file. The use of Metro Transit Police dereliction reports will be considered a form of written counseling.
- (b) Reprimand: A reprimand can be written or verbal and is used if an employee's behavior or action warrants more than informal counseling. The use of Metro Transit Police dereliction reports will be considered a form of a written reprimand. Written reprimands will be placed in the employee's police service file, after the employee has an opportunity to review, sign, receive a copy of, and comment in writing upon the written reprimand. Furthermore, the employee shall have the right to have his written comment(s) permanently attached to the associated reprimand.
- (c) Suspension: A suspension is an enforced leave of absence for disciplinary purposes or pending an investigation of charges made against an employee. An employee, with the approval of the Chief, may elect to forfeit annual or compensatory leave in lieu of suspension. Such request may, on a day-to-day basis, be for the entire suspension or a part thereof.
- (d) Emergency Suspension: "Emergency suspension" may be imposed by the supervisory official in charge in accordance with the Authority's current rules and regulations governing "emergency suspensions." In any "emergency suspension" case, the relieved employee shall be given the opportunity to meet within twenty-four (24) hours or no later than the start of the next business day, with the supervisor who issued the suspension and the Chief or designee. During that emergency suspension the employee shall receive all pay and benefits as if the employee had worked his regular tour of duty. Each party shall have an opportunity to present their view of the incident. At the conclusion of the meeting, the Chief or designee will determine if the proper action was taken and whether further action is required. If no further action is required, the employee who had been relieved shall return to active duty.

- (e) Dismissal: A dismissal is the termination of an employee's service for delinquency, inefficiency, or inability to perform the work of the position satisfactorily. An employee who has been dismissed shall be paid for accumulated compensatory leave and annual leave, provided the provisions governing payment of leave have been met; such as, turning in Authority owned equipment and supplies.

Section 2. The grounds for discipline include:

- (a) Violation of any rules and regulations adopted by the Authority for the safe, convenient and orderly use of Transit facilities to include special operating procedures;
- (b) Violation of any rules and regulations established by the MTP in the form of General Orders, Special Orders, Memoranda and Training Procedures;
- (c) Violation of any regulations, rules, laws, ordinances of the signatories or any political subdivision thereof;
- (d) Violations of any rules, regulations or signatory police agencies or any political subdivision thereof, which are made applicable through Public Law 94-306.
- (e) The above (a) - (d) includes those laws, ordinances, rules, regulations, procedures, etc., which presently exist or those subsequently enacted.

ARTICLE 12 - ALLEGATIONS AND INVESTIGATIONS

Section 1. There are two forms of investigations into allegations of employee misconduct – Citizen complaint and Administrative investigations. Citizen complaint investigations encompass all allegations from citizens regarding treatment they received from an employee. Administrative investigations encompass all allegations not related to citizen allegations of treatment they received from an employee.

All allegations placed against an employee shall be investigated. However, if it is a citizen's complaint, it must be in writing as described in Article 13. Nothing in this Article shall preclude a criminal investigation into an allegation.

When an allegation is placed against an employee or when an investigation is to be continued, the Chief of Police or his designee will take one of the following actions in reference to the pay status of the accused employee:

- (a) Continue the employee on duty in the employee's regular assignment;
- (b) Place the employee on administrative leave with pay;
- (c) Continue the employee on duty in some other assignment consistent with the nature of the allegation;
- (d) Place the employee on administrative leave without pay; or,
- (e) Place the employee on emergency suspension.

Provided, that in the event MTPD places an employee on administrative leave without pay or emergency suspension, MTPD will afford the employee an opportunity to meet with the Chief of Police or his designee no later than the start of the next business day and that the employee will be placed on administrative leave with pay until the conclusion of the meeting.

Section 2. In the case of an investigation involving criminal charges against the employee, such employee shall be given the opportunity to consult with legal counsel prior to making any statement.

Section 3. In the event that MTPD determines that an allegation against an employee lacks merit, no references to the allegation shall be included in the employee's police service file. Should MTPD determine that an allegation against an employee lacks merit, the employee will be notified of the disposition in writing.

Section 4. MTPD shall conduct an investigation of any allegation of misconduct in a timely manner and shall initiate disciplinary action, if warranted, promptly following completion of its investigation, but not later than 60 calendar days from either the date upon which it learned of the alleged misconduct or the date upon which the decision was made not to pursue criminal prosecution in the matter. In the event of an emergency or that the matter is complex, MTPD may extend the 60-day time period, in increments of 30 days, upon written notification to the employee and the Union.

ARTICLE 13 - CITIZEN COMPLAINT PROCEDURE

Section 1. The term "citizen" when used in this Article refers to persons outside the Authority chain of command.

Section 2. All citizen complaints received against an employee shall be submitted in writing by the complainant and a copy provided to the employee involved, except where the complaint is submitted to the appropriate complaint section of the Authority in accordance with current Authority procedures. In these cases, the complaints will be reduced to written form and a copy provided to the employee. Such complaints will include the name of the complainant and the nature/details of the complaint.

Section 3. MTPD will notify an employee of citizen allegations, accusations, or charges within seven (7) days of the date MTPD receives the allegations, accusations, or charges.

Section 4. No employee will be required to make any statement unless first given the opportunity to consult with a Union representative.

Section 5. The citizen complaint procedure shall not apply to criminal allegations against an employee; where criminal allegations are made against an employee, the employee shall be given the opportunity to consult with legal counsel prior to making any statement.

ARTICLE 14 - MANAGEMENT FUNCTIONS

Section 1. All management functions and rights which have not been expressly modified or restricted by a specific provision of this Agreement are retained and vested exclusively in the Authority, including but not limited to; the exclusive right, in accordance with its judgment, to reprimand, suspend, dismiss or otherwise discipline employees for just cause; hire, retire, promote, demote, transfer, lay off and recall employees to work; terminate its operations or any part thereof and/or expand, reduce, alter, combine, transfer, assign or eliminate any job(s), departments, operations or services; control and regulate the use of machinery, equipment and other property; determine the number, location and operation of divisions and departments, the services to be rendered, the schedule of operations, the assignment of work and the size and composition of the work force; make or change rules, regulations, policies and practices not in conflict with the express provisions of this Agreement; introduce new improved research, development, operation, maintenance and service and distribution methods, materials, machinery, uniforms and equipment, and otherwise generally determine the mission of the Authority and the work force.

Section 2. The Authority's not exercising any function hereby reserved to it or its exercising any such function in a particular way is not to be deemed a waiver of its right to exercise such function or to preclude the Authority from exercising the same in some other manner.

Section 3. In the case of emergency circumstances beyond the control of the Authority, such as acts of God, flood, civil disorder or national emergency, necessary provisions of this Agreement shall be suspended; provided, however, that an employee's regular hourly rate for authorized hours worked during such emergency circumstances shall not be reduced. Any such suspension shall not be subject to the grievance and/or arbitration procedures set forth in Articles 9 and 10 of this Agreement.

Section 4. The Authority shall not subcontract its operation or any part thereof which would result in the layoff of employees.

ARTICLE 15 - NO STRIKE, NO LOCKOUT

Section 1. For the duration of this Agreement, the Union, its employees, agents, representatives and members shall not in any way, directly or indirectly, authorize, cause, assist, encourage, participate in, ratify or condone any strike or the following types of job actions such as sick-outs, slowdowns, picketing and sympathy strikes. In the event of a violation of this Section, the Union shall immediately notify and instruct the employees orally and in writing that such action is in violation of this Agreement and that they are to return to work at once. The Union shall further take every other affirmative step required to bring about a cessation of such violation. Violation of this Section shall be cause for discharge without recourse to the grievance and arbitration procedure. Questions of the participation of individuals in activities prohibited by this Article, may, at the option of the Union, be submitted to the grievance and arbitration provisions herein.

Section 2. The Authority will not lockout any employees as a result of a labor dispute with the Union.

ARTICLE 16 - NOTICES AND VISITS

Section 1. Notices of meetings of the Union may be posted by the Union from time to time on the bulletin boards of MTPD. Any such notice shall be permitted to remain on the MTPD bulletin boards until the time set for the meeting mentioned. Other notices may be posted by the Union concerning matters under this Agreement. No political matter whatsoever will be posted on the said bulletin boards.

Section 2. Representatives of the Union shall have access to the Authority's locations, provided advance notice is given to the Chief or specified designee prior to the time of each visit and provided that such visit does not disrupt the operation of MTPD.

ARTICLE 17 - POLICE SERVICE FILES

Section 1. An employee's police service file shall be kept under the direct control of MTPD. At the time of inserting any document, except examination papers and background investigations, in the police service file, MTPD shall forward a copy of such document to the employee.

Section 2. Access to an employee's police service file shall be limited to authorized Authority personnel (COUN, CIVR, MTPD, HRMP, OIG, and LABR) the employee, the trial board or arbitration panel selected in accord with the provisions of Articles 9 and 10 of this Agreement, or any individual possessing the proper order of any court, administrative body or similar body requiring the production of such file. Any employee shall, upon request, be permitted to inspect, in the presence of a duly authorized supervisory employee of the Authority, any document appearing in an employee's police service file except examination papers and background investigation. Any person viewing an employee's file, other than the employee, will sign and date an appropriate form. Individual service files will reflect date and reason whenever authorized persons review said file.

Section 3. Adverse entries into an employee's personnel file shall not be used in determining disciplinary action or cited in subsequent disciplinary action after a period of eighteen (18) months from the effective date of such adverse entry. Unfounded complaints shall not be retained in the employee's personnel file. Police service files shall be retained in MTPD Offices only.

Adverse entries shall be retained in the Personnel file provided, however, that after a period of eighteen (18) months, all such entries shall be retained separately in a sealed envelope. These entries will not be utilized by the Authority when determining the type of disciplinary action to be taken against an employee with the exception of those entries where disciplinary action was based on similar occurrences such as assault, intoxica-

tion, dishonesty, tardiness, drug abuse, etc. In the event four or more years have elapsed since the last such incident as previously identified, the offense will not be considered.

ARTICLE 18 - CHANGE IN EMPLOYMENT CONDITIONS

It shall be the responsibility of MTPD to provide the Union with a copy of any order, general order, rule, regulation or training bulletin officially published by MTPD.

ARTICLE 19 - SPECIAL CONFERENCES

Special conferences on important matters will be arranged between the Union and the Authority, or their designated representative, upon the request of either party. Such conferences shall be between one or more representatives of the Authority and representatives of the Union. Arrangements for such special conferences shall be made in advance and an agenda of the matters to be taken up at the meeting shall be presented at the time the conference is requested. Matters taken up in special conferences shall be confined to those matters included in the agenda, unless both parties agree to include other items. Conferences shall be held on a work day.

ARTICLE 20 - SAFETY AND HEALTH

Section 1. Safe and healthy working conditions are the objectives of the Authority, the Union and the employee.

Section 2. An employee involved in any type of accident while operating an Authority vehicle shall, unless physical injury prevents the employee from doing so, immediately notify the employee's immediate supervisor and execute all required Authority forms prior to release from the employee's tour of duty.

Section 3. Employees who incur an injury/illness while on duty will report such injury/illness immediately and in person to the appropriate on duty supervisor and execute the required Authority reports. If such notification and execution of reports is precluded due to the extent of the incurred on duty injury/illness, said employees will execute said notification when physically able.

An employee who incurs an injury off duty will notify the appropriate on duty supervisor as soon as practicable and must receive medical permission to return to duty from Authority medical personnel. A written, detailed report will be submitted upon return to duty.

Section 4. All employees are responsible for prompt reporting of observed unsafe conditions and work habits. Upon becoming aware of a condition considered to be unsafe, an employee shall notify the employee's immediate supervisor. As soon as possible, the condition shall be examined by qualified personnel to determine the extent of the condition and in case of equipment, whether or not it is safe to operate. Any equipment that has been de-

terminated by qualified personnel to be unsafe shall not be operated by an employee. In the case where a qualified person is not available for a decision, the shift supervisor shall be responsible for determining whether the equipment is safe to operate.

Any accident which results from a fault identified by the employee and made known to the supervisor will not be charged against the employee involved. In the event negligence or culpability is determined, appropriate disciplinary action will be taken.

When emergency equipment malfunctions, is inoperative or is absent, the employee will report such condition to the employee's immediate supervisor. It shall be the responsibility of the supervisor to determine the extent of the condition and whether to assign the employee to another vehicle, assign the employee to perform other duties or advise the employee as to possible alternatives when required to use the emergency equipment.

Section 5. The Authority shall continue the present practice of incorporating training in C.P.R. and first-aid which leads to certification. All employees shall be given two (2) hours without loss of pay for the purpose of donating blood to any Authority blood donor's program.

ARTICLE 21 - TRAINING ASSIGNMENTS

Employees will be assigned to participate as trainees in job-related training activities on the basis of the needs of MTPD. Selections will be based on MTPD's requirements, the employee's qualifications, and interest. When these factors are equal, the most senior applicant shall receive the training. If time permits, all applicable training opportunities will be posted. If time does not permit, the selection will be made by seniority:

- (a) from a list made in each unit; and,
- (b) after the selection is made by seniority, then that employee moves to the bottom of the list.

ARTICLE 22 - CHAIN OF COMMAND

The Authority will post in each facility under the control of MTPD a copy of the organizational chart depicting the supervisory chain of command within the Office. Such chart shall be updated from time to time, but in no case later than sixty (60) days from the effective date of any change in such chain of command. The chain of command shall be that which is set out in the Authority's organizational diagram as approved by the Board of Directors.

ARTICLE 23 - HOURS OF WORK

Section 1. Hours of Work. The normal work week for employees covered by this agreement shall consist of five (5) work days, each consisting of eight and one-half (8.5) hours per day including a one-half (.5) hour unpaid meal period, or four (4) work days, each con-

sisting of ten and one-half (10.5) hours per day including a one-half (.5) hour unpaid meal period.

Section 2. All employees shall have either two (2) or three (3) regularly assigned days off each week, depending on whether the employee is assigned to a five (5) day or four (4) day work week, and such days shall be consecutive. Days off will be allotted on the basis of department wide seniority. Normally, trading of regularly assigned days off among or between employees will not be allowed. Trading of regularly assigned days off for a temporary need will be permitted among and between employees subject to the approval of the Chief of Police.

Section 3. An employee's scheduled shift shall not be changed for the purpose of avoiding payment of overtime, unless the working of the scheduled shift would impair the efficiency of the Department.

Section 4. The employee's regularly scheduled shift shall be posted at least forty-eight (48) hours in advance of the commencement of such tour of duty.

ARTICLE 24 - OVERTIME

Section 1. Work in excess of the normal work week hours or the normal work day hours shall be paid at the rate of one and one-half times the employee's basic hourly rate, provided that the employee has been in a pay status for all regular hours scheduled for that work week or work day.

Section 2. Compensatory Time. Compensatory time may be recorded for all MTP Officers. Compensatory time will be granted in an amount equal to time and one-half (1-1/2) of the number of hours of overtime or holiday(s) worked. When a MTP Officer elects to have overtime or a holiday worked recorded as compensatory time, it may be used as needed by the employee and as approved by his/her Supervisor, but may not be used to cover absences not approved in advance, except in unusual or emergency cases. Unused compensatory time lapses on June 30 each year except that not more than 240 hours may be carried over as an accumulation to the next period. At the election of the employee, unused compensatory time will be paid at straight time rates at the time of separation. Alternatively, the employee may elect to have all or a portion of such unused compensatory time that is otherwise payable at separation contributed (as an elective employee contribution) to an eligible deferred compensation plan maintained by the Authority pursuant to Article 37, Section 3. The time and manner of any election to defer payment of unused compensatory time shall be made and processed in accordance with the terms of the plan, the provisions of Section 457(b) of the Internal Revenue Code and the requirements of applicable Treasury regulations.

