

TRANSIT EMPLOYEES HEALTH AND WELFARE FUND AGREEMENT AND DECLARATION OF TRUST

This Agreement and Declaration of Trust is made and entered into as of the ___ day of September, 2014, by and between the Massachusetts Bay Transportation Authority (the "Authority" or "MBTA") and Local Union 589, Amalgamated Transit Union, AFL-CIO, CLC (the "Union" or "Local 589").

WHEREAS, the Union and Authority are parties to a collective bargaining agreement and desire to establish a jointly administered health and welfare trust to provide supplemental health and welfare benefits which shall be determined so as to avoid duplication of benefits available through the Commonwealth of Massachusetts Group Insurance Commission ("GIC") to employees and their dependents and retirees and their dependents;

NOW, THEREFORE, the parties hereby agree the trust fund document herein created shall be designated the Transit Employees Health and Welfare Fund and shall read as follows:

ARTICLE I **DEFINITIONS**

1. "Agreement" or "Agreement and Declaration of Trust" means this Agreement and Declaration of Trust, establishing the Transit Employees Health and Welfare Fund, including any amendments, modifications or changes thereto.
2. "Authority" shall mean the Massachusetts Bay Transportation Authority.
3. "Board of Trustees" or "Board" or "Trustees" shall consist of those persons designated in accordance with Article III who shall be in charge of the overall administration of the Fund.
4. "Collective Bargaining Agreement" means the Collective Bargaining Agreement in effect between the Union and the Authority and any amendments to or modifications or replacements hereof.
5. "Contribution" or "payments" means the money paid into the Fund by the Authority, Employees, Retirees or their beneficiaries if applicable.
6. "Corporate Trustee" shall mean such bank, or credit union, trust company, insurance company or other financial institution as may be designated by the Board of Trustees to hold in trust the property of the Transit Employees Health and Welfare Fund and to manage the Fund in accordance with the terms of a trust agreement entered into by and between the Board of Trustees and said Corporate Trustee. The Board of Trustees, however, reserves the right to determine whether or not to retain a Corporate Trustee for the purpose of holding in trust the property of the Transit Employees Health and Welfare Fund and/or for the purpose of managing the Health and Welfare Fund.

7. "Employee" shall include any employee employed by the Authority whether or not represented by the Union;
8. "Fund", or "Health and Welfare Fund", "Health and Welfare Plan", "Plan", "Trust" or "Trust Fund" shall mean the Transit Employees Health and Welfare Fund, and the Fund shall consist of all policies together with all dividends, refunds or other sums payable to the Trustees on account of such policies, all investments made and held by the Trustees, all moneys received by the Trustees as contributions or as income from investments made and held by the Trustees or otherwise, and money properly received and held by the Trustees for uses, purposes and trusts set forth in this Agreement and Declaration of Trust.
9. "Retiree" shall mean any person who has retired pursuant to any MBTA pension plan;
10. "Union" shall mean Local 589, Amalgamated Transit Union, AFL-CIO, CLC and/or the employees or retirees of the Authority represented by such organization, or its successors.

ARTICLE II
NAME AND PURPOSE

1. There is established a "Trust Fund" to be known as the Transit Employees Health and Welfare Fund.
2. The purposes of this Trust are to collect, hold, manage, preserve and, if the Trustees deem expedient in their sole discretion, to invest and reinvest, as hereinafter provided, the moneys paid to the Trust, by the Authority, its Employees, Retirees or beneficiaries if applicable, as from time to time agreed upon by the Authority and the Union, together with any income therefrom, and to pay to and/or provide Employees and Retirees and their beneficiaries with such supplemental benefits which may be provided by the purchase of insurance or may be directly payable from the Fund, in accordance with the agreement of the Authority and the Union from time to time.

