

**AGENDA
ARK-TEX URBAN TRANSIT
BOARD OF DIRECTORS MEETING
FEBRUARY 18, 2021**

The Ark-Tex Urban Transit, Inc. (ATUT) Board of Directors will meet at 2:00 P.M., Thursday, February 18, 2021, via teleconference/webinar.

Use the following information to register for the meeting:

[https://zoom.us/meeting/register/tJwpdeysrTwvE90Lq7Iyw1XTcySKIBICnqFY](https://zoom.us/join/zoom/register/tJwpdeysrTwvE90Lq7Iyw1XTcySKIBICnqFY)

Item 1. Call to order.

Item 2. Public Comment.

Regular Business

Item 3. Review and consider appointment of a new Officer to the ATUT Board of Directors to replace former Secretary/Treasurer Owetta Walton. (To be presented by Board President Chris Brown)

Item 4. Approval of the minutes submitted for the ATUT Board Meeting held Friday, June 26, 2015, in Texarkana, Texas. (See page 2)

Item 5. Review and consider approval for Restatement of the Ark-Tex Urban Transit, Inc. Retirement Plan. (See page 3; to be presented by ATCOG staff member Leslie McBride)

Review and Comment

Item 6. Review of bylaws and policies. (See page 98)

Announcement

The next ATUT Board of Directors meeting will be held at 2:00 P.M., on Thursday, March 19, 2021, via teleconference/webinar.

**MINUTES
ARK-TEX URBAN TRANSIT
BOARD OF DIRECTORS MEETING
JUNE 26, 2015**

A meeting of the Board of Directors of the Ark-Tex Urban Transit, Inc. (ATUT) was held at 3:00 p.m. on Friday, June 26, 2015, at the Ark-Tex Council of Governments (ATCOG) Office, 4808 Elizabeth Street, Texarkana, Texas.

Item 1. The meeting was called to order by Sharon Pipes, Board Vice-President.

Item 2. The first order of business was to review and consider approval of the minutes as submitted to the Board of Directors for the ATUT Board Meeting held Friday, August 29, 2014, in Texarkana, Texas.

Motion to approve was made by was made by Chris Brown, Board President, and seconded by Ms. Pipes. It was approved.

Item 3. No members of the public were present.

Review and Comment

Item 4. Ms. Pipes presented for review and consideration approval of restatement and adoption of the Ark-Tex Urban Transit, Inc. Retirement Plan for the new Plan year effective October 1, 2015.

Motion to approve was made by Ms. Pipes and seconded Mr. Brown. It was approved.

Item 5. Ms. Pipes presented for consideration approval to sign the Defined Contribution Trust for the new Plan year effective October 1, 2015.

Motion to approve was made by Ms. Pipes and seconded by Mr. Brown. It was approved.

Item 6. Ms. Pipes presented for consideration approval to distribute the Summary Plan Description, including plan options as of October 1, 2015, to all ATUT staff members.

Motion to approve was made by Mr. Brown and seconded by Ms. Pipes. It was approved.

There was no further business, so motion to adjourn was made by Ms. Pipes and seconded by Mr. Brown. The meeting was adjourned.

Chris Brown, President
Chairman of the Board of Directors

Mary Beth Rudel, Vice-President
Member of the Board of Directors

**SUMMARY PLAN DESCRIPTION
FOR
ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN**

SUMMARY PLAN DESCRIPTION FOR ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN

INTRODUCTION

Effective October 1, 2013, ARK TEX URBAN TRANSIT, INC. established the ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN for the exclusive benefit of all eligible employees and their beneficiaries with the intention to provide a measure of retirement security for your future.

This Summary Plan Description reflects the plan options as of October 1, 2020.

This Summary Plan Description is a brief description of your plan and your rights and benefits under the plan and is not intended to cover every plan provision. This Summary Plan Description is not meant to interpret or change the provisions of your plan. A copy of your plan is on file at your employer's office and may be read by you, your beneficiaries, or your legal representatives at any reasonable time. This plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). If you have any questions regarding either your plan or this Summary Plan Description, you should ask your plan administrator. If any discrepancies exist between this Summary Plan Description and the actual provisions of the plan, the plan shall govern.

GENERAL INFORMATION

Plan Name: ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN

Employer: ARK TEX URBAN TRANSIT, INC.
4808 ELIZABETH STREET
TEXARKANA, TX 75503
(903) 255-3513

Employer Tax ID: 27-5098348

Three Digit Plan Number: 001

Type of Plan: Profit Sharing Plan

Administration Type: Self-Administered

Plan Administrator: ARK TEX URBAN TRANSIT, INC.
4808 ELIZABETH STREET
TEXARKANA, TX 75503
(903) 255-3513

Plan Administrator ID Number: 27-5098348

Legal Agent: ARK TEX URBAN TRANSIT, INC.
4808 ELIZABETH STREET
TEXARKANA, TX 75503
(903) 255-3513

Service of legal process may also be made upon a plan trustee or the plan administrator as listed herein.

Trust Name: ARK TEX URBAN TRANSIT, INC. RETIREMENT TRUST

Trustees: MARY BETH RUDEL
LESLIE MCBRIDE

Funding Arrangement: Trust

Trust Tax ID Number: 27-5098348

Plan Year: January 1st to December 31st

Limitation Year: January 1st to December 31st

Anniversary Date: December 31st

Valuation Date: Daily

PARTICIPATION IN YOUR PLAN

In order to take advantage of the opportunities provided by your plan you must participate in the plan. There may be certain restrictions to your eligibility and participation. The following is information about how you can participate in the plan.

Who may participate?

As an employee of ARK TEX URBAN TRANSIT, INC. you may participate in the plan, once you have met the eligibility requirements.