Section 3. Overtime work whenever required, will be on a voluntary basis. However, during emergencies, special events, etc., employees are expected to or may be required to work extended tours of duty, days off, or on any scheduled time off.

Section 4. All employees volunteering for overtime or required to work overtime will be required to report for said assignment subject to existing rules and regulations concerning daily MTP operations (i.e., failure to report for duty, sick/tardiness, notifications, etc.).

Section 5. When overtime is anticipated at least seventy-two (72) hours in advance, a memorandum will be posted requesting volunteers from personnel assigned to the work area where the overtime is to be performed. For this purpose, the separate work areas are defined as: District One Foot Patrol, District Two Foot Patrol, District One Mobile Patrol, District Two Mobile Patrol, Metrobus Enforcement Division, Revenue Protection Division, Criminal Investigations Division, and those positions considered administrative, with the proviso that if an insufficient number of personnel from the involved work area volunteer, the request will be open to members as listed in the following order:

1. Other work area members within the involved District that have similar duties as the work area where overtime is anticipated.
2. Other members within the involved Bureau that have similar duties as the work area where overtime is anticipated.
3. Qualified members of the involved District.
4. Qualified members of the involved Bureau.
5. If there are still an insufficient number of volunteers, the request will be open to all qualified employees (Field Operations, Protective Services and Field Services Bureaus).

For purposes of this provision, “qualified” means the employee has the current knowledge, skills and abilities to perform the overtime assignment. Moreover, the memorandum will advise that if the number of volunteers are inadequate to fulfill the overtime commitment, employees will be detailed as required.

Section 6. Selection under Section 5 will be based on the following criteria: seniority; employees with the longest period since last working anticipated overtime; and their availability to work their regularly scheduled tour of duty as well as the overtime hours.

Section 7. MTPD shall maintain the necessary records required to satisfy the conditions set forth herein in a fair and equitable manner. MTPD will implement a system within each Division/Section to ensure overtime is distributed in accordance with this Article.

Section 8. Special events such as the 4th of July will be handled as in past years. All employees will be required to work and there will be a limited leave policy in effect.

Section 9. Overtime duty with less than seventy-two (72) hours advance notice will be assigned to those employees available to perform such duty, however, reasonable attempts will be made to assign overtime in a manner similar to that described above whenever practicable.

Section 10. Recruit employees working under the supervision of a senior employee shall not be eligible for overtime except on the 4th of July and New Year's Eve, or in cases of emergency. Emergencies shall be those as defined in Article 14, Section 3.

Section 11. The provisions of this Article governing assignment of overtime shall not apply to overtime performed to complete an employee's individual duties.

ARTICLE 25 - ANNUAL LEAVE

Section 1. Annual Leave.

(a) Annual Leave shall be earned in accordance with the following schedule:

<u>DAYS</u>	<u>YEARS OF SERVICE</u>
13	Less than 3
20	03 - 14
26	14 +

(b) Employees may carry over a maximum 400 hours of accumulated annual leave from one leave year to the next. One half of the accumulated annual leave above the carryover limits (400 hours) will be converted to sick leave at the end of the calendar year.

(c) At the election of the employee, unused annual leave will be paid at straight time rates at the time of separation. Alternatively, the employee may elect to have all or a portion of such unused annual leave that is otherwise payable at separation contributed (as an elective employee contribution) to an eligible deferred compensation plan maintained by the Authority pursuant to Article 37, Section 3. The time and manner of any election to defer payment of unused annual leave shall be made and processed in accordance with the terms of the plan, the provisions of Section 457(b) of the Internal Revenue Code and the requirements of applicable Treasury regulations.

ARTICLE 26 - SICK LEAVE

Section 1. Sick leave shall be accrued on a bi-weekly basis at the rate of thirteen (13) days per leave year. Unlimited accumulated sick leave may be carried over from one year to the next. Employees who have not used any sick leave during any one calendar year will receive two (2) additional days of sick leave to be credited to the employee's sick leave account. An employee may elect to convert both days to compensatory time.

Section 2. Each employee may contribute a maximum of eighty (80) hours to the sick leave bank. Such sick leave shall be used in hardship cases where an employee has exhausted the employee's sick leave. Only employees who have donated sick leave or compensatory time shall be eligible to receive this benefit.

Section 3. Employees on sick leave more than three (3) consecutive scheduled work days due to non-job related injury/illness may be required to provide a doctor's certificate upon their return to duty attesting to the fact that they had sought and received treatment/medication for the ascribed injury/illness. Employees returning from sick leave may be required to be examined by Authority medical personnel to ensure their fitness for return to duty. Such examination shall take place without the benefit of compensation for the employee.

ARTICLE 27 - LEAVE WITHOUT PAY

All employees on authorized leave without pay, shall, upon return to duty, lose no seniority and all rights and privileges shall be restored to such employee, but rights and privileges shall not be retroactive. The anniversary dates of employees injured in the line of duty shall not change if the employee's leave does not exceed sixty (60) calendar days.

ARTICLE 28 - OTHER LEAVE

Section 1. Military Leave. An employee is entitled to a maximum of 15 work days of military leave for annual active duty military training. While on military leave for annual active duty training, an employee shall receive his/her regular rate of pay in addition to military pay. Employees will be permitted to change their days off with the approval of the Chief or his designee. Compensatory leave, annual leave or LWOP will be authorized for military drills.

Section 2. Funeral Leave. Employees shall be allowed three (3) working days with pay as funeral leave, in order to attend the funeral for a death in the immediate family. In the event an employee has to travel one hundred miles or more to attend the funeral, he/she shall be allowed four (4) working days with pay as funeral leave. Immediate family is to be defined as follows: mother, father, sister, brother, wife or husband, son or daughter, mother-in-law or father-in-law, grandparents, legal guardians and legal dependents, or formalized domestic partner and stepfather and stepmother if the employee was raised by them, or if they live in the same household.

Section 3. Use of leave for birth or adoption.

- (a) A female employee may use annual leave, sick leave (if the employee is otherwise eligible pursuant to Article 26), compensatory time, or leave without pay for pregnancy and child birth to the extent provided by the Family and Medical Leave Act.
- (b) A male employee may use annual leave, compensatory time, or leave without pay to the extent provided by the Family and Medical Leave Act for birth of his child.
- (c) An employee may use annual leave, compensatory time, or leave without pay to the extent provided by the Family and Medical Leave Act for adoption or foster care placement of a child.

ARTICLE 29 - WORKER'S COMPENSATION

Each employee will be covered by the applicable Workers' Compensation Laws. An employee injured on the job and eligible for Workers' Compensation benefits shall receive the difference between Workers' Compensation benefits and his/her salary as of the date of injury (excluding overtime), commencing the first day on which he/she is unable to work following the day of injury and continuing until the one-hundred and twentieth (120th) day following such injury. Thereafter, only the Workers' Compensation benefits shall be paid. The employee may then use his/her sick leave. After the one-hundred and twenty (120) days, the Authority may require a medical review to determine if the employee returns to work.

An Officer who is injured as a result of a criminal assault or other event that occurs while the member is actively engaged in the enforcement of law, but specifically excluding injuries that occur during routine or administrative activity, will accrue annual and sick leave for the first sixty (60) days of the absence and will receive the workers' compensation supplement for the entire length of the absence. The Officer's anniversary date will not change. In all other cases, an Officer will accrue annual leave and sick leave for the first thirty (30) days of the absence and will receive the workers' compensation supplement for the first one-hundred and twenty (120) days of the absence.

ARTICLE 30 - HOLIDAYS

The recognized holidays are: New Year's Day, Martin Luther King's Birthday, Presidential Inauguration Day, George Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day and Christmas Day.

ARTICLE 31 - UNIFORMS

Section 1. Uniform Allowances. All Table of Organization designated investigators shall receive one thousand dollars (\$1,000.00) per year clothing allowance. All other Officers shall have their uniforms furnished by the Authority and shall receive a cleaning allowance of five hundred dollars (\$500.00) per year to maintain same.

Section 2. A Uniform Board will be established composed of three (3) employees designated by the Union and three (3) supervisory officials designated by the Chief of Police. Meetings of the Uniform Board will be scheduled by the Chief of Police, provided that meetings shall be held no less often than once each calendar year. The Board, prior to a decision, shall review and make recommendations to the Chief of Police as to matters relating to the type, style and wearing of the police uniform and equipment.

The Chief may submit any majority recommendations through the budget procedure. In any instance where a majority recommendation of the Board is not forwarded by the Chief to higher authorities, he will so notify the Uniform Board in writing.

Section 3. Utility Uniforms, approved by the Chief of Police or his designee, may be purchased by officers, at no cost to the Authority, and may be worn to the range or other such places as may be approved by the Chief of Police or his designee.

Section 4. Trainees will not be required to wear uniforms identifying them as Police Officers during Special Event Details.

ARTICLE 32 - HEALTH, WELFARE AND LIFE INSURANCE

Section 1. Health, Welfare and Life Insurance. Effective as of the first day of the first month which falls more than sixty (60) days after approval of this Agreement by the WMATA Board of Directors, the Authority shall provide coverage for the employees in a health and hospitalization insurance and dental and prescription plan, provided by a Blue Cross/Blue Shield policy with a schedule of in-network and out-of-network benefits consistent with the following:

The Authority will pay 85% of the insurance cost and the employee will pay 15% of the insurance cost. There will be three levels of coverage—single, 1+1, and family. As of the effective date for coverage under the above referenced, revised Blue Cross/Blue Shield policy, coverage for retired employees will only be provided under that health and hospitalization insurance and dental and prescription plan. The cost of providing such insurance for retired employees will be allocated between the Authority and the employees in the same way as such costs are allocated for active employees.

The Authority will pay a \$1,000 annual bonus to each employee who declines Authority health insurance coverage and provides proof of alternate health insurance coverage.

The Authority will provide a life insurance policy for each employee paying a benefit equal to twice the employee's salary.

Section 2. Dental Plan. The Authority shall offer an optional family dental plan, which benefits will be on the level of the current employee plan. The increased cost of the optional family dental plan will be paid on a co-contributory basis - the employer paying seventy-five percent (75%) and the employee paying twenty-five percent (25%) of the increased premium costs. Coverage shall continue at existing levels and premium obligations (percentages) subject to the following amendments:

- (a) Periodontia coverage shall be included in the Plan.
- (b) Orthodontia coverage shall be provided as follows:
 - 1. Children only (for purposes of orthodontia coverage, the term "children" shall mean the same as dependent children under the basic health & welfare policies); and,
 - 2. \$1,000.00 Lifetime cap per dependent child.

Section 3. The Authority will continue health, dental, and prescription insurance coverage for the spouse and dependents of officers who have such coverage and die in the line of duty, die non-line-of-duty, or die after early, normal or disability retirement. This survivor coverage will terminate upon remarriage and upon dependents reaching the latter of: a) age 19, or b) graduation from college, or c) for life if the dependent is incapable of self-support, and as further limited by the terms of this section. Cost will be allocated as cost is allocated for active employees. In the case of officers who die non-line-of-duty or after retirement, this survivor coverage will also terminate after two years or when the spouse becomes eligible for Medicare (whichever is longer).

Section 4. For the purposes of benefits provided under this article, the term “spouse” includes formal domestic partner.

ARTICLE 32A - HEALTH OVERSIGHT COMMITTEE

Section 1. The Authority and the Union will meet on a monthly basis to discuss issues relating to health insurance. The Union designates two of its members for this purpose.

Section 2. The Union representatives may participate in contract negotiations with the health insurance provider, may observe the direct negotiations and may contribute to discussions in the Authority caucus.

Section 3. Each Party will provide to the other a copy of its correspondence to the health insurance provider and will direct the health insurance provider to send a copy of its return correspondence to the other party, except that this exchange of information and documents does not apply to confidential individual medical information.

Section 4. The Authority will direct the health insurance provider to provide to the Union information relevant to the Authority’s contract, except that this requirement does not apply to confidential individual medical information.

Section 5. Refunds attributable to coverage under the current cost allocation will be deposited in the Rate Stabilization Fund, and the parties will determine the amount to be drawn from the fund each year to reduce future premiums and costs.

ARTICLE 33 - LIABILITY INSURANCE

The Authority shall provide, through a self insurance mechanism, insurance to cover each employee in the sum of one million dollars (\$1,000,000) for liability during the course of duty and job related activities.

ARTICLE 34 - RETIREMENT

Section 1. The retirement and disability benefits for the employees covered by this Agreement are set forth in full as Appendix B hereto and made a part hereof.

**Summary of
Services/Provisions**

**In-Network
(Employee pays)**

**Out-of-Network
(Employee pays)**

Annual Deductible and Out of Pocket Maximums

Deductible <ul style="list-style-type: none"> Individual Two-party or family 	\$100 \$200	\$200 \$400
Out of Pocket <ul style="list-style-type: none"> Individual Two-party or family 	\$ 500 \$1,000	\$1,000 \$2,000
Lifetime Maximum (per person)	NONE	NONE

Medical and Surgical Services

Routine Adult Physical Exam	\$10 co-payment	20% of plan allowance
Well-child care	\$10	Plan pays 80% of plan allowance
Cancer screening – mammogram, prostate screening and PAP tests	No charge	Plan pays 80% of plan allowance
Non-routine office visit	\$10 co-payment	20% of plan allowance
Allergy shots	\$10 co-payment	20% of plan allowance
Maternity care	\$10 1st visit only	20% of plan allowance
Surgery, laboratory test X-rays	No charge	20% of plan allowance

Hospital Services (Semi-private room)

Inpatient Medical <ul style="list-style-type: none"> Facility Physician 	No charge No charge	20% of plan allowance 20% of plan allowance
Out patient Medical <ul style="list-style-type: none"> Facility Physician Emergency Room 	No charge No charge \$35	No charge No charge \$35

Mental Health Care

Inpatient services (limited to 45 days per calendar year) <ul style="list-style-type: none">• Facility• Physician	No charge No charge	20% of plan allowance 20% of plan allowance
Outpatient services (per calendar year) <ul style="list-style-type: none">• Visits 1-40• Visits 41-	20% of plan allowance 20% of plan allowance	20% of plan allowance 20% of plan allowance

Substance Abuse

Detoxification	No charge	20% of plan allowance
Inpatient rehabilitation services (limited to 30 days per calendar year) <ul style="list-style-type: none">• Facility• Physician	No charge No charge	20% of plan allowance 20% of plan allowance
Outpatient rehabilitation services (limited to 30 days per calendar year) <ul style="list-style-type: none">• Facility	No charge	20% of plan allowance

Prescription Drug

\$ 5 co-pay (retail generic) \$10 co-pay (retail brand formulary) \$20 (retail brand non-formulary) \$10 co-pay (mail generic) \$20 co-pay (mail brand formulary) \$40 (mail brand non-formulary)
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Section 2. The Authority will provide pre-tax treatment for required employee pension contributions under the “pick up” rules set forth in Internal Revenue Code Sec. 414(h)(2).

Section 3.

- (a) Deferred Retirement Option Program. The following deferred retirement option shall be incorporated into the Retirement Plan (Appendix B) and will be modified to reflect plan amendments.

- i. Article 2 of the Retirement Plan (Definitions) shall be amended to incorporate the following new definitions:

“DROP” shall mean the Deferred Retirement Option Program described in Section 4.06.