ARTICLE III
NUMBER OF TRUSTEES, DESIGNATION, MEETINGS, VOTING, SUCCESSOR TRUSTEES, EX-OFICIO TRUSTEES

1. The Trust Fund shall be administered and operated by a Board of Trustees, seven in number appointed or elected as follows:
 - (a) Three persons appointed by the Authority from time to time to serve at the pleasure of the Authority;
 - (b) One member elected by vote conducted by the Authority for a term of three years by Employees participating in the Health and Welfare Fund who are not members of, nor represented by, the Union;
 - (c) Two members to be designated by the Union to serve at the pleasure of the Union;

- (d) One person, to be known as the Honorary Member, who shall have no vote except as hereinafter provided, to be selected for such period as the Fund Trustees may determine. In the event the Trustees are unable to reach a decision on the designation of the first Honorary Member of the Fund or a replacement for such person, the Trustees shall request a list of seven persons qualified to decide health and welfare issues furnished by the American Arbitration Association. In an order determined by coin toss, each Trustee shall strike one name from the list until one name remains and that person shall be the Honorary Member. The order of striking shall alternate between the Authority and the Trustees designated in paragraphs (b) and (c) above. The Honorary Member shall serve a term of three years which may be renewed, without limit to the number of terms, by vote of the Trustees. The Trustees retain the authority to terminate the services of the Honorary Member at anytime.
 - (e) Each Trustee, except the Honorary Member, shall have an alternate who shall be appointed or elected in the same manner and for the same terms as his/her principal, and who may act as a Trustee in the absence of his/her principal and when so acting shall be deemed a Trustee with all the powers of a Trustee.
 - (f) The Trustees, by affixing their signatures at the end of this Trust Agreement, agree to accept their Trusteeship and to act in their capacities strictly in accordance with the provisions of this Agreement.
2. The Trust Fund shall at all times be administered by an equal number of Authority Trustees and Trustees designated under Sections 1(b) and (c).
 3. The officers of the Fund shall be the Chairman and Secretary. The Chairman shall be designated for the first year by the Authority for a term of one year. In the second year, the Chairman shall be designated by the Union. The Secretary shall be designated by the Union for the first year for a term of one year. In the second year, the Secretary shall be designated by the Authority. The designation of Chairman and Secretary shall rotate each year. As used herein, the term "year" shall mean the period of July 1 through June 30, beginning with July 1, 2014.
 4. The Chairman of the Board of Trustees or five or more Trustees may call a meeting of the Board of Trustees by giving at least five days written notice of the date, time and place thereof to the remaining Trustees; the required notice may be waived if the majority of Trustees consent to such waiver. Such waiver shall be in writing. Trustees may participate in any meeting by conference call.
 5. The Trustees shall meet at least quarterly upon such notice and at such place and time as the Trustees shall determine. A quorum of the Board of Trustees shall consist of at least two Authority Trustees and at least two Trustees designated under sections 1(b) and 1(c) of this Article (hereinafter "Union Trustees").
 - (a) At least four votes, including the votes of at least two members appointed by the Authority and the votes of at least two members designated under either section 1(b) or 1(c) of this Article shall be necessary for a decision of the Trustees. In the

event of a failure to reach a decision the Trustees shall invite the Honorary Member to cast a vote at the next meeting of the Board. His/her vote, together with the votes of at least two members appointed by the Authority or of at least two members designated under either section 1(b) or 1(c) of this Article shall be the deciding vote. As used herein, "decision" shall include any action taken by the Board in the exercise of powers granted under this Agreement. Whenever the Board is directed, in accordance with the provisions of this Agreement to invoke the honorary Member to cast a vote, any member of the Board is hereby specifically empowered to extend such invitation. All decisions of the Board, made in compliance with this Agreement, shall be final and conclusive.