Who is considered an employee?

An employee is an individual who performs services for the employer as a common law employee, a self-employed individual who is treated as an employee, or a leased employee.

Are any employee groups ineligible to participate?

The following individuals are not eligible for participation in the plan:

1. Members of a collective bargaining unit where retirement benefits were the subject of good faith bargaining; and
2. Non-resident aliens with no U.S. source income.

What types of contributions are available in the plan?

There are 2 different contribution types available in the plan:

1. Employer Non-Elective: This is also known as a profit sharing contribution. Your employer may, at its discretion, make a profit sharing contribution to the plan.
2. Rollovers: You may make rollovers to this plan as described in the question "Does the plan accept rollovers?" in the "Contributions" section.

What are the requirements to be eligible for a discretionary employer profit sharing contribution?

There are no age or service requirements for the plan. You will enter the plan on the date you have met this requirement.

What compensation will be used for my contributions in the plan?

The compensation used to calculate your employer contributions will be based on your wages defined under 3401(a) for federal income tax withholding purposes, including compensation due to SEP deferrals (section 402(h)(1)(B)), cafeteria plan deferrals under section 125, deemed section 125 compensation, transportation compensation (section 132(f)(4)), 401(k) and 403(b) deferrals (section 402(e)), 457(b) deferrals, and 402 (k) deferrals (section 408(p)).

The first year you are a participant your compensation for employer contributions will be for the entire 12-month compensation period.

Is there a limit on compensation for plan purposes?

The IRS limits the amount of compensation that may be taken into account for each participant for each plan year. For 2021, that limit is \$290,000. For future years, the limit is subject to cost-of-living increases as published by the IRS.

Does plan compensation include monies paid to me during an absence or after my employment ends?

Usually, only the amounts paid to you while you are an employee are considered plan compensation (described above). However, the plan may consider certain types of pay as plan compensation, though paid during an absence or after you leave employment.

If you are totally and permanently disabled, compensation under your plan will include disability-related salary continuation payments, if you are not a highly compensated employee.

If you are not actively working for the employer due to military service, but are receiving compensation as if you were working for ARK TEX URBAN TRANSIT, INC., those payments are included as compensation under your plan.

Payments you receive after terminating employment might be considered plan compensation, if they meet the definition of "post-severance compensation." To be considered post-severance compensation, the payment must be one that you would have received had employment continued, such as your salary or wages. Post-severance compensation does not include severance pay, or other amounts you receive only because your employment ended.

To be included in plan compensation, post-severance compensation must be paid to you by the later of the end of the limitation year in which your employment ends, or within 2-1/2 months after the date your employment ends.

Payments for unused accrued sick, vacation, or other leave that you would have been able to use if your employment had continued are included in your plan's post-severance compensation.

How are hours of service determined?

You are credited with the actual hours you work, and for hours for which you are paid but not at work, such as paid vacation or paid sick leave.

However, if records of your hours are not maintained, you are credited with 10 hours each day in which you work at least one hour, as a backup method of crediting you with hours of service.

What is a year of service for eligibility purposes?

You will earn a year of service for non-elective contribution eligibility if you are credited with at least 1000 hours. The "eligibility computation period" is the 12-month period that begins with the date you were hired. Thereafter the eligibility computation period becomes the plan year and begins the first day of the plan year that began in your initial eligibility computation period. Each subsequent period is the plan year.

What is a break in service for eligibility purposes?

When you fail to complete more than 500 hours during the eligibility computation period, you incur a break in service. However, in certain circumstances, your plan is required to credit you with 500 hours, even though you didn't actually work 500 hours. This is primarily if you take time off to have, adopt or care for a child for a period immediately following the birth or adoption. You will receive this credit only for the purpose of determining whether you have incurred a break in service and not for receiving additional credit for a contribution or for vesting.

CONTRIBUTIONS

Does the plan accept rollovers?

Rollovers are permitted even if you are not yet a participant.

Direct transfer rollovers are permitted from a qualified plan described in Code sections 401(a) or 403(a), excluding after-tax employee contributions; an annuity contract described in Code section 403(b), excluding after-tax employee contributions; an eligible plan under Code section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state; and an individual retirement account or annuity described in Code sections 408(a) or (b) that is eligible to be rolled over, limited to amounts that would otherwise be includible in gross income.

You may roll over an eligible distribution from a qualified plan described in Code sections 401(a) or 403(a), excluding after-tax employee contributions; an annuity contract described in Code section 403(b), excluding after-tax employee contributions; an eligible plan under Code section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state; and an individual retirement account or annuity described in Code sections 408(a) or (b) that is eligible to be rolled over, limited to amounts that would otherwise be includible in gross income.

In-kind rollovers are not permitted.

What are profit sharing contributions?

The company may make a profit sharing contribution to the plan each year and in such amount, if any, as it may determine.

Are there requirements to receive an employer contribution?

To be eligible to receive an allocation of the discretionary employer contributions, you must be employed on the allocation date.

How is the employer contribution determined?

Your share of the discretionary contribution will be the same percentage of compensation for all eligible participants. The percentage is determined by dividing the total profit sharing contribution by the total of all participants' compensation.

For example, if the discretionary contribution is \$30,000 and if the total compensation is \$1,000,000, the percentage would be 3% of your compensation. If your compensation is \$20,000, your share would be \$600:

$$\begin{aligned} \$30,000 / \$1,000,000 &= .03 \text{ (3\%)} \\ \$20,000 \times .03 \text{ (3\%)} &= \$600 \end{aligned}$$

When can I expect the employer contributions to be allocated?

The employer contributions made by your employer will be allocated to your employer account as of the last day of each three (3) month period beginning with the first day of the plan year.

When can I expect the employer contributions to be deposited?