“DROP Election” shall mean an election under Section 4.06(c) to participate in the DROP.

“DROP Effective Date” shall mean the date on which the Participant’s DROP Election becomes effective. The DROP Effective Date must be the first day of a calendar month.

“DROP Retirement Date” shall mean the first day of the month coincident with or next following the retirement date voluntarily elected by an eligible DROP Participant in his or her DROP Election (or such earlier date upon which the Participant voluntarily elects to actually terminate his or her employment with the Authority).

“Normal Retirement Pension” shall mean the monthly benefit to which a Participant is entitled under the provisions of Section 4.02, expressed as a single life annuity commencing at the Participant’s Normal Retirement Date.

- ii. Article 4 of the Retirement Plan (Normal Retirement) shall be amended to incorporate the following new Section 4.06:

4.06 Deferred Retirement Option Program.

- (a) Eligibility For DROP. A Participant (i) who is a Transit Police Official or who is classified as a PO 3, step 10, and (ii) who has completed at least 27 years of Credited Service may voluntarily elect, pursuant to this Section 4.06, to retire for purposes of calculating his or her Normal Retirement Pension under Article 4, continue working as a Transit Police Officer for a period of up to 3 years, and defer commencement of his or her Normal Retirement Pension until his or her DROP Retirement Date. The deferred benefit will be credited to the Participant’s DROP Account and credited with interest in accordance with Section 4.06(e). In order for the DROP Election to be effective, the eligible Participant must complete and execute an election and release on a form supplied by the Board of Trustees, and such election and release must be valid and binding on the Participant in accordance with its terms.

A Participant who does not elect to participate in the DROP in accordance with the provisions of this Section 4.06 when first eligible, may elect to participate at any-time thereafter provided the Participant has not terminated employment or become Disabled.

- (b) Election of Retirement Date. An eligible Participant who voluntarily elects to have the provisions of this Section 4.06 apply shall irrevocably elect to retire no later than three years following the DROP Effective Date on which the Participant makes a DROP Election in accordance with Section 4.06(c). The DROP Election is not a commitment to remain employed for a period of up to three years or a guarantee of continued employment. A Participant who makes a DROP Election may retire at any time prior to the date specified in his or her DROP Election and may be terminated by the Authority at any time in accordance with the relevant rules and procedures applicable to terminations of Transit Police Officers.
- (c) DROP Election. The election to participate in the DROP in accordance with all of the terms and conditions of this Section 4.06 must be made, if at all, by executing and delivering to the WMATA Benefits Office, a DROP Election on a form provided by the Benefits Office for this purpose. Such form shall include a waiver and release of any age discrimination or other claims relating to the DROP. A DROP Election using the form provided by the Benefits Office must be filed with the Benefits Office at least sixty (60) days prior to the proposed DROP Effective Date. The proposed DROP Effective Date selected by the Participant shall be subject to the approval of the Board of Trustees. A Participant who makes a DROP Election shall have a period of seven (7) calendar days to revoke the DROP Election. If the DROP Election is in effect at the close of regular business hours on the seventh calendar day after the date on which the Participant signs the DROP Election, the DROP Election (including, without limitation, the DROP Effective Date and the commitment to terminate employment and retire on the date specified) shall thereupon become irrevocable.

If a Participant makes a valid DROP Election, the amount accrued by a Participant after his or her DROP Effective Date and the amount payable with respect to the Participant's Normal Retirement Pension shall be determined solely and exclusively by the provisions of this Section 4.06 and, except as otherwise specifically provided herein, the Participant shall not be entitled to any other payment, benefit or amount with respect to his or her Normal Retirement Pension.

- (d) Effect of Failure to Elect. The rights under the Plan of any Participant who is eligible for the DROP but who does not elect to participate in the DROP in accordance with, and subject to, all of the terms and conditions of this Section 4.06, shall be determined by the remaining terms of the Plan, and the value of any rights created by this Section 4.06 shall not be considered in determining such Participant's Normal Retirement Pension or the Actuarial Equivalent thereof.

(e) Credit to DROP Account.

(1) As of the first day of each calendar month commencing on or after the DROP Effective Date and continuing until the Participant's DROP Retirement Date, the Participant's DROP Account shall be credited with the amount the Participant would have received under Section 4.02 if the Participant had actually retired on the DROP Effective Date and elected to receive his or her Normal Retirement Pension in the form of a straight life annuity. Notwithstanding the forgoing, in lieu of having the amount credited to his or her DROP Account determined under the monthly life annuity form of retirement income, the Participant may elect, as part of his or her DROP Election, to have the amount determined under any of the Actuarial Equivalent forms of benefit specified in Section 4.04.

(2) The amount of the annuity used to determine the amount credited to the DROP Account will be adjusted each January 1 following the DROP Effective Date for changes in the cost of living in accordance with the provisions of Section 4.02.

(3) As of the last day of each full calendar month that has elapsed since the DROP Effective Date, a Participant's DROP Account shall be credited with interest for such full calendar month at the rate of 3% per year, compounded annually. No interest shall be credited for any period less than a full calendar month.

(f) Amount of Retirement Benefit. Subject to the limitations contained in Section 415 of the Code, an eligible Participant who is subject to a valid and binding DROP Election shall be entitled to receive a monthly retirement income, beginning with the first day of the month coincident with or next following his or her DROP Retirement Date equal to:

(1) His or her Normal Retirement Pension, calculated in accordance with Section 4.02 as if the Participant had terminated employment with the Authority on the Participant's DROP Effective Date.

(2) Additional monthly retirement income that is the Actuarial Equivalent of the value of the Participant's DROP Account on the DROP Retirement Date.

(g) Form of Retirement Benefit. Following the DROP Retirement Date, the Participant's retirement benefit, as determined pursuant to Section 4.06(f), shall be payable in the form of monthly payments for the remainder of the Participant's life, unless an optional form of payment has been elected pursuant to Section 4.04.

A Participant may elect to have his or her benefits following the DROP Retirement Date paid in the form of a joint and survivor annuity or guaranteed period certain under Section 4.04 in accordance with the Plan's procedures for electing optional forms of benefits. The election made by the Participant does not have to be the same as the election made with respect to the amount credited to his or her DROP Account under Section 4.06(e). A Participant may also elect to receive the value

of his or her DROP Account (but not his or her Normal Retirement Pension) in the form of a single lump sum payment.

Upon the Participant's commencement of benefits, any election made by the Participant (including the designation of a Beneficiary under any option other than the guaranteed period option) shall be irrevocable.

The benefit payable to the Participant following his or her DROP Retirement Date shall be adjusted beginning as of January 1 of the year following the Participant's DROP Retirement Date for changes in the cost of living in accordance with the provisions of Section 4.02.

- (h) Amount of Benefit Accruals and Cessation of Employee Contributions. Except as specifically provided in Section 4.06(i), a Participant who makes a DROP Election shall be treated as if he or she terminated employment as of the DROP Election Date.
- (1) The Participant shall not be required to make any Employee contributions with respect to Compensation earned on or after the DROP Effective Date.
 - (2) Such Participant's Normal Retirement Pension shall be determined based only on years of Credited Service earned as of the DROP Effective Date and shall be determined under the provisions of this Plan in effect as of the DROP Effective Date.
 - (3) In determining Final Average Earnings under this Plan, only Compensation with respect to employment as a Covered Employee prior to the DROP Effective Date shall be taken into account.
 - (4) The benefit accrued by the Participant subsequent to the DROP Effective Date shall consist solely of the amounts credited to the Participant's DROP Account under Section 4.06(e).
- (i) Disability Benefits. On and after the DROP Effective Date, the Participant shall cease to be eligible for a Disability Retirement Pension under Article 5.
- (j) Death Benefits. If a Participant who makes a DROP Election dies before the DROP Effective Date, the DROP Election shall be inoperative, and the death benefits, if any, payable on account of the Participant's death shall be determined in accordance with the remaining provisions of the Plan.

If a Participant who makes a DROP Election dies after the DROP Effective Date but before his or her Normal Retirement Pension (following the DROP Retirement Date) the benefits payable upon the death of the Participant shall be determined as follows:

- (1) The Participant's Beneficiary shall receive the amount of the Participant's DROP Account as a single lump sum.
- (2) If the Participant elected to have the amount credited to his or her DROP Account determined in one of the optional forms permitted under Section 4.04,

then the Participant shall be deemed to have reached his DROP Retirement Date on the day prior to the date of death and to have commenced payment of his or her Normal Retirement Pension according to the form that deferred benefit payments were being credited to the Participant's DROP Account under Section 4.06(e)(1). The additional benefits, if any, to which the Participant's Beneficiary shall be entitled with respect to the Participant's Normal Retirement Pension following the death of the Participant shall depend upon the form in which the Participant's Normal Retirement Pension was being credited to the Participant's DROP Account under Section 4.06(e)(1).

If a Participant dies after commencement of his or her Normal Retirement Pension (following the DROP Retirement Date), the benefits, if any, to which the Participant's Beneficiary shall be entitled shall depend upon the form in which the Participant's benefits were payable at the time of his or her death, under the applicable form of benefit.

- (k) Sunset. Absent mutual written agreement to the contrary, the provisions of this Section 4.06 shall terminate effective September 30, 2010 and shall be of no further force or effect after such date; provided, however, that notwithstanding the termination of this Section 4.06, the provisions of this Section 4.06 shall continue to apply to (and determine the benefits of) any eligible Participant whose DROP Effective Date occurred on or before September 1, 2010.
- (l). Disability. Within ninety (90) days after the date of an arbitration award, the parties shall return to the bargaining table for the purposes of discussing revisions to (1) Article 5 of the Retirement Plan (Disability Retirement Pension), (2) the current dental plan, and (3) the current vision plan. If the parties cannot mutually agree to resolve these issues, either party may elect to impasse the issues and refer them to Arbitrator Vaughn for final resolution.

ARTICLE 35 - TUITION REIMBURSEMENT

Employees will be allowed to participate in the Authority's training tuition reimbursement program as follows:

Section 1. 100% of the tuition cost to a maximum of \$1,500 per semester per employee for undergraduate and certificate courses directly related to the employee's current job, including associated textbooks and laboratory fees.

Section 2. 50% of the tuition cost to a maximum of \$750 per semester per employee for undergraduate courses not directly related to the employee's present position but of benefit to the Authority, including associated textbooks and laboratory fees. An employee seeking reimbursement under Section 1 and Section 2 for the same semester may receive a maximum of \$1,500 total reimbursement per semester.

Section 3. A grade of "C" or better is required for reimbursement.

Section 4. An employee may take a maximum of two (2) courses per semester.

Section 5. Fees such as registration, university center, pre-entry testing, physical education, lockers, towels, etc., and similar fees are not reimbursable.

Section 6. Where funds are limited for college/university reimbursement, preference will be given to requests made under Section 1 above.

Section 7. Employees will be required to remain in the Authority's employment for one (1) year after course(s) completion. If an employee voluntarily terminates employment within twelve (12) months after completing a course, the Authority shall deduct from the employee's last paycheck the tuition reimbursement received for the course minus a credit equal to one-twelfth (1/12) of the tuition for each month worked following completion of the course.

ARTICLE 36 - WAGES AND PREMIUM PAY

Section 1. Wages.

- (a) Effective on October 1, 2007, the base wages will be increased by a percentage equal to the average of the five highest percentage-increases implemented in the six jurisdictions (District of Columbia, Montgomery County, Prince Georges County, Arlington County, Fairfax County and Alexandria) for their police officers during the year ending September 30, 2007 for each PO category and grade. In the event that a jurisdictional increase is implemented following September 30, 2007 but made retroactive by the jurisdiction to before September 30, 2007 the base wages for each PO category and grade for the pay period beginning October 1, 2007 will be recomputed to include the subsequent jurisdictional increase (on an across-the-board basis) and the adjustment, as recomputed, will be retroactive to the first full pay period on or after October 1, 2007.
- (b) Effective October 1, 2008, the base wages will be increased by a percentage equal to the average of the five highest percentage increases implemented by the jurisdictions for their police officers during the year ending September 30, 2008. In the event that such a jurisdictional increase is implemented following September 30, 2008 but made retroactive by the jurisdiction to before September 30, 2008 the base wages for each PO category and grade for the period beginning October 1, 2008 will be recomputed to include the subsequent jurisdictional increase (on an across the board basis) and the adjustment, as recomputed, will be retroactive to October 1, 2008.
- (c) Effective October 1, 2009, the base wages will be increased by a percentage equal to the average of the five highest percentage increases implemented by the jurisdictions for their police officers during the year ending September 30, 2009. In the event that such a jurisdictional increase is implemented following September 30, 2009 but made retroactive by the jurisdiction to before September 30, 2009

the base wages for each PO category and grade for the pay period beginning October 1, 2009 will be recomputed to include the subsequent jurisdictional increase (on an across the board basis) and the adjustment, as recomputed, will be retroactive to October 1, 2009.

- (d) The Authority shall continue classification grades of Police Officers (PO) 1,2 and 3. Progression between grades shall be made consistent with the controlling general order.

Section 2. Call Back Premium. Call back pay shall be a guarantee of three (3) hours at time and one-half.

Section 3. Off Duty Court Premium. Off duty court time shall be a guarantee of three (3) hours at a time and one half. It is agreed that when an officer is required to appear in court on a designated holiday, the officer has the option of selecting the off duty court time guarantee of three hours at time and one-half or to be paid the prevailing holiday pay for the actual hours the officer was in attendance in court.

Section 4. Holiday Premium. If an employee should work on one of the holidays as provided in Article 30, they shall have the option of receiving compensatory time or holiday premium pay. If the employee chooses premium pay, they shall receive in addition to their holiday pay, holiday premium pay equal to time and one half their regular rate for the first eight (8) hours worked on the holiday. All hours worked in excess of eight (8) hours will be subject to overtime at time and one-half (1.5) for a total of two and a quarter (2.25) times the regular rate.

Section 5. Shift Differential. An employee who works one-half or a majority of his/her straight time hours between the hours of three (3) p.m. and eleven (11) p.m., shall receive a shift differential of one dollar and one cent (\$1.01) per hour as part of the job rate. An employee who works one-half or a majority of his/her straight time hours between the hours of eleven (11) p.m. and seven (7) a.m., shall receive a shift differential of one-dollar and forty-nine cents (\$1.49) per hour as a part of the job rate.

The shift differential shall be considered for purposes of computing overtime. The shift differential shall not be considered to be part of the employee's base rate, nor shall it be applied to pay for nonproductive hours such as holiday pay and annual and sick leave pay, nor shall it be used for the purposes of computing retirement deductions, retirement and insurance benefits. The shift differential shall be applied to pay for an officer's first scheduled shift worked on a holiday.

Section 6. Tech Differentials. Each Officer assigned to detective duties will receive a two percent (2%) compensation premium for all hours worked under that designation; each Field Training Officer (FTO) will receive a two dollar (\$2.00) per hour differential while so utilized in that designation; Crime Scene Search Officers will be paid a fifty cents (\$0.50) differential per hour; and K-9 Officers will be paid an one dollar (\$1.00) differential per hour worked. Consistent with the terms of the Stipulation for Amendment to Interest Arbitration Award

dated October 17, 2006, K-9 Officers will continue to be reimbursed the expenses of providing canine support at home and receive consistent with the Stipulated Agreement in accordance with §7(g)(2) of the FLSA, pay at the rate of 20 minutes of overtime per day or 140 minutes of overtime per week for the care of the canine at home.