- (b) The Trustees shall have no power to adopt a less restrictive rule either as to the composition of a quorum than that specified in this Article or as to the vote required to reach a decision.
 - (c) Except as provided in Article IV 2(t), the Trustees shall have no power to decide which health and welfare benefits are to be provided under this Agreement and will not determine the required contribution amount for either the Authority nor for Employees or Retirees. Furthermore, the Trustees shall not have any authority to alter or amend this Agreement. The Trustee's powers shall be limited to the administration of the Fund as delineated in this Agreement. Nevertheless, the Trustees may establish rules and regulations for the administration of the Fund and the transaction of its business. The Trustees shall also be responsible for publishing an Annual Report containing, among other things, the accounts and records of all their investments, contracts, receipts, disbursements, and other transactions; and all accounts, books and records relating thereto.
 - (d) No Trustee shall be compensated for his/her services, except that the Honorary Member may receive such per diem compensation for attendance at meetings as the other Trustees shall determine. Any Trustee may be reimbursed by the Fund for any reasonable and necessary expenses.
6. If the circumstances require it, action may be taken by the Trustees without a meeting provided, however, that such action shall require the concurrence of a majority of the Union and Authority Trustees and such action shall be formally affirmed by vote at the next regular meeting of the Trustees.
 7. If a Union Trustee is removed, resigns, dies, refuses, or for any reason fails or is unable to act as such Trustee, the Union shall promptly notify the Authority, the Trust and the other Trustees, in writing, and a successor Trustee shall be appointed in accordance with the provisions of Article III, Section 1. Such an appointment shall be effective when the Authority, the Trust and the other Trustees have received from the Union a signed copy of the acceptance of office by the Successor Trustee.
 8. If an Authority Trustee is removed, resigns, dies, refuses, or for any reason fails or is unable to act as Trustee, the Authority, shall promptly notify the Union, the Trust and the other Trustees in writing, and the Authority shall appoint a Successor Trustee. Such an appointment shall be effective when the Union, the Trust and the other Trustees have

received from the Authority a signed copy of the acceptance of office by the Successor Trustee.

9. Any Successor Trustee shall immediately upon appointment as a Successor Trustee, and upon acceptance of the Trusteeship in writing, become vested with all the property, writings, powers and duties of a Trustee hereunder, and notice of the appointment of the Successor Trustee shall be given to the other Trustees, to any bank or credit union, or banks used as a depository for the Trust Fund, as well as to any other institution or person holding any of the property and assets of the Trust Fund.
10. The Secretary, or designee, of the Trustees and of the Health and Welfare Fund shall keep minutes of all meetings of the Trustees and the minutes shall be approved by the Trustees.

ARTICLE IV **POWERS AND DUTIES OF THE TRUSTEES**

1. Subject to the other provisions of this Agreement, the Trustees shall discharge their duties with respect to the Health and Welfare Fund solely:
 - (a) For the exclusive purpose of providing benefits to Employees and Retirees and their covered dependents, and defraying reasonable expenses of administering the Health and Welfare Fund;
 - (b) With the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and
 - (c) In accordance with the documents and instruments governing the Health and Welfare Fund insofar as such documents and instruments are consistent with applicable law.
2. In operating and administering the Trust Fund the Trustee shall have the power and/or duty:
 - (a) To establish the policy and the rules pursuant to which the Trust Fund is to be operated and administered, provided that except as provided under Section 2(t) herein the Trustees shall have no power or authority to designate any benefits or establish any contribution levels, or to amend or alter any of the provisions of this Agreement as such powers rest solely with the Authority and the Union in collective bargaining;
 - (b) To make, adopt, amend, or repeal rules and regulations not inconsistent with the terms of this Agreement and Declaration of Trust, as amended, if the Trustees may deem it necessary or desirable for the conduct of their business and the governance of themselves, their officers, agents, and other representatives;