The employer contributions to the trust are normally paid by the company directly to the Trust either during the plan year or after the close of the plan year (within the time during which the company has to file its federal tax return).

When is a plan top heavy?

The plan becomes top heavy if more than 60% of the account balances are attributable to "key employees". Key employees are certain highly compensated officers or owner/shareholders.

Each year, the plan administrator will make a top heavy determination.

How will the plan operate in top heavy years?

If your plan is top heavy, all participants except those who are key employees, and employees covered by a collectively bargained agreement (union employees), must receive a minimum contribution for such plan year. This amount is based on the amount of contribution that the key employees receive and may be zero. There may also be a change to the vesting schedule for that year. See "What is the top heavy vesting schedule?"

VESTING

Vesting is the non-forfeitable balance of your employer contribution account(s) that you will be entitled to receive after your employment with the company ends. If you terminate employment before you meet the requirements for retirement, the distribution from your employer contribution account(s) will be limited to the vested portion. Your vesting percentage grows with your years of vesting service.

What is a year of service for vesting purposes?

You are credited with the actual hours you work, and for hours for which you are paid but not at work, such as paid vacation or paid sick leave. You will earn a year of service for purposes of vesting if you are credited with 1000 hours of service during the plan year. You cannot earn more than one year of vesting service during the plan year.

What is a break in service for vesting purposes?

When you fail to complete more than 500 hours during the plan year, you incur a break in service. If you have incurred a break in service, your vesting percentage will not increase for the period in which the break occurs.

However, in certain circumstances, your plan is required to credit you with 500 hours, even though you didn't actually work that number of hours. This is primarily if you take time off to have, adopt or care for a child for a period immediately following the birth or adoption. You will receive this credit only for the purpose of determining whether you have incurred a break in service and not for receiving additional credit for a contribution or for vesting.

Is any of my service excluded for vesting purposes?

No, all years of vesting service with your employer except those excluded due to a break in service will be included in determining your vested account balance.

How is my vested percentage calculated?

If you leave employment due to termination, you are entitled to your employer accounts along with earnings, based on the following schedule:

<u>Years of Vesting Service</u>	<u>Percent Vested</u>
Less than 2	0%
2 but less than 3	20%
3 but less than 4	40%
4 but less than 5	60%
5 but less than 6	80%
6 or more	100%

What is the top heavy vesting schedule?

When the plan is top heavy, your employer accounts will be vested according to the following top heavy vesting schedule:

<u>Years of Vesting Service</u>	<u>Percent Vested</u>
Less than 2	0%
2 but less than 3	20%
3 but less than 4	40%
4 but less than 5	60%
5 but less than 6	80%
6 or more	100%

What vesting schedule applies to my employee contribution account(s)?

Rollovers along with the earnings associated with these accounts are always 100% vested.

Does my vested percentage change if I die?

If you die while still an employee, your employer account will become 100% vested. Your beneficiary will be entitled to receive 100% of your account.

What is my vested percentage if I become disabled?

If you are disabled while still an employee, you will be entitled to 100% of your employer account.

What happens if I terminate employment before I am fully vested?

The non-vested portion of your account will be forfeited and used to offset plan expenses or may be used to reduce the employer contribution. The forfeiture takes place as of the end of the plan year in which you receive the final (complete) distribution of your distributable benefit.

What happens to my forfeited amounts, if I am rehired into a position covered by the plan?

If you were not vested (that is, 0% vested), when you severed employment, and you rejoin the plan before incurring a 5-year break in service, the amounts you forfeited will be restored as of your rehire date.

If you were partially vested (more than 0% but less than 100%), and received a distribution of your vested amounts, the forfeited amount may be restored. However, to restore the forfeiture, you must repay the full amount of your distribution by the earlier of:

- * five (5) years after your rehire date, or
- * the date you incur a 5-year break following the date of the distribution

If I am rehired into a position covered by the plan, how is my vesting service calculated?

If you were fully (100%) vested at the time your employment ended, you will resume participation and be 100% vested immediately, on your rehire date. This means that the vesting service you earned prior to severing employment (pre-break) will be added to the vesting service you earn after reemployment (post-break).

If you were not fully vested when your employment ended, the length of your break in service determines how your vesting service will be calculated, when you resume participation in the plan.

If your break in service is less than 5 years, your pre-break vesting service will be added to your post-break vesting service. Thus, your total years of vesting service are counted toward vesting in:

- * the employer contributions credited to your account after you return, and
- * the pre-break non-vested employer account remaining in the plan, if you did not receive a distribution.

However, if you received a distribution from your employer account, and you would like to have your total years of vesting service (pre-break plus post-break) count toward vesting in your pre-break non-vested employer account, you must repay the full amount of your distribution by the earlier of:

- * five (5) years after your rehire date, or

* the date you incur a 5-year break following the date of the distribution. If your break in service is five years or more and you were not fully vested (less than 100%) when you ended your employment, when you are reemployed you will no longer have a vested interest in any pre-break non-vested employer account balance.

However, all your service (pre-break plus post-break) counts toward vesting in employer contributions credited after you are reemployed.

INVESTMENT ACCOUNTS

Under ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN, the money you deposit and any employer contributions are held in a trust, and placed into investment accounts, which are credited with gains and losses at each valuation date.

What is the value of my account?

The value of each of your accounts is established as of the valuation date under your plan. The valuation date is daily.

As of the valuation date:

- * Contributions may be added to your accounts (see "Contributions")
- * Distributions you have received since the prior valuation date will be subtracted from your accounts
- * Plan expenses may be subtracted from your accounts
- * Interest and/or dividends, if any, will be added to your accounts

Also, current market values will be reflected in your accounts as of the valuation date. Depending on stock and/or bond market conditions, the value of your accounts may increase or decrease from one valuation date to the next.