ARTICLE 37 - MISCELLANEOUS

Section 1. Off-duty security work. Employees shall have the right to engage in off-duty security work with the prior approval of the Chief or his designee.

Section 2. Roll call. The supervisor in charge of roll call shall time punch the assignment sheet and then begin roll call. If any employee is not present when the roll call begins, that employee is considered late and is subject to discipline without recourse to the grievance procedure. The provisions of General Order 1202, No. 2 shall continue in effect.

In the event that this procedure does not correct tardiness, MTPD may institute a time clock procedure. Employees may be excused for tardiness. In the event a request to be excused is denied by a supervisor, such denial is subject to review by the Chief or his designee upon the written request of the employee.

All information presented at roll call will be disseminated to employees who are called out to perform duties prior to the end of roll call.

Section 3. Deferred Compensation. Employees may participate in the Authority's deferred compensation plan.

Section 4. The Authority will provide employees with the option of electing the premium conversion plan allowing pre-tax treatment for employee-paid health insurance premiums currently available to the Authority's non-represented employees.

Section 5. The Authority will provide employees with the option of establishing health care and child care flexible spending accounts currently available to the Authority's non-represented employees.

ARTICLE 38 - FINALITY AND SEPARABILITY

Section 1. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter properly within the scope of negotiations and that understandings arrived at after the exercise of that right are set forth in this Agreement. Therefore, the Authority and the Union for the life of this Agreement waive the right to negotiate with respect to any subject or matter referred to or covered in this Agreement or with respect to any subject or matter not specifically referred to or covered in this Agreement. The express provisions of this Agreement for its duration, therefore, constitute the complete and total agreement between the Authority and the Union. It is further agreed that this

Agreement can only be added to, amended or modified by a document in writing, signed on behalf of the parties hereto by their duly authorized employees and representatives.

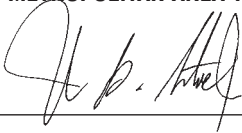
Section 2. If any term or provision of this Agreement is at any time during the life of the Agreement in conflict with any law or court decision, such term or provision shall continue in effect only to the extent permitted by such law or court decision. If any term or provision of this Agreement is or becomes invalid or unenforceable, such invalidity or unenforceability shall not affect or impair any other term or provision of this Agreement.

ARTICLE 39 - DURATION OF AGREEMENT

This Agreement will be effective January 1, 2008 and will continue in full force and effect through September 30, 2010 and from year to year thereafter unless changes are requested by either of the parties hereto, by written notice sixty (60) calendar days prior to September 30, 2010 or of any year thereafter. In the event the parties cannot reach agreement upon proposed changes or modifications, or in the event of a notice of termination if collective bargaining fails to result in agreement, then all matters in dispute shall be arbitrated as provided for in provisions of this Agreement dealing with arbitration.

IN WITNESS WHEREOF, this document has been executed this 18th day of April 2008.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY



4/18/08

John B. Catoe
General Manager

(Date)



4/18/08

D. Richard Froelke
Director
Office of Employee & Labor Relations

(Date)

FRATERNAL ORDER OF POLICE/METRO TRANSIT POLICE LABOR COMMITTEE



4/18/08

ElWarren Weatherspoon
Chairman

(Date)

APPENDIX A

CHECKOFF OF DUES

CHECKOFF AUTHORIZATION AND ASSIGNMENT

I, _____, hereby authorize my employer to deduct from my wages each and every month an amount equal to the monthly dues, initiation fees and uniform assessments of FOP/METRO Transit Police Labor Committee, and direct such amount so deducted to be turned over each month to the Secretary-Treasurer of such Local Union for and on my behalf.

This authorization is voluntary and is not conditioned on my present or future membership in the Union.

This authorization and assignment shall be irrevocable for the term of the applicable contract between the union and the employer or for one year, whichever is the lesser, and shall automatically renew itself for successive yearly or applicable contract periods thereafter, which is lesser, unless I give written notice to the company and the union at least sixty (60) days, but not more than seventy-five (75) days before any periodic renewal date of this authorization and assignment of my desire to revoke same.

Signature _____

Social Security Number _____ Date _____

Address _____

City _____ State _____ Zip Code _____

Employer _____

(Original to Employer; copy to Local Union)

(Union dues are not deductible as charitable contributions for Federal Income Tax purposes.)

APPENDIX B

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

TRANSIT POLICE RETIREMENT PLAN

This Restated Retirement Plan is adopted by the Washington Metropolitan Area Transit Authority, an agency and instrumentality of the District of Columbia, State of Maryland and Commonwealth of Virginia, created as a body corporate and politic, with the consent of the Congress of the United States (hereinafter “WMATA” or “AUTHORITY”), effective May 17, 2001, pursuant to a Collective Bargaining Agreement between WMATA and Fraternal Order of Police/Metro Transit Police Labor Committee (hereinafter “UNION”), the representative of sworn Metro Transit Police in the Office of Transit Police and Security.

ARTICLE 1

NAME, EFFECTIVE DATE AND PURPOSE

1.01 Name. The Name of the Plan is “THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY TRANSIT POLICE RETIREMENT PLAN”, hereinafter called the “Plan.”

1.02 Effective Date. The effective date of the Plan is April 2, 1981. The effective date of this restatement is May 17, 2001. Except as specifically provided herein, the provisions of this restatement shall apply only to a Participant whose status as an Employee terminates on or after the Effective Date. The rights and benefits, if any, of a Participant whose status as an Employee terminated prior to the Effective Date shall be determined in accordance with the provisions of the Plan that were in effect on the date his or her status as an Employee terminated.

1.03 Purpose of the Plan. It is the purpose of this Plan to recognize the contribution made to the successful operation of the Authority by its Transit Police Force and to reward such contribution by establishing a system of pension benefits for those employees who shall hereafter qualify as Participants under this Plan, and for the beneficiaries designated by such employees in accordance with the provisions of this Plan.

This Plan has been established for the exclusive benefit of the Participants and their beneficiaries. So far as possible, this Plan should be interpreted in a manner consistent with this intent and with the Authority’s intention that this Plan satisfy those provisions of the Internal Revenue Code relating to exempt employees’ trusts. No income or corpus of this Plan or any funds contributed to the Plan by the Authority shall ever revert to or be used or enjoyed by the Authority, except as may be permitted by the provisions of the Internal Revenue Code relating to exempt employees’ trusts.

The establishment of this Plan shall not be construed as giving any employee, or any other person, any legal or equitable rights against the Authority, its Board of Directors, the

Union, the Trustees or the Plan, or the corpus or income of this Plan unless such right is specifically provided by the Plan Document.

ARTICLE 2

DEFINITIONS

When used in this Plan and in the Trust Agreement, the words and phrases defined hereinafter shall have the following meaning, unless a different meaning is clearly required by the context of the Plan or Trust Agreement.

2.01 “Accumulated Employee Contributions” shall mean the total of employee contributions under the Plan as provided for in Section 3.02 plus interest at the rate of five percent (5%) compounded annually from the first day of the Plan Year following the date such contributions were made, to the first day of the month in which employment terminates. Accumulated Employee Contributions shall include contributions made by the Employee that have been transferred from the Washington Metropolitan Area Transit Authority Retirement Plan together with credited interest thereon.

2.02 “Actual Retirement Date” shall mean the date the Participant actually retires and becomes eligible to start receiving benefits under the Plan by reason of such retirement.

2.03 “Actuarial Equivalent” shall mean a benefit of equal value when computed in accordance with the actuarial tables last recommended by the Actuary for the Plan and approved by the Board of Trustees of the Plan, taking into consideration the difference in fund earnings and life expectancy when the benefit commences at a time other than the normal benefit commencement date, and the value of additional guarantees provided under an option being utilized. Such actuarial equivalences are set forth in Appendix A.

2.04 “Age” shall mean attained age, not age at nearest birthday.

2.05 “Agreement” shall mean the trust established for the accumulation and investment of the funds required to provide the benefits under the Plan.

2.06 “Authority” or “WMATA” shall mean the Washington Metropolitan Area Transit Authority, an agency and instrumentality of the District of Columbia, State of Maryland and Commonwealth of Virginia, a body corporate and politic created with the consent of the United States Congress (Pub. L. 89-774, November 6, 1966, 80 Stat. 1324; Pub. L. 92-349, July 13, 1972, 86 Stat. 466; Pub. L. 92-517, October 21, 1972, 86 Stat. 999; and Pub. L. 94-306, June 4, 1976) by the District of Columbia, State of Maryland and Commonwealth of Virginia. (Resolution of the Board of Commissioners, December 22, 1960; (Md) Ch. 613, Acts of General Assembly, 1959; (Va) Ch. 527, 1958 Acts of Assembly; Resolution of the Board of Commissioners, November 15, 1966, as amended; Ch. 869, Acts of General Assembly, 1965, as amended; and Ch. 2, 1966, Acts of Assembly, as amended) or any successor thereof lawfully empowered as such by the United States Congress, District of Columbia, State of Maryland, and Commonwealth of Virginia. For purposes of this Plan and

Trust Agreement, the principal place of business of WMATA shall be considered to be the District of Columbia. For purposes of this Plan and Trust Agreement, the District of Columbia shall be considered a state.

2.07 “Board of Directors” shall mean the Board of Directors of the Authority.

2.08 “Board of Trustees (Trustees)” shall mean the Board of Trustees designated in accordance with the terms of the Trust Agreement.

2.09 “Children (Child)” shall mean the issue of the Participant, any legally adopted child of the Participant, or any legally recognized ward of the Participant or his Spouse who was dependent on the Participant for more than fifty percent (50%) of his support during the year preceding the Participant’s date of death.

2.10 “Compensation” shall mean the total basic compensation (excluding any over-time payments, special shift payments, bonuses or other allowances) received by a Participant from the Authority during any calendar month. Effective as of January 1, 1996, Compensation taken into account for any purpose under the Plan shall in no event exceed the dollar limit specified in Section 401(a)(17) of the Internal Revenue Code (as adjusted from time to time).

2.11 “Continuous Service” shall mean the uninterrupted period of service commencing with the Participant’s most recent date of employment. The period of employment shall not be deemed to be interrupted by absence for military service, sick leave, vacation leave or other special leave approved in writing by the Authority, which (except military service) does not exceed twelve (12) months. Absence for military service will come within the meaning of the above provision only if the Participant returns to employment with the Authority during the period in which his employment rights are protected by law.

2.12 “Credited Service” shall mean the number of years (and fractional years measured in completed months) of Continuous Service that the Participant has accumulated prior to his Actual Retirement Date, with the following exceptions:

- (a) Credited Service shall include only those of months of Continuous Service after April 1, 1981, with respect to which the Participant made contributions to the Plan in accordance with Section 3.02.
- (b) For purposes of determining the amount of the Normal Retirement Pension for a Participant retiring on or after his Normal Retirement Date, Credited Service shall include all unused accrued whole months of sick leave as of the date of retirement.
- (c) If a Participant becomes Disabled, recovers from his disability so as to be medically certified to full-time active duty as a law enforcement officer prior to his Normal Retirement Age, and is reemployed by the Authority, his period of disability shall be included in Credited Service for purposes of determining el-

igibility for the Normal Retirement Pension. To the extent he makes contributions to the Plan in accordance with Section 3.02, his period of disability shall be included in Credited Service for benefit calculation purposes.

2.13 “Disabled” shall mean being totally or partially disabled as determined by the Board of Trustees. Total disability shall mean the inability of a Participant to reasonably perform his duties as a law enforcement officer. Partial disability shall mean the ability of a Participant to perform some part of the duties as a law enforcement officer, such as in administrative or desk assignments.

2.14 “Employee” shall mean any person who, on or after the Effective Date of the Plan, is employed by the Authority as a Transit Police Officer, or a person who is employed as a Transit Police Official who was promoted from Transit Police Officer after the Effective Date of the Plan; except that the term “Employee” shall not include a seasonal, part-time or casual worker whose customary employment is for less than thirty (30) hours in any week or for less than five (5) months in any calendar year.

2.15 “Final Average Earnings” shall mean the annualized arithmetic average of the Participant’s Compensation paid to him during his highest thirty-six (36) consecutive calendar months prior to the Participant’s Normal Retirement Date or later Actual Retirement Date which will produce the highest annual average for the purposes of the benefit being calculated under the Plan.

2.16 “Fiscal Year” shall mean the fiscal year of the trust which shall be the twelve (12) months ending on December 31.

2.17 “Normal Retirement Age” shall mean the earlier of (a) the completion of twenty-five (25) years of Credited Service or (b) the attainment of age sixty-five.

2.18 “Normal Retirement Date” shall mean the first day of the month next following the date the Participant attains his Normal Retirement Age, or the date he attains Normal Retirement Age if on the first of a month.

2.19 “Participant” shall mean any Employee in the employ of the Authority who is eligible to participate in the Plan and makes the required contributions to the Plan.

2.20 “Plan” shall mean “THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY TRANSIT POLICE RETIREMENT PLAN”, as set forth herein, or in any amendments hereto.

2.21 “Plan Year” shall mean the twelve-month period ending on December 31.

2.22 “Spouse” shall mean the person legally married to the Participant.

2.23 "Transit Police Officer" means an employee covered by the terms of the labor agreement between the Authority and the Union representing sworn Transit Police Officers.

2.24 "Transit Police Official" means an individual employed on the Transit Police Force above the rank of Transit Police Officer who is also a sworn police officer.

2.25 "Union" shall mean the exclusive bargaining agent presently representing the Transit Police Officers.

2.26 "DROP" shall mean the Deferred Retirement Option Program described in Section 4.06.

2.27 "DROP Election" shall mean an election under Section 4.06(c) to participate in the DROP.

2.28 "DROP Effective Date" shall mean the date on which the Participant's DROP Election becomes effective. The DROP Effective Date must be the first day of a calendar month.

2.29 "DROP Retirement Date" shall mean the first day of the month coincident with or next following the retirement date voluntarily elected by an eligible DROP Participant in his or her DROP Election (or such earlier date upon which the Participant voluntarily elects to actually terminate his or her employment with the Authority).

2.30 "Normal Retirement Pension" shall mean the monthly benefits to which a Participant is entitled under the provisions of Section 4.02, expressed as a single life annuity commencing at the Participant's Normal Retirement Date.

ARTICLE 3

PARTICIPATION IN THE PLAN

3.01 Eligibility. Each Transit Police Officer employed on the Effective Date of the Plan, who was hired as an Employee on or before May 3, 1976 will become a Participant of this Plan on the effective date of his irrevocable written election to participate in this Plan. Each Transit Police Officer employed on the Effective Date of the Plan, who was hired as an Employee on or before May 3, 1976 and who has not previously made an irrevocable election to participate in this Plan, may elect to do so by June 30, 1986. Participation of such Employees is effective July 1, 1986 and is contingent upon the following:

(a) Employer and Employee contribution, including interest, applicable to the Employee must be transferred from the Washington Metropolitan Area Transit Authority Retirement Plan by September 30, 1986, and

(b) An Employee must pay to the Retirement Plan an amount equal to the amount of Employee contributions he would have made had he become a Participant on the Effective Date of the Plan as provided in Section 3.02, together with interest thereon at the rate of

eight percent (8%), compounded annually, in accordance with one of the following payment schedules:

1. in a lump sum payment by September 30, 1986; or
2. through payroll deductions over a period of twenty-four (24) months commencing with the first payroll after September 30, 1986. The amount of payroll deduction shall include interest added for the twenty-four (24) month period at the rate of eight percent (8%), compounded annually. If a Participant making payments under this payment schedule terminates employment within the twenty-four (24) month period, his benefits will be determined as follows:
 - (a) If the total unpaid balance is paid within thirty (30) days of termination, the Participant is eligible for benefits under the applicable provisions of the Plan;
 - (b) If the total unpaid balance is not paid within thirty (30) days of termination, the Participant may receive a benefit under Section 9.01 only, regardless of whether he meets the age and service requirements for other Plan benefits.