- (c) To receive Authority and Employee/Retiree contributions and any other money or things of value as a gift, contribution, payment, demanded or otherwise, for deposit into or to be made a part of the Trust;
- (d) To pay or provide for payment of all responsible and necessary expenses of collecting the contributions from the Authority and Employees and Retirees who are obligated to contribute to this Fund, and of administering the affairs of the Trust Fund, including but without limitation to the matters herein set forth, all expenses which may be incurred in connection with the establishment of the Trust Fund, the employment of such administrative, legal, accounting, expert, consultative and clerical assistance, the purchase or leasing of such premises and the purchase or lease of such materials, supplies, and equipment as the Trustees, in their discretion, find necessary or appropriate in the performance of their duties, provided, however, that the Trustees shall not be required to incur any of the foregoing expenses unless moneys are available in the Fund for such purpose;
- (e) To purchase from a reputable insurance company, licensed to do business in the Commonwealth, to be selected by the Trustees, coverage for all eligible Employees and Retirees of such insurance or other benefits that have been agreed to by the Authority and the Union in collective bargaining;
- (f) To pay or provide for the payment of premiums on any insurance or policies when such premiums shall become due;
- (g) To exercise all rights and privileges granted to the policyholder by provisions of each policy or allowed by insurance carrier to any alteration, modification, or amendment of such policy and to take any action respecting such policy or the insurance provided thereunder which may be necessary or advisable, and such insurance carrier shall not be required to inquire into the authority of the Trustees with regard to any dealings in connection with such policy. If the Trustees so agree with any insurance carrier or carriers of the policy or policies, the Trustees, or any person or persons designated by them, may pass upon the validity of claims for benefits under a policy or policies, and, in payment of such claims in the amounts approved, may sign drafts upon the insurance carrier or carriers of such policy or policies;
- (h) (i) to purchase or subscribe for any securities or other property; (ii) to sell, exchange, mortgage or lease any of the assets of the Health and Welfare Fund; (iii) to make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted; (iv) to vote upon any stocks, bonds or other securities; and (v) to generally to exercise any of the powers of an owner with respect to stocks, bonds, securities or other property held in the Health and Welfare Fund;
- (i) To establish and accumulate as part of the Fund an adequate reserve to carry out the purpose of the Trust;
- (j) To deposit any moneys, included in or derived from the Fund, in any bank, credit union, or other financial institution doing business in the Commonwealth of

Massachusetts, to deposit in any bank, credit union, or other financial institution doing business in the Commonwealth of Massachusetts for safekeeping any of the funds, stock or share certificates, bonds, or other securities or obligations, and any documents and papers comprised in or relating to the Fund, provided, however, that the amount of money on deposit in any bank, credit union, or other financial institution, shall be determined by the Trustees, and any funds not necessarily for the current obligations of the Trustees may be invested in United States Government Bonds or in investments legal for trusts in the Commonwealth of Massachusetts;

- (k) To hold sums un-invested, without liability on the Trustees to pay any interest thereon, as part of the Trust Fund, in such amounts and for such periods of time as they in their sole discretion deem prudent;
- (l) To request the Authority to furnish to the Trustees such information and reports as they may require in the performance of their duties under this Agreement and Declaration of Trust;
- (m) To verify the accuracy of statements and information submitted by the Authority and Employees and Retirees on contribution forms, claim forms, and other forms;
- (n) To keep true and accurate books of account and records of all the transactions of the Trust Fund and to have an audit made of the Trust Fund, its books and accounts, by a certified public accountant at least annually, which report, in writing, of the certified public accountant, shall be made available to the Authority and the Union, and also placed in the office where the business of the Trust Fund is transacted;
- (o) To permit any Employee or Retiree to make a reasonable inspection of the books and records maintained by the Trustees for said Trust Fund at such reasonable times and places as will not inconvenience the Trustees nor interfere with the operation of the Trust Fund, to issue such financial statements as the Trustees may deem proper, and to determine when and how frequently such statements shall be issued and the method for the distribution thereof. This paragraph shall not be construed to limit the right of either the Union or the Authority to inspect such books and records;
- (p) To maintain any and all actions or legal proceedings necessary for the collection of the contributions herein provided for and required, to prosecute, defend, compound, compromise, settle, abandon, or adjust, by arbitration or otherwise, any actions, suits, proceedings, disputes, claims, demands, and things relating to the Trust Fund;
- (q) To prepare and file all reports required by law, including without limitation, all returns and other documents required by the United States Internal Revenue Code, and Treasury Department Regulations thereunder, relating to the qualification of this Trust Fund as an organization exempt from the United States income tax, and all returns and other documents required to be filed by the United States Department of Labor, Employee Benefit Security Administration, insofar as the same may be required by law;

- (r) To delegate any of their ministerial powers and duties to any agent or employee engaged by them or to any one or more of the Trustees themselves;
- (s) To designate a Corporate Trustee;
- (t) To establish and assess reasonable service and administrative fees; and
- (u) To perform and do any and all such actions and things that may be incidental to the exercise of the powers, rights, duties, and responsibilities of the Trustees and to make other rules and regulations not inconsistent with the terms of this Agreement and Declaration of Trust in order to carry out the provisions of said Agreement.