How are my accounts invested?

You may direct the investment of all of your accounts. It is intended that your plan meet the requirements of ERISA section 404(c) by providing you with sufficient information for you to make informed investment choices. This information will be provided by the financial institutions managing the investment options. This means that you exercise control over the investments in your plan account, and you can modify those investment choices as your needs change or as you otherwise see fit. This allows you to invest in the way that best meets your personal goals. Therefore, the plan fiduciaries may be relieved of liability for losses that your account may experience as a result of your investment elections.

Please note that the trustee is considered the owner of all the assets held in the trust. The trustee, as owner of the securities and other trust property, has the exclusive right to vote the stock in the trust and exercise any other rights of ownership. As a plan participant, you merely have a beneficial interest in the trust and may not exercise the rights of ownership, as can the trustee.

Does my plan offer life insurance as an investment?

No. Life insurance policies are not available as a plan investment.

May I take a loan from my accounts?

Your plan does not permit loans from any source.

Where can I learn about the plan expenses?

Reasonable administrative expenses of the plan and trust may be paid by the plan to the extent not paid by the employer. For more information on plan expenses, see Appendix 1 - Plan Expense Policy attached to this SPD.

DISTRIBUTIONS

What are my normal retirement benefits?

You will reach the plan's normal retirement age when you reach the later of age 65 or the fifth anniversary of your participation in the plan.

Your normal retirement date is the first day of the month coincident with or next following the date you reach normal retirement age.

At your normal retirement age, you will be fully vested in your employer contribution account.

When will I receive my normal retirement benefits?

Payment of your benefits will begin as soon as practicable following the valuation date following 0 consecutive breaks in service.

When will my beneficiary receive my benefits if I die?

Payment of your benefits will begin as soon as practicable following the valuation date following 0 consecutive breaks in service.

Does the plan have disability benefits?

You will be considered disabled if the Social Security Administration has determined that you are eligible to receive Social Security disability benefits.

You become entitled to a distribution due to disability as of the date you terminate employment.

If it is determined you are entitled to a distribution due to disability, payment of your benefits will begin as soon as practicable following the valuation date following 0 consecutive breaks in service following your termination.

What benefits will I receive upon termination?

If your employment is terminated for any reason other than those set out above, you will be entitled to that portion of your employer accounts in which you are vested.

"Vesting" refers to the percentage of your account balance you are entitled to at any point in time. For each year you remain a participant in the plan, you may become vested with a higher percentage of your employer account balance. See the "Vesting" section for more information.

Payment of your benefits will begin as soon as practicable following the valuation date following 0 consecutive breaks in service after your termination of employment.

How might divorce or a Qualified Domestic Relations Order affect my benefits?

Because your spouse has certain rights under your plan, you should immediately inform the plan administrator of any changes in your marital status.

In general, contributions made by you or your employer to this plan are not subject to alienation. This means they cannot be sold, used as collateral for a loan, given away or otherwise transferred. They are not subject to the claims of your creditors. However, they may be subject to claims under a Qualified Domestic Relations Order (QDRO).

A Domestic Relations Order is a court-issued decree or an order that allocates all or any portion of your plan benefits to your (former) spouse, your child, or other dependent. It is the plan administrator's responsibility to determine if a Domestic Relations Order is qualified (is a QDRO), as defined by law.

Distributions pursuant to a Qualified Domestic Relations Order are permitted on or after the date a Domestic Relations Order is determined to be a Qualified Domestic Relations Order, even if you are employed and have not attained the "earliest possible retirement age" (as defined below).

For QDRO purposes, the "earliest possible retirement age" means the earlier of these two dates:

1. the date you are entitled to a distribution; or
2. the later of:
 - A. the date you reach age 50; or
 - B. the earliest date you could begin receiving benefits under the plan if you separated from service.

Participants and beneficiaries can obtain, from the plan administrator, without charge, a copy of the plan's procedures governing Qualified Domestic Relations Orders.

How will I receive my distribution?

Your plan provides for a lump sum distribution.

Will the plan automatically distribute any of my benefit?

The plan will make a mandatory distribution if your account balance is \$1,000 or less. The distribution will be made as soon as administratively feasible.

What is a Required Minimum Distribution?

Under certain circumstances, the law requires that your distributions begin no later than April 1 of the year following the date you reach age 70-1/2 (the date six months after your 70th birthday) if you are an owner of the company. All participants that still have a vested account balance after reaching 70-1/2 and are terminated are required to take these distributions. You or your beneficiaries may elect the 5 year rule for distributions if you die before the required distributions begin. Your plan administrator will contact you if you are affected by this requirement.

How will my distributions be taxed?

The benefits you receive from the plan will be subject to ordinary income tax in the year in which you receive the payment, unless you defer taxation by a "rollover" of your distribution into another qualified plan or an IRA. Also, in certain situations, your tax may be reduced by special tax treatment such as "10-year forward averaging."

VERY IMPORTANT NOTE: Under most circumstances, if you receive a distribution from this plan, twenty percent (20%) of your distribution will be withheld for federal income tax purposes, unless you instruct the trustees of this plan to transfer your distribution DIRECTLY into another qualified plan or an IRA. You must give these instructions to the trustees no more than 180 days before the date you receive the payment. Also, the trustees must wait at least 30 days after receiving your instructions before making the payment, to allow you time to change your decision, unless you waive the waiting period in writing.

In addition to ordinary income tax, you may be subject to a 10% tax penalty if you receive a "premature" distribution. If you receive a distribution upon terminating employment before age 55 and you don't receive the payment as a life annuity, you will be subject to the 10% penalty unless you roll over your payment. But, there is no penalty for payments due to your death or disability.