Each Transit Police Officer hired after May 3, 1976 will automatically become a Participant of this Plan at the later of his date of hire, or April 2, 1981.

3.02 Employee Contributions. Each Participant in the Plan shall contribute 4.34%, of his Compensation. Effective with the first day of payroll period beginning on or after October 1, 2001, each Participant in the Plan shall contribute 5.317% of his Compensation. Effective with the first day of payroll period beginning on or after October 1, 2002, each Participant in the Plan shall contribute 6.293% of his Compensation. Effective with the first day of payroll period beginning on or after October 1, 2003, each Participant in the Plan shall contribute 7.27% of his Compensation. A Participant whose contributions shall become in arrears because of a period of Continuous Service or Disability without Compensation must pay the contributions which are in arrears after his return to work with the Authority through either (a) a lump sum payment, or, (b) through double deductions. The election to pay the contributions by lump sum or double deductions shall be made immediately upon his return to work.

Effective July 1, 1997, any Plan Participant whose contributions are in arrears on that date because of a period of Continuous Service or Disability without Compensation shall elect to pay such arrearage by either (a) a lump sum payment payable at the time of such election, or (b) double deductions, which shall commence immediately upon such election.

For all Compensation earned after January 1, 1997, the employee contributions required under this Section 3.02 and Section 3.04 shall be funded by the Employer as set forth in the Collective Bargaining Agreement between the Employer and FOP/Metro Transit Police Labor Committee and in compliance with Internal Revenue Code Sec. 414(h)(2) or any amended or successor statute. For income tax purposes, all employee contributions funded by the Employer shall be treated as Employer contributions. Participants shall have no election as to whether to pay the contributions required under sections 3.02 and 3.04 with funds other

than from their salary. For all purposes of this Plan, the employee contributions funded by the Employer shall be considered Compensation received by the Participant.

3.03 Authority Contributions. Subject to the qualifications following, the Authority shall pay any remaining cost of the Plan as determined in accordance with generally accepted actuarial practices. The Plan will be funded in accordance with the Aggregate Funding Method effective with the January 1, 2001 Actuarial Evaluation. Under this method the Annual Employer Cost will be determined by reducing the "Present Value of Future Benefits" by the "Adjusted Assets" and "Present Value of Future Employee Contributions" (the difference not less than zero), the result divided by the "Present Value of Future Salaries" and that result multiplied by "Current Annual Salaries." All capitalized terms used in this paragraph are the same as those defined in the 1999 Mercer Actuarial Valuation of the Plan in the exhibit labeled "3. Recommended Contributions."

The foregoing notwithstanding, the Authority, in its sole discretion, may limit the amount of the contribution it is required to make for any given Plan Year to 17.05% of gross earnings of covered Employees (15.31% of gross earnings for the non-disability portion of the Plan and 1.74% of gross earnings for the disability component of the Plan); provided, however, that the Authority shall not be permitted to utilize such deferral (1) for more than three consecutive Plan Years or (2) for more than a total of four out of any seven consecutive Plan Years. Any amount deferred shall be automatically included in the calculation of the Authority's required contribution in subsequent actuarial valuations of the Plan.

3.04 Additional Employee Contributions. In the event that the remaining cost of the plan exceeds 15.31% of gross earnings of covered Employees for the non-disability component of the Plan or 1.74% for the disability component, the additional amount of the cost of the Plan shall be paid by Participants in proportion to their Compensation.

The Section 3.04 shall be deleted effective for Plan Years beginning after December 31, 2000.

ARTICLE 4

NORMAL RETIREMENT PENSION

4.01 When Payable. A Normal Retirement Pension shall be granted to each Participant of the Plan who retires on or after the date on which he attains his Normal Retirement Age.

4.02 Amount. Unless an optional method of payment is elected, as described in Section 4.04, the annual Normal Retirement Pension benefit payable in monthly installments to an eligible Participant; who retires or otherwise terminates employment after September 30, 1998 and before October 1, 2001 shall equal two and thirty-four hundredths percent (2.34%) of the Participant's Final Average Earnings multiplied by his years of Credited Service; provided, however, that the resulting pension paid during any month following the Participant's sixty-sixth (66th) birthday shall be reduced as follows: the annual benefit

amount payable under this Article shall be reduced by forty-five hundredths of one percent (0.45%) of the Participant's Final Average Earnings multiplied by his years of Credited Service (subject to a maximum of 35 years), and further multiplied by all increases in his Normal Retirement Pension, granted in accordance with the third paragraph of this section, between the Participant's date of retirement and his sixty-sixth (66th) birthday. The annual benefit amount so reduced shall then be divided by twelve with the resulting amount being paid to the Participant on a monthly basis.

In the case of Participants who retire or otherwise terminate employment on or after October 1, 2001, unless an optional method of payment is elected, as described in Section 4.04, the annual Normal Retirement Pension benefit payable in monthly installments to such eligible Participant shall equal two and fifty-six hundredths percent (2.56%) of the Participant's Final Average Earnings multiplied by his years of Credited Service; provided, however, that the resulting pension paid during any month following the Participant's sixty-sixth (66th) birthday shall be reduced as follows: the annual benefit amount payable under this Article shall be reduced by one-half of one percent (0.5%) of the Participant's Final Average Earnings multiplied by his years of Credited Service, and further multiplied by all increases in his Normal Retirement Pension, granted in accordance with the next paragraph, between the Participant's date of retirement and his sixty-sixth (66th) birthday. The annual benefit amount so reduced shall then be divided by twelve with the resulting amount being paid to the Participant on a monthly basis.

The Normal Retirement Pension benefit shall be adjusted each January 1st following retirement to the amount determined by multiplying the benefit payment that would otherwise have been paid on January 1st by the ratio of (1) the Consumer Price Index for the month of September of the latest year, to (2) the Consumer Price Index for the month of September one year earlier. As used in this Plan, the Consumer Price Index shall be defined as the Washington Metropolitan Area CPI-W Index. This adjustment shall be limited to six percent (6%) annually, applied on a cumulative basis.

4.03 Period of Payment. Monthly pension benefits shall commence on the Normal Retirement Date of the Participant and shall continue until the first of the month in which the retired Participant dies, unless an optional method of payment has been elected, in which case the monthly pension benefits shall be continued as provided for under the option elected.

4.04 Optional Methods of Payment.

(a) **Married Participant.** In lieu of a lifetime pension payable monthly to a married Participant, such Participant may elect to receive a joint and survivor pension of Actuarial Equivalent value which would provide a reduced monthly pension payable to the Participant starting with his Actual Retirement Date, with the provision that after his death, pension payments would continue to be paid to, and during the lifetime of, the spouse of the Participant in an amount determined under one of the following options:

1. Continuation of the same amount of reduced pension that was payable to the Participant, or
2. Three-fourths of the reduced pension that was payable to the Participant; or
3. Two-Thirds of the reduced pension that was payable to the Participant; or
4. One half of the reduced pension that was payable to the Participant.

In the event of the death of the Participant or Spouse prior to the Participant's Actual Retirement Date, the election will be null and void.

In the event of the death of a Participant subsequent to his Normal Retirement Date but prior to his Actual Retirement Date, the option election shall be fully operative and the spouse or other beneficiary shall commence receiving pension payments pursuant to the terms of the elected option. If the spouse should die prior to the Participant but after the Participant's Actual Retirement Date, the actuarially reduced pension shall continue to be payable to the Participant. If a married Participant elects, on or after October 1, 2001, to receive his benefit under the Plan in the optional form described in this Section 4.04(a), and the Participant's spouse dies prior to the Participant (but after the Participant's Actual Retirement Date), the benefit payment option shall thereupon become void, and the Participant shall receive, commencing on the 1st day of the month following the spouse's death, the monthly benefit which the Participant would have received had the Participant's benefits originally been payable in the form of a lifetime pension under Section 4.03; provided, however, the resulting lifetime pension shall be actuarially reduced to reflect the cost of the pop-up prior to such payment as a lifetime pension.

(b) Unmarried Participant. In lieu of the pension payable monthly for the life of an unmarried Participant, such Participant may elect to receive a term certain and life thereafter pension of Actuarial Equivalent value which would provide a reduced monthly pension payable to the Participant commencing with his Actual Retirement Date, with the provision that after his death, benefit payments would continue to be paid to his named beneficiary for the remainder, if any, of the term certain, provided that the term certain elected shall not exceed the life expectancy of the Participant or ten years, whichever is longer.

If a beneficiary, named under a term certain and life option, should die prior to the Participant but after his Actual Retirement Date, and at the Participant's death another beneficiary has not been named to receive the remaining benefit payments, the present value of the remaining payments, if any, shall be paid to the Participant's estate.

(c) Besides the options provided in (a) and (b) above, a Participant may elect a pension payable in accordance with any other option (except an "interest only" or lump sum distribution option) which is the Actuarial Equivalent of the Normal Retirement Pension to which the Participant was entitled at Normal Retirement Date, provided, however, that such option (i) provides for equal installments commencing with the Participant's Actual Retirement Date and (ii) may not be expected to cause pension benefits to be payable for a

period longer than the life expectancy of the last to die of the employee and his spouse, and provided further that such option is approved by the Trustees and the actuary of the Plan.

(d) In the event that the Participant and his Spouse (if a Joint and Survivor Pension has been elected) die prior to their receiving total monthly benefits equal to the Participant's accumulated Employee Contributions, at the date that the Participant's benefits commence, and there are no future premium benefits payable, any remaining difference shall be paid to the Participant's named beneficiary, or to his estate in the absence of a surviving named beneficiary.

(e) Once an election has been made and accepted by the Trustees, it cannot be rescinded or changed without the written consent of the Trustees in accordance with rules uniformly applied to all Participants similarly situated.

4.05 Minimum Distribution Requirement. Notwithstanding any other provision of this Plan, payment of benefits due under this Plan must begin to be paid to the Participant upon the later of April 1 of the calendar year following the calendar year in which Participant (a) attains age 70 1/2 or (b) the Participant actually retires. Notwithstanding anything contained herein to the contrary, all distributions made pursuant to the terms of this Plan shall comply with the requirements of Section 401(a)(9) of the Internal Revenue Code (and accompanying Treasury Regulations), which requirements are hereby incorporated by reference into this Plan and for all purposes shall be deemed a part of the Plan.

4.06 Deferred Retirement Option Program

(a) Eligibility for DROP. A Participant (i) who is a Transit Police Official or who is classified as a PO 3, Step 10, and (ii) who has completed at least 27 years of Credited Service may voluntarily elect, pursuant to this Section 4.06, to retire for purposes of calculating his or her Normal Retirement Pension under Article 4, continue working as a Transit Police Officer for a period of up to 3 years, and defer commencement of his or her Normal Retirement Pension until his or her DROP Retirement Date. The deferred benefit will be credited to the Participant's DROP Account and credited with interest in accordance with Section 4.06(e). In order for the DROP Election to be effective, the eligible Participant must complete and execute an election and release on a form supplied by the Board of Trustees, and such election and release must be valid and binding on the Participant in accordance with its terms.

A Participant who does not elect to participate in the DROP in accordance with the provisions of this Section 4.06 when first eligible, may elect to participate at anytime thereafter provided the Participant has not terminated employment or become Disabled.

(b) Election of Retirement Date. An eligible Participant who voluntarily elects to have the provisions of this Section 4.06 apply shall irrevocably elect to retire no later than three years following the DROP Effective Date on which the Participant makes a DROP Election in accordance with Section 4.06(c). The DROP Election is not a commitment to remain employed for a period of up to three years or a guarantee of continued employment. A Participant who makes a DROP Election may retire at any time prior to the date specified

in his or her DROP Election and may be terminated by the Authority at any time in accordance with the relevant rules and procedures applicable to terminations of Transit Police Officers.

(c) Drop Election. The election to participate in the DROP in accordance with all of the terms and conditions of this Section 4.06 must be made, if at all, by executing and delivering to the WMATA Benefits Office, a DROP Election on a form provided by the Benefits Office for this purpose. Such form shall include a waiver and release of any age discrimination or other claims relating to the DROP. A DROP Election using the form provided by the Benefits Office must be filed with the Benefits Office at least sixty (60) days prior to the proposed DROP Effective Date. The proposed DROP Effective Date selected by the Participant shall be subject to approval of the Board of Trustees. A Participant who makes a DROP Election shall have a period of seven (7) calendar days to revoke the DROP Election. If the DROP Election is in effect at the close of regular business hours on the seventh calendar day after the date on which the Participant signs the DROP Election, the DROP Election (including, without limitation, the DROP Effective Date and the commitment to terminate employment and retire on the date specified) shall thereupon become irrevocable.

If a Participant makes a valid DROP Election, the amount accrued by a Participant after his or her DROP Effective Date and the amount payable with respect to the Participant's Normal Retirement Pension shall be determined solely and exclusively by the provisions of this Section 4.06 and, except as otherwise specifically provided herein, the Participant shall not be entitled to any other payment, benefit or amount with respect to his or her Normal Retirement Pension.

(d) Effect of Failure to Elect. The rights under the Plan of any Participant who is eligible for the DROP but who does not elect to participate in the DROP in accordance with, and subject to, all of the terms and conditions of this Section 4.06, shall be determined by the remaining terms of the Plan, and the value of any rights created by this Section 4.06 shall not be considered in determining such Participant's Normal Retirement Pension or the Actuarial Equivalent thereof.

(e) Credit to DROP Account.

(1) As of the first day of each calendar month commencing on or after the DROP Effective Date and continuing until the Participant's DROP Retirement Date, the Participant's DROP Account shall be credited with the amount the Participant would have received under Section 4.02 if the Participant had actually retired on the DROP Effective Date and elected to receive his or her Normal Retirement Pension in the form of a straight life annuity. Notwithstanding the foregoing, in lieu of having the amount credited to his or her DROP Account determined under the monthly life annuity form of retirement income, the Participant may elect, as part of his or her DROP Election, to have the amount determined under any of the Actuarial Equivalent forms of benefit specified in Section 4.04.

(2) The amount of the annuity used to determine the amount credited to the DROP Account will be adjusted each January 1, following the DROP

Effective Date for changes in the cost of living in accordance with the provisions of Section 4.02.

- (3) As of the last day of each full calendar month that has elapsed since the DROP Effective Date, a Participant's DROP Account shall be credited with interest for such full calendar month at the rate of 3% per year, compounded monthly. No interest shall be credited for any period less than a full calendar month.

(f) Amount of Retirement Benefit. Subject to the limitations contained in Section 415 of the Code, an eligible Participant who is subject to a valid and binding DROP Election shall be entitled to receive a monthly retirement income, beginning with the first day of the month coincident with or next following his or her DROP Retirement Date equal to:

- (1) His or her Normal Retirement Pension, calculated in accordance with Section 4.02 as if the Participant had terminated employment with the Authority on the Participant's DROP Effective Date.
- (2) Additional monthly retirement income that is the Actuarial Equivalent of the value of the Participant's DROP Account on the DROP Retirement Date.

(g) Form of Retirement Benefit. Following the DROP Retirement Date, the Participant's retirement benefit, as determined pursuant to Section 4.06(f), shall be payable in the form of monthly payments for the remainder of the Participant's life, unless an optional form of payment has been elected pursuant to Section 4.04.