ARTICLE V
LIABILITY OF TRUSTEES, INDEMNIFICATION OF TRUSTEES,
TRUSTEES' REIMBURSEMENT FOR EXPENSES, NOTICE TO OTHER PERSONS
REGARDING THEIR DEALINGS WITH TRUSTEES

1. Except to the extent required by law, the Trustees shall be protected, where acting in good faith upon any paper or document believed by the Trustees to be genuine and believed to have been made, executed, and delivered by the parties purporting to have made, executed, or delivered the same, and the Trustees shall be protected in relying and acting upon the opinion of legal counsel, in connection with any matter pertaining to the administration or application of the Trust Fund. So long as the Trustees commit no act of willful misconduct, bad faith or gross negligence, the Trustees shall not be held personally answerable or personally liable for either (1) any liability or debts contracted by them as Trustees, or for the non-fulfillment of contracts, or (2) for any error of judgment or for any loss arising out of any act or omission in the execution of the Trust, or (3) for the actions or omissions, whether or not performed at the request of any Trustee(s), agent or attorney elected or appointed by or working for the Trustees.
2. The Trustees shall not be liable for the proper application of any assets of the Trust Fund or for any other liability arising in connection with the administration or operation of the Trust Fund, except as herein provided for.
3. The Trustees may, from time to time, consult with legal counsel for the Trust Fund and shall be fully protected in acting and relying upon the advice of such legal counsel.
4. The Trustees may seek protection by any act or proceeding that they may deem necessary in order to settle their accounts; the Trustees may obtain a judicial determination or declaratory judgment as to any question of construction of the Agreement and Declaration of Trust or as to any act thereunder.
5. A Trustee may require the Trustees, as well as the Authority and the Union, to execute a release after an audit of the Trust Fund by a certified public accountant discloses that all affairs are in proper order, thus entitling the Trustees to a release in favor of each Trustee, his/her heirs, executors, administrators, and assigns.

6. The cost and expenses of any action, suit, or proceeding brought by or against the Trustees or any of them, which costs and expenses shall include counsel fees, shall be paid from the Trust Fund, except in relation to matters as to which it shall be adjudged in such action, suit or other proceeding that a Trustee was acting in bad faith or was grossly negligent or was guilty of willful misconduct in the performance of such Trustee's duties.
7. Except as required by law, the Trustees shall not be bound by any notice, declaration, regulations, advice or requests unless and until it shall have been received by the Trustees at the principal place of the business of the Trust Fund.
8. No person, partnership, corporation or association dealing with the Trustees shall be obligated to see as to the application of any funds or property of the Trust Fund or to see that the terms of the Trust Fund have been complied with or be obligated to inquire into the necessity or expediency of any act of the Trustees, and every instrument executed by the Trustees shall be conclusive in favor of any person, partnership, corporation or association relying thereon that: (a) at the time of the delivery of said instrument the Trust was in full force and effect, and (b) that the said instrument was effected in accordance with the terms and conditions of this Agreement and Declaration of Trust, as amended, and (c) that the Trustees were duly authorized to execute such instrument.
9. The Trustees shall receive no compensation as such for their services. However, the Trustees shall be reimbursed for all reasonable and necessary expenses which they may incur in the performance of their duties.
10. To the extent and in the manner required by law, the Trustees and all employees of the Trust Fund shall be bonded by a duly authorized surety company in an amount designated by the Board of Trustees. The cost of the premiums of such bond or bonds shall be paid out of the Trust Fund.
11. The Trustees may, in their discretion, obtain and maintain policies of insurance to the extent permitted by law to insure themselves and the Health and Welfare Fund as such, as well as employees, agents or representatives of the Trustees or of the Health and Welfare Fund, while engaged in business and related activities for and on behalf of the Health and Welfare Fund: (a) with respect to liability to others as a result of acts, errors or omissions of such Trustee or Trustees, Employees, agents or representatives, respectively; provided such insurance policy shall provide recourse by the insurer against the insured as may be required by law, and (b) with respect to injuries received or property damage suffered by them. The cost of the premiums for such policies of insurance shall be paid out of the Health and Welfare Fund.