As the rules concerning "rollovers" and the taxation of benefits are complex, please consult your tax advisor before making a withdrawal or requesting a distribution from the plan. As required by law, the plan administrator will provide you with a brief explanation of the rules concerning "rollovers."

Who may I name as my beneficiary?

The plan requires that your spouse be your primary beneficiary and receive 100% of your account balance on your death (see vesting section). You may name someone other than your spouse as your primary beneficiary only if your spouse gives written consent to your choice of beneficiary. A notary public or plan representative must witness your spouse's signature on the consent form.

You have a right to designate your primary and contingent beneficiary or beneficiaries at any time by completing a beneficiary form that is provided to you or is acceptable to the plan administrator. If you fail to designate a beneficiary, or if your beneficiary designation is not valid, or if all of your beneficiaries fail to survive you, then your benefits will be paid to your surviving spouse, or if none, to your surviving children in equal shares, or if none, to your other heirs or your estate, as the plan administrator selects.

If you get divorced, your ex-spouse will be treated as having predeceased you and your benefits will be paid to your contingent beneficiary unless you make a post-divorce designation naming your ex-spouse as a beneficiary.

OTHER IMPORTANT INFORMATION

Are my benefits protected?

Except for the requirements of a Qualified Domestic Relations Order, your plan benefits are not subject to claims, indebtedness, execution, garnishment or other similar legal or equitable process. Also, you cannot voluntarily (or involuntarily) assign your benefits under this plan.

Can the Plan be amended or terminated?

The employer has reserved the right to amend or terminate the plan. However, no amendment can take away any benefits you have already earned. If your plan is terminated, you will be entitled to the full amount in your account as of the date of termination, regardless of the percent you are vested at the time of termination.

Does Pension Benefit Guaranty Corporation Insurance apply to this plan?

The benefits provided by this plan are not insured by the Pension Benefit Guaranty Corporation (PBGC). Such insurance is only required under Title IV of the Employee Retirement Income Security Act (ERISA) for defined benefit pension plans.

What are the claims for benefits procedures under this plan?

When you request a distribution of all or any part of your account, you will contact the plan administrator who will provide you with the proper forms to make your claim for benefits. Your claim for benefits will be given a full and fair review. However, if your claim is denied, in whole or in part, the plan administrator will notify you of the denial within ninety (90) days of the date your claim for benefits was received, unless special circumstances delay the notification. If a delay occurs, you will be given a written notice of the reason for the delay and a date by which a final decision will be given (not more than one hundred and eighty (180) days after the receipt of your claim.)

There is an exception to the above rules if your claim is for disability benefits. The plan administrator shall notify you or your beneficiary within a reasonable period of time, but not later than forty-five (45) days after the date your claim was received. The plan administrator may extend this deadline by up to thirty (30) days if there are special circumstances beyond the control of the plan that require additional time to process the claim. If a delay occurs, you will be notified in writing before the end of the initial forty-five (45) day period.

If, prior to the end of the first thirty (30) day extension period, the plan administrator determines that, due to matters beyond the control of the plan, a decision cannot be made within that extension period, the period for making the determination may be extended for up to an additional thirty (30) days, provided that the plan administrator notifies you or your beneficiary, prior to the expiration of the first thirty (30) day extension period, of the circumstances requiring the extension and the date as of which the plan expects to render a decision.

In no event will the determination extend more than thirty (30) days beyond the end of the first deadline. Both notices of extension must contain (1) the standards on which the determination is being made, (2) the unresolved issues that prevent the Plan Administrator from making the decision, and (3) the additional information that would be needed to allow the Plan Administrator to make the decision. After receipt of an extension notice the Participant or Beneficiary will have one hundred and eighty (180) days to appeal such denial. Upon receipt of such appeal, the Plan Administrator must act within forty-five (45) days.

In addition, with respect to a claim for Disability benefits as described above, you must be provided, free of charge, any new or additional evidence or rationale obtained by the Plan during pendency of appeal. You will have the right to review and respond to the additional information. This information must include any new or additional evidence considered, relied upon, or generated by the Plan, insurer, or other person making the benefit determination in connection with the claim. This information must be provided as soon as possible and sufficiently in advance of the Plan's decision on appeal to give you a reasonable opportunity to respond.

In addition, with respect to a Disability claim, both the initial denial letter and any appeal denial letter must be provided in a culturally and linguistically appropriate manner and must specifically set forth the following information.

- * The specific basis for disagreeing with any determination by the Social Security Administration or other third party disability payer, or any views of health care professionals or vocational professionals treating a claimant, regardless of whether the information was relied upon.
- * Reference(s) to the plan provision(s) on which the denial is based.
- * If the adverse determination is based on a medical necessity, experimental treatment, or similar exclusion or limit, either (1) an explanation of the scientific or clinical judgment for the determination, or (2) the denial letter must make a statement that such an explanation will be made available upon request at no charge.
- * All internal rules, guidelines, protocols, standards, or other similar criteria that were relied upon in denying the claim or a statement that such criteria do not exist.
- * A statement that you are entitled to receive, upon request and free of charge, relevant documents.

In the case of an appeal denial letter, the letter must describe any contractual limitation period for a lawsuit and the expiration date for that limitation period along with a statement that the limitation period may not expire before the conclusion of the Plan's internal appeals process.

If your address is in a county where at least 10% of the individuals in that population are literate only in the same non-English language (as determined by the United States Census Bureau), the notices must include a statement in the non-English language about the availability of language services. In addition, the Plan must provide a customer assistance process (such as a telephone hotline) with oral language services in the non-English language and provide written notices in that language upon request.