A Participant may elect to have his or her benefits following the DROP Retirement Date paid in the form of a joint and survivor annuity or guaranteed period certain under Section 4.04 in accordance with the Plan's procedures for electing optional forms of benefits. The election made by the Participant does not have to be the same as the election made with respect to the amount credited to his or her DROP Account under Section 4.06(e). A Participant may also elect to receive the value of his or her DROP Account (but not his or her Normal Retirement Pension) in the form of a single lump sum payment.

Upon the Participant's commencement of benefits, any election made by the Participant (including the designation of a Beneficiary under any option other than the guaranteed period option) shall be irrevocable.

The benefit payable to the Participant following his or her DROP Retirement Date shall be adjusted beginning as of January 1 of the year following the Participant's DROP Retirement Date for changes in the cost of living in accordance with the provisions of Section 4.02.

(h) Amount of Benefit Accruals and Cessation of Employee Contributions. Except as specifically provided in Section 4.06(i), a Participant who makes a DROP Election shall be treated as if he or she terminated employment as of the DROP Election Date.

- (1) The Participant shall not be required to make any Employee contributions with respect to Compensation earned on or after the DROP Effective Date.

- (2) Such Participant's Normal Retirement Pension shall be determined based only on years of Credited Service earned as of the DROP Effective Date and shall be determined under the provisions of this Plan in effect as of the DROP Effective Date.
- (3) In determining Final Average Earnings, under this Plan, only Compensation with respect to employment as a Covered Employee prior to the DROP Effective Date shall be taken into account.
- (4) The benefit accrued by the Participant subsequent to the DROP Effective Date shall consist solely of the amounts credited to the Participant's DROP Account under Section 4.06(e).

(i) Disability Benefits. On and after the DROP Effective Date, the Participant shall cease to be eligible for a Disability Retirement Pension under Article 5.

(j) Death Benefits. If a Participant who makes a DROP Election dies before the DROP Effective Date, the DROP Election shall be inoperative and the death benefits, if any, payable on account of the Participant's death shall be determined in accordance with the remaining provisions of the Plan.

If a Participant who makes a DROP Election dies after the DROP Effective Date but before his or her Normal Retirement Pension (following the DROP Retirement Date) the benefits payable upon the death of the Participant shall be determined as follows:

- (1) The Participant's Beneficiary shall receive the amount of the Participant's DROP Account as a single lump sum.
- (2) If the Participant elected to have the amount credited to his or her DROP Account determined in one of the optional forms permitted under Section 4.04, then the Participant shall be deemed to have reached his DROP Retirement Date on the day prior to the date of death and to have commenced payment of his or her Normal Retirement Pension according to the form that deferred benefit payments were being credited to the Participant's DROP Account under Section 4.06(e)(1). The additional benefits, if any, to which the Participant's Beneficiary shall be entitled with respect to the Participant's Normal Retirement Pension following the death of the Participant shall depend upon the form in which the Participant's Normal Retirement Pension was being credited to the Participant's DROP Account under Section 4.06(e)(1).

If a Participant dies after commencement of his or her Normal Retirement Pension (following the DROP Retirement Date), the benefits, if any, to which the Participant's Beneficiary shall be entitled shall depend upon the form in which the Participant's benefits were payable at the time of his or her death, under the applicable form of benefit.

(k) Sunset. Absent mutual written agreement to the contrary, the provisions of this Section 4.06 shall terminate effective September 30, 2010 and shall be of no further force or effect after such date; provided, however, that notwithstanding the termination of this Section 4.06, the provisions of this Section 4.06 shall continue to apply to (and deter-

mine the benefits of) any eligible Participant whose DROP Effective Date occurred on or before September 1, 2010.

ARTICLE 5

DISABILITY RETIREMENT PENSION

5.01 When Payable. Disability Retirement Income benefits shall be granted to each Participant who becomes Disabled prior to his Normal Retirement Age; however, any Participant becoming partially disabled who shall remain in the police department in a position which he is capable of performing shall not receive a benefit from the Plan until he terminates employment. Participants granted Disability Retirement income benefits for partial disability shall be subject to recall to active service by the Board of Trustees when and if positions are available within the police department that they are capable of performing, in which case benefits shall cease.

A Normal Retirement Pension shall be granted to each Participant who after earning five (5) years of Continuous Service terminates his employment as a result of becoming Disabled and who continues to be Disabled until his Normal Retirement Age.

Upon receiving a Participant's written request for disability benefits and for purposes of Section 5.04, the Board of Trustees shall require such Participant to submit, from a physician of the Participant's choice, a written report of findings and recommendations. The Board shall then select a physician of its choice and require the Participant to submit to a medical examination. In the event there is no clear preponderance of medical evidence from the above two (2) physicians, a third physician will be selected by the original two (2) physicians, who will also examine the Participant and submit a written report of findings and recommendations.

A waiver of examinations, as required by this Section or Section 5.04, may be made by either the Board of Trustees or Participant for justifiable causes; but in no event shall any Participant be granted disability benefits without submitting to at least one (1) medical examination. Failure of any Participant to submit to medical examination as required by this Section or Section 5.04 may result in the denial, loss or reduction of the Participant's disability benefits.

5.02 Amount.

(a) The amount of the annual Disability Retirement Income benefit (payable monthly) for a Participant who has become disabled in the discharge of his official duties shall be:

- (1) sixty percent (60%) of his annual Compensation at the participant's date of disability, adjusted each January 1st by the ratio of (1) the Consumer Price Index for the month of September of the latest year, to (2) the Consumer Price Index for the month of September one year earlier. This adjustment shall be limited to one and one-half percent (1 1/2%) annually, applied on a cumulative basis, less

(2) the amount of gross outside earnings which, when added to (a) above at any point in time, are in excess of the current rate of gross salary of someone in the same grade and step as the Participant was at his date of disability, less

(3) any periodic workers' compensation benefits payable (excluding attorney's fees incurred in pursuing the claim for Workers' Compensation benefits).

(b) The amount of the annual Disability Retirement Income benefit (payable monthly) for a Participant who has become disabled, but not as a result of activities in the performance of his official duties, shall be the amount determined in paragraph 1 of this section using fifty percent (50%) instead of sixty percent (60%).

(c) Upon obtaining Normal Retirement Age, the amount of the annual Normal Retirement Pension (payable monthly) shall be determined as:

(1) the Participant's Normal Retirement Pension based on his Final Average Earnings and completed years of Credited Service at date of disability, less

(2) any periodic workers' compensation benefits payable (excluding attorney's fees incurred in pursuing the claim for workers' compensation benefits), less

(3) in the case of an eligible Participant who retires or otherwise terminates employment after September 30, 1998 and before October 1, 2001, the amount resulting from the annual reduction of forty-five hundredths of one percent (0.45%) of Final Average Earnings times his years of Credited Service (subject to a maximum of 35 years). In the case of an eligible Participant who retires or otherwise terminates employment on or after October 1, 2001, the applicable reduction percentage shall be one-half of one percent (0.5%) of Final Average Earnings times his years of Credited Service. The applicable reduction factor, computed on an annual basis, shall apply for any month the benefit is paid following the Participant's sixty-sixth (66th) birthday.

The amount of the resulting benefit shall be increased to reflect all increases that would have applied, in accordance with Section 4.02, to a Normal Retirement Pension during the period from the date of disability to the date of benefit commencement subject to a maximum increase of six percent (6%) annually, and shall thereafter be subject to annual consumer Price Index adjustments as provided in Section 4.02.

Each Participant receiving Disability Retirement Income benefits shall file with the Board of Trustees, at least annually, by April 15th a statement of his earnings for the previous years on forms furnished by the Board, together with such supporting data as may be requested by the Board to establish a basis for determining earnings for operation of this section. The Board may from time to time adopt rules and regulations for defining earnings and further outlining procedures consistent with the purposes of this section. Failure of a Participant receiving Disability Retirement Income benefits to submit required information upon written request by the Board shall subject the Participant receiving Disability Retirement Income benefits to suspension of his Disability Retirement Income payments.

5.03 Period of Payment. For Participants who became Disabled in the discharge of official duties, monthly Disability Retirement Income benefits shall commence on the first day of the month following the conclusion of the period during which the Participant is entitled to receive the Supplemental Worker's Compensation benefit provided under Article 29 of the Collective Bargaining Agreement and any additional period during which the Participant uses accumulated sick leave. Monthly Disability Retirement Income benefits shall commence on the first day of the month following a ninety (90) day waiting period beginning on date of disability for Participants who became disabled for reasons other than the performance of official duties. Disability Retirement Income benefits shall cease on the first day of the month following upon the earlier of the Participant's recovery (in accordance with Section 5.04), or his Normal Retirement Age determined as if he had continued to earn credited Service until his Normal Retirement Age.

Any earned monthly Normal Retirement Pension benefits shall commence on the first of the month coincident with or next following the Normal Retirement Age of the disabled Participant and shall continue until the first of the month in which the Participant dies.

Any remaining difference between total benefits paid and the value of Accumulated Employee Contributions as of the date benefits commence shall be determined and paid as provided for in Section 4.04(d), subject to the limitations contained in Section 4.05.

5.04 Recovery. At least once each year during the first five (5) years following disability and at least once every three years thereafter, the Board of Trustees shall require such Participant to undergo medical examinations as outlined in Section 5.01. In the event that such Participant fails to submit to these medical examinations, benefits shall be discontinued until the Participant submits to the examinations; and should the refusal continue for one (1) year, all rights to disability benefits under this Article shall terminate.

The Board of Trustees may determine, upon receiving supporting medical data from any two (2) physicians, that a disabled Participant has sufficiently recovered to perform a part or all of the duties of a law enforcement officer, or to engage in other gainful employment in which he might reasonably expected to be engaged, in light of education, training or experience. To the extent that such Participant is partially disabled, or was partially or totally disabled but has recovered to some extent, and is unable to be medically certified to full-time active duty as a law enforcement officer, the Board of Trustees may determine the earnings potential of the Participant based upon the degree of disability then still existing and reduce the benefits payable in accordance with Section 5.02(a)(2). The determination of partial disability shall be based upon the medical record and the ability of the Participant to seek gainful employment in light of education, training, experience, retraining and rehabilitation.

In the event a Disabled Participant recovers from the disability so as to be medically certified to full-time active duty as a law enforcement officer prior to his Normal Retirement Age, such Participant shall be re-employed by the Authority as a law enforcement officer provided the participant meets all required law enforcement certification criteria.

In the event a Disabled Participant recovers from the disability so as to be medically certified to full-time active duty as a law enforcement officer prior to his Normal Retirement Age, and he is not reemployed by the Authority because he fails to meet all required law enforcement certification criteria, or because he refused to take the offered position, his Disability Retirement Income benefits under the Plan shall cease, he shall become ineligible to receive a Normal Retirement Pension benefit and his benefit from the Plan shall be determined as if he had terminated employment on the date of his disability. His period of disability shall not be considered for the purposes of determining Credited Service under the Plan.

In the event a Disabled Participant recovers from the disability prior to Normal Retirement Age, and is reemployed by the Authority, the provisions of Section 2.12 and 3.02 shall apply.

ARTICLE 6

EARLY RETIREMENT PENSION

6.01 When Payable. An Early Retirement Pension shall be granted to each Participant who retires prior to becoming eligible to receive a Normal Retirement Pension but on or after the date on which he has attained Age fifty (50) and has completed ten (10) years of Credited Service.

6.02 Amount. Unless an optional method of payment is elected, as described in Section 4.04, the annual Early Retirement Pension benefit payable in monthly installments to an eligible Participant shall equal:

- (a) the Normal Retirement Pension to which the Participant would be entitled had he worked to his Normal Retirement Age, but based on his current Final Average Earnings, multiplied by
- (b) the ratio of his years of Credited Service at termination to the years of Credited Service he would have had upon attainment of his Normal Retirement Age, and multiplied by
- (c) an early retirement reduction factor equal to one (1.00) minus four-tenths of one percent (0.4%) for each complete month by which the early retirement date precedes the Normal Retirement Date provided, however, that in the case of an eligible Participant who retires or otherwise terminates employment after September 30, 1998 and before October 1, 2001, the resulting pension paid during any month following the Participant's sixty-sixth (66th) birthday shall be reduced as follows: the annual benefit amount payable under this Article shall be reduced by forty-five hundredths of one percent (0.45%) of the Participant's Final Average Earnings multiplied by his total years of Credited Service (subject to a maximum of thirty-five [35] years), and further multiplied by all increases in the Early Retirement Pension, granted in accordance with the next paragraph, between the Participant's date of retirement and his sixty-sixth (66th) birthday. In the case of

an eligible Participant who retires or otherwise terminates employment on or after October 1, 2001, the applicable reduction percentage following the Participant's sixty-sixth (66th) birthday shall be one-half of one percent (0.5%) of Final Average Earnings times his total years of Credited Service.

The Early Retirement Pension benefit shall be adjusted each January 1st following retirement to the amount determined by multiplying the benefit payment that would otherwise have been paid on January 1st by the ratio of (1) the Consumer Price Index for the month of September of the latest year, to (2) the Consumer Price Index for the month of September one year earlier. As used in this Plan, the Consumer Price Index shall be defined as the Washington Metropolitan Area CPI-W Index. This adjustment shall be limited to six percent (6%) annually, applied on a cumulative basis.

6.03 Period of Payment. Monthly pension benefits shall commence on the first of the month coincident with or next following the Participant's retirement and shall continue until the first of the month in which the retired Participant dies, unless an optional method of payment has been elected, in which case the monthly pension benefits shall be continued as provided for under the option elected.

6.04 Optional Methods of Payment. Optional methods of payment may be elected in accordance with the provisions of Section 4.04, subject to the limitations contained in Section 4.05.

ARTICLE 7

VESTED PENSION

7.01 When Payable. A Vested Pension shall be granted to each Participant who terminates employment with ten (10) or more years of Credited Service and who is not eligible for any other pension under this Plan.

7.02 Amount. Unless an optional method of payment is elected, as described in Section 4.04, the annual Vested Pension payable in monthly installments to an eligible Participant shall equal:

- a) the Normal Retirement Pension to which the Participant would be entitled had he worked to his Normal Retirement Age, but based on his current Final Average Earnings, multiplied by
- b) the ratio of his years of Credited Service at termination to the years of Credited Service he would have had upon attainment of his Normal Retirement Age. When a Participant receiving a Vested Pension who retired or otherwise terminated employment after September 30, 1998 and before October 1, 2001 attains age 66, the amount of that Vested Pension shall be recalculated as follows: the annual benefit amount payable under this Article shall be reduced by forty-five hundredths of one (1) percent (0.45%) of the Participant's Final Average Earnings multiplied by his total years of credited service (subject to a maximum of 35

years). In the case of a Participant receiving a Vested Pension who retired or otherwise terminated employment on or after October 1, 2001, the applicable reduction percentage following the Participant's sixty-sixth (66th) birthday shall be one-half of one percent (0.5%) of Final Average Earnings times his total years of Credited Service.

The Vested Pension shall be adjusted each January 1st following benefit commencement to the amount determined by multiplying the benefit payment that would otherwise have been paid on January 1st by the ratio of (1) the Consumer Price Index for the month of September of the latest year, to (2) the Consumer Price Index for the month of September one year earlier. As used in this Plan, the Consumer Price Index shall be defined as the Washington Metropolitan Area CPI-W Index. This adjustment shall be limited to six percent (6%) annually, applied on a cumulative basis.