ARTICLE VI

CONTRIBUTIONS OR PAYMENTS TO THE PLAN: DEFAULT BY AUTHORITY

1. The contributions or payments by the Authority, Employees, Retirees or their beneficiaries if applicable, shall be made in accordance with the terms of the Collective

Bargaining Agreement or amendment thereto, presently in existence or to be hereafter in existence, by and between the Union and the Authority.

2. All contributions to the Health and Welfare Fund shall be made in accordance with the procedures established by the Trustees and used exclusively to provide benefits to eligible participants and/or appropriate administrative or operating expenditures.
3. The Trustees shall have no liability for the failure of the Authority, Employees, Retirees or their beneficiaries to make payments to the Trust Fund.
4. The Authority shall furnish to the Trustees on request such payroll records relating to the Authority's employees covered by the Fund, along with the record of payment of the contributions or payments, as the Trustees may require.
5. The Trustees shall have the power to accept, compromise, arbitrate, or otherwise settle any obligations, liability, or claim of or against the Trust. The Trustees may enforce or contest any such obligation, liability, or claim, but they shall not be required to do so, unless in their judgment it is in the best interest of the Trust to do so.

ARTICLE VII **ELIGIBILITY**

Employees and Retirees and their dependents are eligible to receive supplemental, non-duplicative benefits through the Health and Welfare Fund in accordance with the terms of the Collective Bargaining Agreement. The current terms are set forth in Appendix A of this Agreement for informational purposes only.

ARTICLE VIII **BENEFITS**

The benefits provided through the Health and Welfare Fund will be in accordance with the terms of the Collective Bargaining Agreement. The current benefits are set forth in Appendix B of this Agreement for informational purposes only.

ARTICLE IX **EMPLOYEES' RIGHTS**

Benefits payable from the Health and Welfare Fund shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, attachment, encumbrance, charge, garnishment, execution or levy of any kind, either voluntary or involuntary, including any liability which is for alimony or other payment for the support of a spouse, former spouse or any relative of an Employee prior to actually being received by the person entitled to the benefit under the terms of the Health and Welfare Fund. Any attempt to anticipate, alienate, sell, transfer, assign, pledge, attach, encumber, charge or otherwise dispose of any right to benefits payable shall be void. Neither the Health and Welfare Fund nor the Trustees shall in any manner be liable for or be subject to the debts, contracts, liabilities, engagements or torts of any person entitled to benefits.

ARTICLE X
AMENDMENTS: TERMINATION OF THE TRUST FUND

1. Amendments

This Agreement and Declaration of Trust may be amended at any time only by the Authority and the Union. However, no amendment shall divert the Fund as then constituted or any part thereof, to a purpose other than as set forth in Article II hereof, nor shall any amendment result in an unequal number of Authority Trustees and Union Trustees, nor shall any amendment be adopted which is in contravention of, or inconsistent with, any Collective Bargaining Agreement in effect between the parties, or which would contravene the terms and provisions of any applicable law.

2. Termination

This Agreement and Declaration of Trust shall generally terminate upon the termination of the obligations to contribute to the Fund. Upon the termination of the Agreement and Declaration of Trust, the Trustees shall continue to carry out the provisions of the Agreement and Declaration of Trust and to the extent possible shall make the payments and provide for the benefits from the Trust for the purposes set forth in Article II hereof, and provide for the administration of the Trust, until such time as all Trust assets have been distributed.

ARTICLE XI
MISCELLANEOUS

1. This Agreement and Declaration of Trust may be executed in one or more counterparts. The signature of a party on any counterpart shall be sufficient evidence of his/her execution hereof.
2. In the event that any provisions of this Agreement and Declaration of Trust shall be held to be illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions of this Agreement and Declaration of Trust, the provision or provisions held to be illegal or invalid shall be fully severable, and the Agreement and Declaration of Trust shall be construed and enforced as if said illegal or invalid provisions had never been inserted herein.
3. All questions pertaining to the validity, construction, and administration of this Trust Fund shall be determined in accordance with the laws of the Commonwealth of Massachusetts.
4. Upon the written request of either the MBTA or the Union for information regarding the administration or records of the Trust, or upon a joint request, the Trustees shall promptly provide such requested information, with copies of such information given to the MBTA and the Union simultaneously.