Failure of the Plan to adhere to the special requirements applicable to benefit determinations will result in you being deemed to have exhausted the Plan's administrative remedies, giving you the right to pursue court action. If the violation was de minimis; non-prejudicial; attributable to good cause or matters beyond the Plan's control; in the context of on-going good-faith exchange of information; and not reflective of a pattern or practice of non-compliance the Plan's administrative remedies will not be deemed exhausted and the stated procedure must be followed.

The administrative remedies available under the Plan with respect to claims for disability benefits will not be deemed exhausted based on de minimis violations that do not cause, and are not likely to cause, prejudice or harm to the claimant so long as the Plan demonstrates that the violation was for good cause or due to matters beyond the control of the Plan and that the violation occurred in the context of an ongoing, good faith exchange of information between you and the Plan.

You may request a written explanation of the violation from the Plan, and the Plan must provide such explanation within ten (10) days, including a specific description of its basis, if any, for asserting that the violation should not cause the administrative remedies available under the Plan to be deemed exhausted. If a court rejects your request for immediate review on the basis that the Plan met the standards that the violation was de minimis; non-prejudicial; attributable to good cause or matters beyond the Plan's control; the claim shall be considered as re-filed on appeal upon the Plan's receipt of the decision of the court. Within a reasonable time after the receipt of the decision, the Plan shall provide the claimant with notice of the resubmission.

If the Plan Administrator receives a notice of an appeal of the denial of a claim for benefit from a Participant or a Beneficiary, within the prescribed period of time, such notice and all relevant materials shall immediately be submitted to the Employer. The Employer may hold a hearing or otherwise ascertain such facts as it deems necessary and shall render a decision, which shall be binding upon both parties.

The decision of the Employer shall be made within sixty (60) days (forty-five (45) days for Disability claims) after the receipt by the Plan Administrator of the notice of appeal, unless special circumstances require an extension of time for processing, in which case a decision of the Employer shall be rendered as soon as possible but not later than one hundred twenty (120) days after receipt of the request for review. If such an extension of time is required, written notice of the extension shall be furnished to you prior to the commencement of the extension. The decision of the Employer shall be in writing, shall include specific reasons for the decision, written in a manner calculated that you will understand, as well as specific references to the pertinent Plan provisions on which the decision is based and shall be promptly furnished to you. Benefits under this Plan granted pursuant to such an appeal will be paid only if the Employer decides in his discretion that the applicant is entitled to them.

PARTICIPANT RIGHTS UNDER ERISA

As a participant in ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA).

Receive information about your Plan and your benefits:

ERISA provides that all plan participants shall be entitled to:

- * Examine, without charge, at the plan administrator's office all documents governing the plan and a copy of the latest annual report filed by the plan with the U.S. Department of Labor.
- * Obtain copies of all plan documents and other plan information upon written request to the plan administrator (the administrator may make a reasonable charge for the copies).
- * Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.
- * Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a benefit, the statement will tell you how many more years you have to work to get a right to a benefit. This statement must be requested in writing and is not required to be given more than once a year. The plan must provide the statement free of charge.

Actions by Plan Fiduciaries:

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer may fire you or otherwise discriminate against you in any way to prevent you from obtaining a retirement benefit or exercising your rights under ERISA.

Enforcing your rights:

If your claim for a benefit is denied in whole or in part, you have the right to know why this was done and to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request written materials from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

Assistance with your questions:

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court.

If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have questions about your plan, you should contact the plan administrator. If you have any questions

about this statement or your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN SUMMARY OF MATERIAL MODIFICATIONS

To: Participants of ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN

From: Plan Administrator of ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN

Date: __/__/____

Effective April 1, 2018, the Plan has been amended to add new claims procedure information regarding claims for disability benefits under the Plan. In the case of any conflict between this document and the Summary Plan Description, this document will control.

What are the claims for benefits procedures under this plan?

When you request a distribution of all or any part of your account, you will contact the plan administrator who will provide you with the proper forms to make your claim for benefits. Your claim for benefits will be given a full and fair review. However, if your claim is denied, in whole or in part, the plan administrator will notify you of the denial within ninety (90) days of the date your claim for benefits was received, unless special circumstances delay the notification. If a delay occurs, you will be given a written notice of the reason for the delay and a date by which a final decision will be given (not more than one hundred and eighty (180) days after the receipt of your claim.)

There is an exception to the above rules if your claim is for disability benefits. The plan administrator shall notify you or your beneficiary within a reasonable period of time, but not later than forty-five (45) days after the date your claim was received. The plan administrator may extend this deadline by up to thirty (30) days if there are special circumstances beyond the control of the plan that require additional time to process the claim. If a delay occurs, you will be notified in writing before the end of the initial forty-five (45) day period.

If, prior to the end of the first thirty (30) day extension period, the plan administrator determines that, due to matters beyond the control of the plan, a decision cannot be made within that extension period, the period for making the determination may be extended for up to an additional thirty (30) days, provided that the plan administrator notifies you or your beneficiary, prior to the expiration of the first thirty (30) day extension period, of the circumstances requiring the extension and the date as of which the plan expects to render a decision.

In no event will the determination extend more than thirty (30) days beyond the end of the first deadline. Both notices of extension must contain (1) the standards on which the determination is being made, (2) the unresolved issues that prevent the Plan Administrator from making the decision, and (3) the additional information that would be needed to allow the Plan Administrator to make the decision. After receipt of an extension notice the Participant or Beneficiary will have one hundred and eighty (180) days to appeal such denial. Upon receipt of such appeal, the Plan Administrator must act within forty-five (45) days.

In addition, with respect to a claim for Disability benefits as described above, you must be provided, free of charge, any new or additional evidence or rationale obtained by the Plan during pendency of appeal. You will have the right to review and respond to the additional information. This information must include any new or additional evidence considered, relied upon, or generated by the Plan, insurer, or other person making the benefit determination in connection with the claim. This information must be provided as soon as possible and sufficiently in advance of the Plan's decision on appeal to give you a reasonable opportunity to respond.