7.03 Period of Payment. Monthly Vested Pension benefits shall commence on the first of the month coincident with or next following the sixty-fifth (65th) birthday of the Participant and shall continue until the first of the month in which the Participant dies, unless an optional method of payment has been elected, in which case the monthly pension benefits shall be continued as provided under the option elected.

7.04 Optional Methods of Payment. Optional methods of payment may be elected in accordance with the provisions of Section 4.04, subject to the limitations contained in Section 4.05.

ARTICLE 8

DEPENDENT PENSION

8.01 When Payable.

- (a) **Spouse.** If a Participant dies before attaining his Actual Retirement Date, while an Employee of the Authority, the Spouse of the deceased Participant shall be entitled to a Dependent Pension, commencing on the first of the month following such Participants date of death.
- (b) **Children.** The benefit amount shall be paid to all Children of the Participant who are, on the date the benefit is paid (1) under age eighteen (18), (2) full-time students at least age eighteen (18), but under age twenty-three (23), or (3) currently and have continuously been incapable of self-support for medically determinable reasons, since the date of the Participant's death.

8.02 Amount. The amount of the Dependent Pension shall be \$900 monthly to the surviving Spouse and \$600 monthly for each dependent Child up to a maximum monthly benefit of \$2,700. The benefit amount shall not be subject to adjustment for changes in the Consumer Price Index. The provisions of this Section 8.02 shall apply to the families of Officer Harry Davis and Officer David Young with respect to payments of the Dependent Pension that are made after May 17, 2001.

8.03 Period of Payment. Monthly pension benefits payable to the Spouse and dependent Children shall commence as of the first of the month following the Participant's date of death and continue until the first of the month in which the Participant's Spouse dies or remarries. Monthly pension benefits payable to the Children shall commence on the first of the month following the death of the Participant and shall continue until the attainment of age eighteen (18) or twenty-three (23) if a full-time student or until the Child marries or becomes self-supporting. After all pension benefits payable under this Article have been paid, any remaining difference between the Accumulated Employee Contributions and the total benefits paid shall be determined and paid as provided for in Section 4.04(d).

8.04 Notwithstanding anything contained herein to the contrary, all distributions made pursuant to the terms of this Section and/or Plan shall comply with the requirements of Section 401(a)(9) of the Internal Revenue Code (and accompanying Treasury Regulations), which requirements are hereby incorporated by reference into this Plan and for all purposes shall be deemed a part of the Plan.

ARTICLE 9

OTHER TERMINATION

9.01 Termination Benefit. If a Participant ceases to work for the Authority at any time and for any reason prior to the date on which such Participant has met the age, service, and other requirements essential for a Normal Retirement Pension, a Disability Retirement Pension, an early Retirement Pension, a Vested Pension, or a Dependent Pension, such Participant (or such Participant's beneficiary) shall be eligible to receive the Participant's Accumulated Employee Contributions. If a Participant (or his dependent eligible for Dependent Pension) is eligible for a Normal Retirement Pension, a Disability Retirement Pension, an Early Retirement Pension, a Vested Pension, or a Dependent Pension payable under this Plan at the time that the Participant ceases to work for the Authority, that Participant or, for a Dependent Pension, the Participant's dependent eligible for Dependent Pension, must irrevocably waive any entitlement to that Pension in order to receive the Participant's Accumulated Employee Contributions.

ARTICLE 10

LIMITATIONS ON BENEFITS

10.01 Notwithstanding anything contained herein to the contrary, the yearly pension payable in any Limitation Year to a Participant under this Plan (and under any other defined benefit plan maintained by the Authority), when expressed in the form of a straight-life annuity for the life of the Participant (with no ancillary benefits, but without adjustment for that portion of any joint and survivor annuity which constitutes a qualified joint and survivor annuity under Internal Revenue Code Section 417(b)), shall comply with limitations placed thereon by Internal Revenue Code Section 415. For the purposes of this Article X, the term "Limitation Year" shall mean a calendar year.

10.02 Whenever otherwise allowed by law, the maximum yearly pension allowable under Internal Revenue Code Section 415 shall be automatically increased, without any amendment to this Plan, to reflect cost-of-living increases announced by the Internal Revenue Service pursuant to Internal Revenue Code Section 415(d) and the increase which is effective as of the January 1st contained within the Limitation Year shall be effective for the entire Limitation Year.

10.03 To the extent a Participant's benefit is subject to provisions of Internal Revenue Code Section 415 which have not been set forth in the Plan, such provisions are hereby incorporated by reference into this Plan and for all purposes shall be deemed a part of the Plan.

ARTICLE 11

QUALIFIED MILITARY SERVICE

Notwithstanding any provision of this Plan to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Internal Revenue Code.

ARTICLE 12

REPAYMENT OF ACCUMULATED EMPLOYEE CONTRIBUTION

UPON REHIRE AND TRANSFER

TO A POSITION NOT COVERED BY THIS PLAN

12.01 Transfer To A Position Not Covered By This Plan. In the event that a Participant of this Plan transfers to a position within the Authority and not covered by this Plan, the Employee's participation under this Plan shall cease as of such transfer date. In the event, the Employee will be entitled to a benefit under this Plan based upon Credited Service and Final Average Earnings as of the date of transfer; provided, however, that for purpose of determining eligibility for benefits under this Plan, all Continuous Service with the Authority shall be considered. In the event that an Employee transfers to a position within the Authority and not covered by this Plan and returns to coverage under this Plan within one year of first transferring, he will be considered for all purposes to never have left this Plan and will be credited with Credited Service for the period of employment covered by the other Plan.

12.02 Repayment of Accumulated Employee Contribution Upon Rehire. If a Participant who has received a refund of his Accumulated Employee Contribution is rehired in a position covered by this Plan, notwithstanding a waiver of pension benefits as provided in Article 9.01 herein, the Participant may repay his Accumulated Employee Contribution that was withdrawn plus interest at the rate of eight percent (8%) per year compounded annually from the date of receipt of the refund through the date that the repayment, including interest was completed.

Upon such repayment, the Participant's prior service covered by the refunded Accumulated Employee Contribution shall be considered Credited Service and Continuous Service.

To be eligible to repay this Accumulated Employee Contribution, the rehired Participant must be an employee within the meaning of Article 2.14 for three years following rehire and must be able to perform the duties of a transit police officer or be disabled in the discharge of his official duties. The Participant shall be granted a sixty (60) day period commencing three years following rehire during which he must notify the Authority of his election to repay the Accumulated Employee Contribution and the specified interest thereon.

Any current employee who previously received a refund of his Accumulated Employee Contribution and who was rehired as an employee prior to July 1, 1997 shall be granted a one-time opportunity to elect to repay his Accumulated Employee Contribution that was withdrawn plus interest at the rate of eight percent (8%) per year compounded annually from the date of receipt of the refund through the date of repayment. For such employees, the Board of Trustees shall establish a sixty-day (60) time period in which the election must be made.

A Participant repaying his Accumulated Employee Contribution under this Article may elect to pay the amount due the Plan in a lump sum at the time of election or in equal payroll deductions over two (2) years, or a minimum ten percent (10%) lump sum and the remainder in payroll deduction. The period of repayment shall not extend beyond the Participant's actual Retirement Date.

In the event of death, retirement or other termination of employment, Credited Service shall include only that portion of the Prior Service, which at the time of termination had been paid for by the Participant. The amount of Prior Service to be included shall equal the amount of service purchased reduced by the ratio of total amount of principal paid to the original amount of principal due.

Where a Participant chooses to repay his Accumulated Employee Contribution with the Plan specified interest solely through payroll deduction and files an irrevocable election to that effect, his contributions will be treated as Employer contributions in the same manner as his current contributions under Plan Section 3.02 are treated as Employer contributions. The repayment of Accumulated Employee Contributions and interest through either a lump sum payment or a partial lump sum payment and partial payroll deduction will be treated only as Employee contributions for all purposes and will not be treated as Employer contributions for income tax purposes under Internal Revenue Code section 414(h)(2).

ARTICLE 13

ELIGIBLE ROLLOVER DISTRIBUTION PRIVILEGES

13.01 Right To Trustee-To-Trustee Transfer Of Eligible Rollover Distributions. For all Eligible Rollover Distributions (as defined in Plan Sec. 13.02(c)) occurring after December

31, 1992, a Distributee (as defined in Plan Sec. 13.02(a)) may elect, at the time and in the manner prescribed by the Plan Trustees, to have any portion of an Eligible Rollover Distribution paid to an Eligible Retirement Plan (as defined in Plan Sec. 13.02(b)) specified by the Distributee in a direct Plan to receiving Eligible Retirement Plan payment.

13.02 Definitions: The following definitions shall be used in the construction of this Article.

- (a) “Distributee” shall include a Participant or former Participant, and the Participant’s or former Participant’s surviving spouse.
- (b) “Eligible Retirement Plan” shall mean an individual retirement account as described in Internal Revenue Code Sec. 408(a), an individual retirement annuity as described in Internal Revenue Code Sec. 408(a), or a defined contribution plan qualified under Internal Revenue Code Sec. 401(a) that has elected to accept Eligible Rollover Distributions. For purposes of an Eligible Rollover Distribution to a surviving spouse, the previous sentence is inapplicable. Instead, an Eligible Retirement Plan shall mean either an individual retirement account as described in Internal Revenue Code Sec. 408(a) or an individual retirement annuity as described in Internal Revenue Code Sec. 408(b).
- (c) “Eligible Rollover Distribution” shall mean any distribution of all or any part of the balance to the credit of the Distributee except for distributions (or any portion of distributions) which are (1) a series of substantially equal periodic payments made no less frequently than annually for either the life (or life expectancy) of the Participant or the joint lives (or life expectancies) of the Participant and his/her spouse or other designated beneficiary; (2) a series of substantially equal periodic payments made no less frequently than annually for specific period of time lasting ten or more years; (3) required under the minimum distribution requirements of Internal Revenue Code Sec. 401(a)(9) or any successor statute; or (4) not included in the Distributee’s gross income. Any hardship distribution described in Code Section 401(k)(2)(B)(i)(iv).

ARTICLE 14

MODIFICATION, AMENDMENT AND DISCONTINUANCE OF THE PLAN

14.01 Power To Modify, Amend Or Discontinue Plan Reserved. The provisions of this Plan may be modified or amended, or the Plan may be terminated subject to the terms and conditions of the collective bargaining agreements and any applicable law or regulation. Any modifications or amendments required for qualification of the Plan under the Internal Revenue Code may be made by written resolution of the Board of Trustees. These rights are subject to the condition that no part of the assets of the Plan shall, by reason of any modification, amendment or termination, be used for or diverted to purposes other than for the exclusive benefit of Participants, retired Participants and their beneficiaries under the Plan,

unless and until all liabilities of the Plan have been satisfied, in which case any remaining assets may revert to the Authority.

By written resolution, the Board of Trustees may recommend changes in the language of this Plan that are not required as a condition of qualification under the Internal Revenue Code to the appropriate representatives of the Union and the Authority for their consideration. The recommended changes shall not be effective until both the Union and the Authority have agreed to those changes in writing.

14.02 Distribution Upon Termination Of The Plan. If the plan is terminated at any time or there is a complete discontinuance of contributions to the Plan, the rights of all Participants to the benefits accrued to the date of termination or discontinuance, to the extent then funded, shall be fully vested and non-forfeitable. All participants shall be entitled to the value of their Accumulated Employee Contributions. The funds then held by the Trustees in excess of the value of Accumulated Employee Contributions shall be allocated and applied by the Trustees in amounts which, when added to the value of Accumulated Employee Contributions, will provide the benefits contemplated by the Plan in the following order of priority:

- (a) First, to provide for the continued payment of retirement benefits to all retired or former Participants and their beneficiaries who as of the date of termination or discontinuance were receiving benefits under this Plan. Any reduction in the retirement benefits within the group necessitated by any insufficiency of assets at or after the date of termination or discontinuance of the Plan shall be shared proportionately on the basis of similar annuity values, taking into consideration the contingent benefits attributable to the benefit being paid.
- (b) Second, if any such assets remain after complete allocation for the purposes of (a) above, to provide retirement pensions computed under Article 4 to all Participants and former Participants who, at the date of termination or discontinuance of the Plan, have reached their Normal Retirement Date and have not as yet received retirement benefits under this Plan. The amount, if any, to be allocated for this purpose shall be based on immediate annuity values applicable to the Participant and such other contingent annuitants that may receive benefits attributable to the Participant, and shall be subject to any reduction necessitated by any insufficiency of assets as in (a) above.
- (c) Third, if any such assets remain after complete allocation for the purposes of (a) and (b) above, to provide Early Retirement Pensions computed under Article 6 to Participants who, at the date of termination or discontinuance of the Plan, have satisfied the conditions of Section 6.01. The amount, if any to be allocated shall be based on immediate annuity values, as in (b) above, and shall be subject to reduction for insufficiency of assets as in (a) and (b) above.
- (d) Fourth, if any such assets remain after complete allocation for the purposes of (a), (b), and (c) above, to provide vested Pensions computed under Article 7 to Participants and former Participants, who would be or who previously have be-

come eligible to receive a Vested Pension but who have not yet received retirement benefits under the Plan and to Disabled Participants in accordance with Article 5 who have not yet received retirement benefits under this Plan. The amounts, if any, to be allocated shall be based on deferred life annuity values and shall be subject to reduction for insufficiency of assets in (a), (b), and (c) above.

- (e) Fifth, if any such assets remain after complete allocation for the purposes of (a), (b), (c), and (d) above, to provide accrued pensions computed under Article 7 for all other Participants in the Plan as of the date of termination or discontinuance. The amount, if any, to be allocated for this purpose shall be determined as in (d) above.

Any funds that may remain after having provided in full for the benefits of all persons in the groups identified above shall be deemed an amount due to erroneous actuarial computation and shall be returned to the Authority.

The distribution of benefits in accordance with this Section 14.02 may be carried out through the continuance of the existing Trust, the retention and/or purchase of insurance of annuity contract, the creation of a new trust or trusts, or by payment of cash, or by any combination of the foregoing, as the Board of Trustees shall determine.

14.03 Effect Of Merger Or Consolidation. In the event that the Authority is merged into or consolidated with, or substantially all of the assets of the Authority are transferred to, another agency (hereinafter called the "successor"), with the result that Employees of the Authority covered by the Plan become employees of the successor and the successor undertakes to assume all of the rights and obligations of the Authority under this Plan, then such action shall not constitute a discontinuance or termination of the Plan, and the Plan shall continue in effect for the Participants in accordance with its terms. If the Plan is assumed by a successor, the Credited Service or Continuous Service of any Participant who is continued in the employ of such successor shall not be deemed to have been terminated or interrupted for any purpose under the Plan as a result of such merger, consolidation or purchase of substantially all of the assets of the Authority. The assumption of the Plan by the successor may be evidenced by the terms of the agreement of merger, consolidation or purchase or may be evidenced by resolution of the governing body of the successor adopted within ninety (90) days after the date of the transaction.

14.04 Diversion Of Assets. No part of the assets accumulated for the Plan under the Trust shall be used directly or indirectly for any purpose other than the exclusive benefit of Participants under the Plan as it is established, or as the Plan may be changed by modification, amendment or termination, prior to the satisfaction of all liabilities under the Plan.