IN WITNESS WHEREOF,

The undersigned do hereby set their hands and seals this ____ day of September, 2014.

FOR THE MASSACHUSETTS BAY
TRANSPORTATION AUTHORITY
(THE EMPLOYER)

FOR THE LOCAL UNION 589,
AMALGAMATED TRANSIT UNION,
AFL-CIO, CLC (THE UNION)

The undersigned Trustees, by their execution of this Amended Agreement and Declaration of Trust, do hereby accept the trusteeship and declare that they will receive and hold the Fund as Trustees by virtue of this Agreement and Declaration of Trust for the uses, purposes, and trusts and with the powers and duties herein set forth and none other.

FOR THE MASSACHUSETTS BAY
TRANSPORTATION AUTHORITY
(THE EMPLOYER)

FOR THE LOCAL UNION 589,
AMALGAMATED TRANSIT UNION,
AFL-CIO, CLC (THE UNION)

APPENDIX A

ELIGIBILITY

1. Active employees and Retirees are eligible to receive supplemental, non-duplicative benefits through the Health and Welfare Fund as follows:
 - (a) Active Employees
 - (i) Local 589 Active Employees. Active employees whose position with the Authority is represented by Local 589 ATU must be (1) members of Local 589 ATU; (2) pay the Agency Fee in accordance with Section 101 of the Collective Bargaining Agreement; or (3) pay to the Union such other service fee as the Union may determine (hereafter referred to as “being in good standing with Local 589 ATU”).
 - (ii) Non-Local 589 Active Employees. Non-Local 589 represented and unrepresented active employees must be a member in good standing of the union representing their position with the Authority. or hold a non-union executive or confidential position with the Authority.
 - (b) Retired Employees
 - (i) Represented Retirees. Individuals who retired or who will retire from a position with the Authority shall be eligible to participate in the Fund as long as they remain in good standing with the union representing their position with the Authority at the time they retired, if applicable, or with another union to which they are eligible to be a member on the basis of their prior employment with the Authority.
 - (ii) Executive and Confidential Retirees. Individuals who have retired or retire in the future from an executive or confidential position with the Authority shall be eligible to participate in the Fund to the extent that the Authority has or will have entered into an agreement with such individuals granting them such rights.

APPENDIX B

BENEFITS

1. Life Insurance

The Authority shall pay the full cost of a group life insurance policy in the amount of Twenty-Five Thousand Dollars (\$25,000) for full-time active employees, Six Thousand Dollars (\$6,000) for part-time active employees, and Five Thousand Dollars (\$5,000) for retired employees, subject to the following conditions: (i) the policy excludes permanent total disability provisions, (ii) is subject to the standard conditions and provisions of such policy, and (iii) is only effective for employees with one year or more of service with the Authority.

2. Dental Care

Dental insurance consisting of full Type I, Type II and Type III coverage by Delta Dental of Massachusetts (or such other vendor as Local 589 and the Authority select) shall be provided for active employees only. Such program shall include a \$1,000 per person yearly maximum and shall have no deductible. Type I and II shall have no coinsurance feature, Type III shall carry 50/50 coinsurance. In addition, an orthodontic endorsement shall be provided with 80 percent reimbursement of usual and customary fees up to a \$1,000 per person lifetime maximum. The premium cost or monthly working rate costs, including the orthodontics endorsement, for single or family coverage for active full-time employees shall be paid 57% by the Authority and 43% paid by the employee.

3. Medicare Part B Reimbursement

The Authority shall reimburse eligible retired employees at such time as they achieve age 65 and enroll in Medicare Part B for the cost of Medicare Part B premiums paid on behalf of such employees and (a) their survivors for three years and (b) their spouses.

4. Vision Care

The Authority will pay monthly Twenty-Five Percent (25%) of the cost of vision benefits for eligible active employees as currently constituted and provided by Davis Vision (or such other vendor as Local 589 and the Authority select), with co-payments for certain services and eyewear as specified in the plan. The remaining monthly cost will be paid by the employee. Participants who are not eligible active employees shall be given an opportunity to purchase vision benefits as currently constituted and provided by Davis Vision (or such other vendor as Local 589 and the Authority select) entirely at their own cost.