In addition, with respect to a Disability claim, both the initial denial letter and any appeal denial letter must be provided in a culturally and linguistically appropriate manner and must specifically set forth the following information.

1. The specific basis for disagreeing with any determination by the Social Security Administration or other third party disability payer, or any views of health care professionals or vocational professionals treating a claimant, regardless of whether the information was relied upon.
2. If the adverse determination is based on a medical necessity, experimental treatment, or similar exclusion or limit, either (1) an explanation of the scientific or clinical judgment for the

determination, or (2) the denial letter must make a statement that such an explanation will be made available upon request at no charge.

3. All internal rules, guidelines, protocols, standards, or other similar criteria that were relied upon in denying the claim or a statement that such criteria do not exist.
4. A statement that you are entitled to receive, upon request and free of charge, relevant documents.

In the case of an appeal denial letter, the letter must describe any contractual limitation period for a lawsuit and the expiration date for that limitation period along with a statement that the limitation period may not expire before the conclusion of the Plan's internal appeals process.

If your address is in a county where at least 10% of the individuals in that population are literate only in the same non-English language (as determined by the United States Census Bureau), the notices must include a statement in the non-English language about the availability of language services. In addition, the Plan must provide a customer assistance process (such as a telephone hotline) with oral language services in the non-English language and provide written notices in that language upon request.

Failure of the Plan to adhere to the special requirements applicable to benefit determinations will result in you being deemed to have exhausted the Plan's administrative remedies, giving you the right to pursue court action. If the violation was de minimis; non-prejudicial; attributable to good cause or matters beyond the Plan's control; in the context of on-going good-faith exchange of information; and not reflective of a pattern or practice of non-compliance the Plan's administrative remedies will not be deemed exhausted and the stated procedure must be followed.

The administrative remedies available under the Plan with respect to claims for disability benefits will not be deemed exhausted based on de minimis violations that do not cause, and are not likely to cause, prejudice or harm to the claimant so long as the Plan demonstrates that the violation was for good cause or due to matters beyond the control of the Plan and that the violation occurred in the context of an ongoing, good faith exchange of information between you and the Plan.

You may request a written explanation of the violation from the Plan, and the Plan must provide such explanation within ten (10) days, including a specific description of its basis, if any, for asserting that the violation should not cause the administrative remedies available under the Plan to be deemed exhausted. If a court rejects your request for immediate review on the basis that the Plan met the standards that the violation was de minimis; non-prejudicial; attributable to good cause or matters beyond the Plan's control; the claim shall be considered as re-filed on appeal upon the Plan's receipt of the decision of the court. Within a reasonable time after the receipt of the decision, the Plan shall provide the claimant with notice of the resubmission.

If the Plan Administrator receives a notice of an appeal of the denial of a claim for benefit from a Participant or a Beneficiary, within the prescribed period of time, such notice and all relevant materials shall immediately be submitted to the Employer. The Employer may hold a hearing or otherwise ascertain such facts as it deems necessary and shall render a decision, which shall be binding upon both parties.

The decision of the Employer shall be made within sixty (60) days (forty-five (45) days for Disability claims) after the receipt by the Plan Administrator of the notice of appeal, unless special circumstances require an extension of time for processing, in which case a decision of the Employer shall be rendered as soon as possible but not later than one hundred twenty (120) days after receipt of the request for review. If such an extension of time is required, written notice of the extension shall be furnished to you prior to the commencement of the extension. The decision of the Employer shall be in writing, shall include specific reasons for the decision, written in a manner calculated that you will understand, as well as specific references to the pertinent Plan provisions on which the decision is based and shall be promptly furnished to you. Benefits under this Plan granted pursuant to such an appeal will be paid only if the Employer decides in his discretion that the applicant is entitled to them.

Please file this "Summary of Material Modifications" with your Summary Plan Description (the booklet that explains your Plan). If you would like to see the full text of the changes, you may inspect the Plan Document or receive a copy of the changes as explained in the "ERISA Rights" section of your Summary Plan Description.

If you have any questions on this Summary or the amendment, contact your Plan Administrator:

ARK TEX URBAN TRANSIT, INC.
4808 ELIZABETH STREET
TEXARKANA, TX 75503
(903) 255-3513

Siegel Actuarial Consulting, Inc. Prototype Plans

Plan Amendment for Defined Contribution Plans on the use of Forfeitures to reduce QNECs, QMACs and Safe Harbor Contributions

Basic Plan 03

2017 Core Amendment regarding use of Forfeitures to reduce Employer's Qualified Non-Elective Contributions (QNECs), Qualified Matching Contributions (QMACs) and Safe Harbor Contributions.

Section 1. General Rules

1.1. Purpose and Adoption.

This is a good faith Amendment adopted on behalf of all adopting employers of the Siegel Actuarial Consulting, Inc. Prototype Defined Contribution Plans, and is in response to the Treasury Department and Internal Revenue Service (IRS) proposal to amend Treasury Regulation section 1.401(k)-6 to provide that amounts used to fund QNECs and QMACs must be nonforfeitable and subject to distribution restrictions in accordance with section 1.401(k)-1(c) and (d) when allocated to Participants' accounts and to no longer require that amounts used to fund QNECs and QMACs satisfy the nonforfeitable and distribution requirements when they are first contributed to the Plan.

1.2. Precedence.

The requirements of this Amendment will take precedence over any inconsistent provisions of the Plan including any previous amendments adopted by the Employer. Where appropriate, the term "Plan" shall mean the Plan and Trust.