14.05 Applicable Law. Nothing contained in either the Plan documents or the Trust Agreement is intended to violate the express provisions of, or exceed the powers vested in WMATA by, Pub. L. 89-774, November 6, 1966, 80 Stat. 1324; Pub. L. 92-349, July 13, 1972, 86 Stat. 466; Pub. L. 92-517, October 21, 1972, 86 Stat. 999, and Pub. L. 94-306, June 4, 1976, the consent legislation of the District of Columbia, State of Maryland, and

Commonwealth of Virginia, and any future amendment to any of the above statutes (hereinafter known collectively as the WMATA Compact). In the event of a conflict or inconsistency between the WMATA Compact and any other State or Federal statute or common law, or this Plan or Trust Agreement, it is the intent of the Union and WMATA that the WMATA Compact govern.

ARTICLE 15

ADMINISTRATION OF THE PLAN

15.01 The Trust And Board Of Trustees. The Authority and the Union have entered into an Agreement with the Board of Trustees for the establishment of the trust including provisions with respect to the power and authority of the Trustees, limitations on the liability of the Trustees, and that, with respect to any payments to or for the benefit of any Participant or beneficiary under this Plan, the Trustees shall make said payments in accordance with the terms of the Agreement. The Agreement shall be deemed to form a part of this Plan, and any and all rights or benefits, which may accrue to any person under this Plan, shall be subject to the terms and provisions of the Agreement.

15.02 Investment Of Contributions. The contributions made shall be invested through the trust fund established by the Agreement and in accordance with the provisions of the Agreement of which this Plan is a part. The Agreement covers the detailed provisions with respect to the responsibility of the Trustees for the investment of the funds received.

15.03 Delegation Of Authority. The Board of Trustees shall be designated as "Plan Sponsor" and "Plan Administrator." The Authority shall maintain, or cause to be maintained, records on the employment and compensation history of each Participant in sufficient detail to permit an accurate determination of any benefits to which the Participant may be entitled under the Plan. The Board of Trustees shall direct their duties with respect to the Plan solely in the interest of the Plan's Participants and beneficiaries for the exclusive purpose of providing benefits to the Plan's Participants and beneficiaries and defraying reasonable expenses of administering the Plan.

15.04 Conduct of Board of Trustees Business. The Board of Trustees shall conduct its business and hold meetings as determined by it from time to time. A majority of the Trustees shall have the power to act, and the concurrence of any member may be by telephone, telegram or letter. The Board of Trustees may delegate any one of its members to carry out specific duties and to sign appropriate forms and authorizations. In carrying out its duties, the Board of Trustees may, from time to time, employ an administrative organization and agents and may delegate to them ministerial and limited discretionary duties as it sees fit, and may consult with counsel, who may be of counsel to the Authority.

15.05 Board of Trustees Officers, Committees and Agents. The Board of Trustees shall elect from its members a Chairman and a Secretary and shall appoint such committees as it shall deem necessary and appropriate, and may authorize one or more of its number or

any agent to execute or deliver any instrument on its behalf and do any and all other things necessary and proper in the administration of the Plan.

15.06 Expenses Of The Board Of Trustees And Plan Costs. The expenses of administering the Plan, including the printing of literature and forms related thereto, the disbursement of benefits thereunder; the compensation of administrative organizations, agents, actuaries, counsel, or Trustees shall be paid by the Trustees from the Trust Fund.

15.07 Records Of The Board Of Trustees. The Board of Trustees shall keep a record of all its proceedings, which shall be open to inspection by the Authority and the Union.

15.08 Board of Trustee's Right To Administer And Interpret The Plan. The Board of Trustees shall have the power and authority to administer and interpret the Plan and to adopt such rules and regulations as in the opinion of the Board of Trustees are necessary or advisable to implement, administer and interpret the Plan, or to transact its business. Such rules and regulations as are adopted by the Trustees, shall be binding upon any persons having an interest in or under the Plan.

15.09 Claims Procedure. The Trustees shall establish the procedure for the submission, processing and disposition of claims for benefits and requests for interpretations of the Plan submitted by Employees.

15.10 Jurisdiction. Jurisdiction and venue of all litigation against this Plan, Trustees or the Trust Agreement shall be exclusively in the United States District Court for the District of Columbia. The Plan and Trust Agreement shall be construed, administered and enforced pursuant to statutes and common law of the District of Columbia, except as otherwise provided herein. The Union and the Authority agree that ERISA is inapplicable to this Plan and Trust Agreement.

15.11 No waiver Of Rights Or Limitations. The naming of Trustees to this Plan and Trust Agreement by WMATA shall not be construed as a waiver of any rights granted or limitations imposed on WMATA by the WMATA Compact.

15.12 Trustee Power To Recover Overpayment Of Benefits. The Board of Trustees shall have the power to recover overpaid benefits from any Participant, Participant's estate, or beneficiary receiving benefits on the Participant's earnings and service credit, by whatever way the Board of Trustees deems appropriate. Both WMATA and the Union expressly agree that all legal means may be used to recover overpayments, including but not limited to withholding the amount of the overpayment from succeeding benefit payments, making payment plan arrangement with the recipient of the overpayment, and filing suit.

ARTICLE 16
GENERAL PROVISIONS

16.01 Right To Employment. Nothing contained in the Plan or the establishment of the Trust hereunder or any modification thereof, or the creation of any fund or account for the payment of any benefit shall be construed to give any Employee, Participant or beneficiary any right to employment or continued employment with the Authority or any legal or equitable rights against the Authority, any member of the Board of Directors, officer, agent or employee of the Authority, against the Union, or any officer or agent of the Union, or against the Trustees or their agents or employees, except as herein provided.

16.02 Incapacity. In the event that any retired Participant is unable to care for his affairs because of illness or accident, any payment due (unless a duly qualified guardian or other legal representative has been appointed) may be paid to the Participant's Spouse, parent, brother, sister or other person deemed by the Trustees to have incurred expenses for the care of such retired Participant.

16.03 Reports To Participants. Each Participant will be notified on an annual basis of the total amount of his Accumulated Employee Contributions. The form and manner of notification will be adopted by the Trustees.

16.04 Assignment And Loan. No employee shall have the right to assign, transfer, encumber or otherwise subject to lien any of the benefits provided under this Plan. The right of any Participant, Employee or beneficiary to any benefit or to any payment hereunder or to any separate account shall not be subject to alienation, transfer, assignment or encumbrance or otherwise subject to lien, and no loans shall be made under the Plan on the basis of any account held on behalf of a Participant or former Participant.

16.05 Settlement Of Small Pensions. In the event that the pension provided for any Participant of the Plan is less than \$20 a month, the Trustees may, but shall not be required to, cause such pension to be satisfied by the payment to the Participant entitled thereto of a pension of Actuarial Equivalent value in quarterly, semi-annual or annual installments or in a lump sum which the Trustees determine to be the Actuarial Equivalent of the pension to which the Participant is entitled.

16.06 Forfeitures. Forfeitures, if any, must not be applied to increase the pension benefits any Participant would otherwise receive under the Plan.

16.07 Gender And Pronoun. The masculine pronoun, wherever used, shall include the feminine pronoun, and the singular number shall include the plural number, unless the context of the Plan requires otherwise.

16.08 Liability. No liability shall attach to or be incurred by the Authority, any member of the Board of Directors, officer, agent or employee of the Authority, the Union, any officer or agent or agent of the Union, the Trustees or their agents or employees by reason of the

terms, conditions or agreements contained in this Plan or in the Agreement executed in connection herewith. The Authority, any member of the Board of Directors, officer, agent or employee of the Authority, the Union, any officer or agent of the Union, and the Trustees or their agents or employees shall be entitled to rely upon any and all certificates and reports or opinions given by any duly appointed accountant, actuary, investment advisor or legal counsel (who may be counsel for the Authority), and shall be fully protected against any action taken in good faith in reliance upon such tables, valuations, certificates, reports or opinions.

16.09 Tax Qualification. This Plan has been adopted and is based upon the condition precedent that the Plan be initially qualified by the Internal Revenue Service as meeting the requirements of the Internal Revenue Code and regulations issued thereunder with respect to qualified pension plans, so as to exempt the Trust established as a part of the Plan from tax on its income. Notwithstanding any other provisions of the Plan, if the Commissioner of Internal Revenue or his delegate determines that the Plan or the amended Plan as it may be amended by the Board of Trustees in an effort to receive such approval, does not initially qualify under the applicable provisions of the Internal Revenue Code, the Board of Trustees will make such changes as required to so qualify the Plan.

16.10 Employee Choice of Benefits. Where a Participant shall be eligible to receive more than one benefit under this Plan at the same time, that Participant shall make an irrevocable election as to which of the benefits he chooses to receive. No Participant shall receive more than one benefit under this Plan at the same time. However, nothing in this section shall be construed to deny any Participant the right to receive a dependent pension at the same time as the Participant receives a benefit based on his/her own earnings and service.

ARTICLE 17

PLAN EXECUTION

17.01 Number Of Counterparts. The Plan may be executed in any number of counterparts, each of which when duly executed by the Authority shall be deemed to be an original, but all of which shall together constitute but one instrument which may be evidenced by any counterpart.

17.02 Section Headings. All section headings used throughout this Plan are for the purposes of identification only and are not to be used in construing this instrument.

IN WITNESS WHEREOF, this document has been executed this 26th day of June 2006.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY



Dan Tangherlini
Interim General Manager


6/26/06
(Date)



D. Richard Froelke
Director
Office of Employee & Labor Relations

6/26/06
(Date)

FRATERNAL ORDER OF POLICE/METRO TRANSIT POLICE LABOR COMMITTEE



ElWarren Weatherspoon
Chairman

6/21/06
(Date)

APPENDIX A
Actuarially Equivalent Factors

1. Joint and Survivor Option

<u>Percentage of Reduced Benefit To Be Continued To Beneficiary</u>	<u>Factor To Determine Benefit Payable To Participant Under Joint And Survivor Option</u>
100%	83.00% plus (minus) .40% for each year that beneficiary is older (younger) than the Participant. Factor cannot exceed 91%.
75%	86.00% plus (minus) .40% for each year that beneficiary is older (younger) than the Participant. Factor cannot exceed 93%
66.67%	88.00% plus (minus) .40% for each year that beneficiary is older (younger) than the Participant. Factor cannot exceed 94%.
50%	90.00% plus (minus) .30% for each year that the beneficiary is older (younger) than the Participant. Factor cannot exceed 95%.

2. Life With 10 Year Period Certain Option

Factor To Determine Benefit Payable To Participant

95% plus (minus) .60% for each year that the Participant's age on his last birthday before his retirement is less (greater) than 60. Factor cannot exceed 98%.

3. Life With 5 Year Period Certain Option

99.00% plus (minus) .20% for each year that Participant's age on his last birthday before retirement is less (greater) than 60. Factor cannot exceed 100%

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Police - Local FOP
Salary Schedules

	1	2	3	4	STEPS					9	10
October 2008					5	6	7	8			
PO-1	48,106	49,838	51,483	54,121	59,341	64,105	68,702	71,016		73,148	74,896
PO-2			53,791	56,744	61,724	66,540	71,227	74,280		77,375	80,945
PO-3					63,531	69,144	74,328	77,784		82,342	86,338

PROGRESSION BETWEEN STEPS

- 1 Year Interval: Steps 1 through 5
- 2 Year Interval: Steps 6 through 9
- 3 Year Interval: Step 10

LETTER OF UNDERSTANDING

April 15, 2008

Mr. ElWarren Weatherspoon
Chairman
FOP/MTP Labor Committee
711 4th Street, NW
Washington, DC 20001

Re: Selection of Arbitration Panel

Dear Chairman Weatherspoon:

Pursuant to Article 10 Section 2 of our Collective Bargaining Agreement, "The parties will establish by mutual agreement a list of at least three neutral arbitrators. The parties will designate these arbitrators in rotation to serve as the neutral arbitrator on grievance arbitration panels." The Authority and the FOP/ Metro Transit Police Labor Committee hereby jointly select in alphabetical order the following neutrals to serve on their arbitration panel:

Ira Jaffe

Marvin Johnson

Please record your concurrence below.

Very Truly Yours,



D. Richard Froelke,
Director, Office of Employee and Labor Relations

I Concur:



ELWarren Weatherspoon
On Behalf of FOP/MTPLC

Date

LETTER OF UNDERSTANDING

April 15, 2008



Mr. ElWarren Weatherspoon
Chairman
FOP/MTP Labor Committee
711 4TH Street, NW
Washington, DC 20001

Re: Incentive Pilot Program

Dear Mr. Weatherspoon:

During our current round of collective bargaining negotiations, the parties had substantial discussions concerning matters of recruitment, retention, and compensation of MTPD officers. We discussed quit rate data and analyzed the reasons officers have given for leaving the MTPD, including compensation packages of other competing police jurisdictions. In an effort to further induce our valued officer employees/members to remain with MTPD, the parties will pilot a simple straight forward approach to determine how it works as a retention tool for the 2008-10 period of the new collective bargaining agreement.

All officers, other than those participating in the DROP program, who have completed three years of service or more on the eligibility dates will be eligible for lump sum cash payments in the amount of \$1,700 each as set forth below:

On Board
Eligibility Date
December 30, 2008
December 30, 2009

Lump Sum Cash Payment Date
(in First Pay Period After)
July 1, 2009
July 1, 2010

Please record your agreement to this pilot program by signing below.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. Froelke'.

D. Richard Froelke,
Director, Office of Employee and Labor Relations

I Concur:

A handwritten signature in dark ink, appearing to read 'ElWarren Weatherspoon'.

ElWarren Weatherspoon
Chairman, FOP/MTP Labor Committee

04.18.08
(Date)

Washington
Metropolitan Area
Transit Authority

400 Fifth Street, NW
Washington, DC 20001
202/962-1234

By Metrorail:
any Square—Red Line
ry Place-Chinatown—
Red, Green and
Yellow Lines
By Metrobus:
utes 01, 03, 06, P6,
70, 71, 80, X2

District of Columbia,
Maryland and Virginia
Transit Partnership

LETTER OF UNDERSTANDING

April 15, 2008



Mr. ElWarren Weatherspoon
Chairman
FOP/MTP Labor Committee
711 4TH Street, NW
Washington, DC 20001

Re: MTPD Wellness Pilot Program

Dear Mr. Weatherspoon:

This letter is to confirm the understandings achieved between the parties during the 2007-2008 negotiations regarding the formation of a workgroup to study, design and recommend to the General Manager, if feasible, a comprehensive MTPD employee wellness pilot program.

The program will be developed to encourage members to maintain healthy lifestyles, reduce risk factors for lifestyle-related health conditions and improve morale and self concept. The program will recommend levels of monetary benefit, payable to the individual participant who achieves mutually agreed-upon levels of fitness or completion of tasks.

If this program is to be successful, the signatories understand that all parties must share in its formation and cooperate to convince the General Manager and Board to fund the benefits for those achieving planned fitness goals.

The parties intend to undertake development of the wellness program design as soon as possible after the effective date of 2008 Agreement.

Sincerely,

D. Richard Froelke,
Director, Office of Employee and Labor Relations

I Concur:

ElWarren Weatherspoon
Chairman
FOP/MTP Labor Committee

04.18.08

(Date)

Washington
Metropolitan Area
Transit Authority

100 Fifth Street, NW
Washington, DC 20001
202/962-1234

By Metroall:
ciary Square—Red Line
ery Place—Chinatown—
Red, Green and
Yellow Lines
By Metrobus:
outes D1, D3, D6, P6,
70, 71, 80, X2

Fraternal Order of Police
Metro Transit Police Labor Committee, Inc.
711 4th Street, N.W.
Washington, DC 20001
Ph: (202) 408-7767
Fax: (202) 408-7880