1.3. Coordination.

For purposes of this Amendment Safe Harbor Non-Elective contributions and Safe Harbor Matching contributions made pursuant to Sections 2.9.3, 2.9.4 (ADP and ACP), 2.2.3 (EACA or QACA) of the Plan are treated as (QNECs and QMACs respectively).

1.4. Requirements of Proposed Treasury Regulations Incorporated.

All matters addressed under this Amendment will be determined and made in accordance with section 1.401(k)-1, 1.401(k)-6, 1.401(m)-1, and 1.401(m)-5 of the proposed Treasury Regulations.

1.5. Effective Date.

This Amendment is effective for QNECs and QMACs allocated after the date this Amendment is adopted.

Section 2. Amendment The Plan is hereby amended as follows:

2.1 Qualified Non-Elective Contributions.

The first phrase of the first sentence of the definition of Qualified Non-Elective Contribution ("An Employer Contribution to a cash or deferred profit sharing plan that is neither a Non-Elective Contribution, Matching Contribution, Qualified Matching Contribution, nor an Elective Deferral, that is one hundred percent (100%) vested and nonforfeitable when made,") is amended by replacing it in its entirety with the following:

"An Employer Contribution to a cash or deferred profit sharing plan that is neither a Non-Elective Contribution, Matching Contribution, Qualified Matching Contribution, nor an Elective Deferral, that is one hundred percent (100%) vested and nonforfeitable when allocated to Participants' accounts,"

Section 2.2 Qualified Matching Contributions.

The first phrase of the sentence of the definition of Qualified Matching Contribution ("A Matching Contribution that is one hundred percent (100%) vested and nonforfeitable when made...") is amended by replacing it in its entirety with the following:

"A Matching Contribution that is one hundred percent (100%) vested and nonforfeitable when allocated to Participants' accounts,"

STATEMENT OF ADOPTION

Siegel Actuarial Consulting, Inc. hereby adopts this Amendment on this 3rd day of April, 2017.

Siegel Actuarial Consulting, Inc.

Disability Claims Procedure Amendment

This amendment is governed by Department of Labor Regulation 2560.503-1. It has been adopted by Siegel Actuarial Consulting, Inc. on March 29, 2018. The adoption of this good faith amendment will not cause a pre-approved plan to be treated as an individually designed plan.

Siegel Actuarial Consulting, Inc. Prototype Plans

Plan Amendment for Defined Contribution Plans

Basic Plan 03

2018 Core Amendment regarding use the Claims Procedure with respect to Disability Claims.

Section 1. General Rules

1.1. Purpose and Adoption. This Amendment is intended to bring the Plan Document into compliance with changes made to Department of Labor Regulation 2560.503-1 regarding claims for benefits under the Plan where the Plan Administrator is exercising discretion as to the determination of a Participant's Disability.

1.2. Precedence. The requirements of this Amendment will take precedence over any inconsistent provisions of the Plan including any previous amendments adopted by the Employer. Where appropriate, the term "Plan" shall mean the Plan and Trust.

1.4. Requirements of ERISA Regulations Incorporated. All matters addressed under this Amendment will be determined and made in accordance with Department of Labor Regulation section 2560.503-1.

1.5. Effective Date. This Amendment is effective April 1, 2018.

Section 2. Amendment

The Plan is hereby amended as follows:

Section 3.7 is deleted in its entirety and replaced with the following.

3.7.1 Claim Procedure (Non-Disability). Any Participant or Beneficiary who is entitled to a payment of a benefit for which provision is made in this Plan shall file a written claim with the Plan Administrator on such forms as furnished by the Plan Administrator and shall furnish such evidence of entitlement to benefits as the Plan Administrator may require. The Plan Administrator shall notify the Participant or Beneficiary in writing of the amount of benefit to which he is entitled, the duration of such benefit, the time the benefit is to commence, and other pertinent information concerning his benefit.

If the Plan Administrator denies a claim for benefits, in whole or in part, the Plan Administrator shall provide adequate notice in writing to the Participant or Beneficiary whose claim for benefits has been denied within ninety (90) days after receipt of the claim unless special circumstances require an extension of time for processing the claim. If such an extension of time for processing is required, the Plan Administrator shall furnish written notice to the Participant or Beneficiary indicating the special circumstances and the date by which a final decision is expected to be rendered. In no event shall the period of extension exceed one hundred eighty (180) days after receipt of the claim. The notice of denial of the claim shall include (a) the specific reason or reasons for the denial; (b) specific reference to pertinent Plan provisions on which the denial is based; (c) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and (d) a statement that any appeal of the denial must be made by giving to the Plan Administrator, within sixty (60) days after receipt of the notice of the denial, written notice of such appeal, such notice to include a full description of the pertinent issues and basis of the claim. The Participant or Beneficiary (or his duly authorized representative) may review pertinent documents and submit issues and comments in writing to the Plan Administrator. If the Participant or Beneficiary fails to appeal such action to the Plan Administrator in writing within the prescribed period of time, the Plan Administrator's adverse determination shall be final, binding, and conclusive. Benefits under this Plan will be paid only if the Plan Administrator decides in his discretion that the applicant is entitled to them.

3.7.2 Appeal (Non-Disability). If the Plan Administrator receives from a Participant or a Beneficiary, within the prescribed period of time, a notice of an appeal of the denial of a claim for benefit, such notice and all relevant materials shall immediately be submitted to the Employer. The Employer may hold a hearing or otherwise ascertain such facts as it deems necessary and shall render a decision that shall be binding upon both parties.

The Employer's decision shall be made within sixty (60) days after the Plan Administrator receives the notice of appeal, unless special circumstances require an extension of time for processing, in which case the Employer shall render a decision as soon as possible but not later than one hundred twenty (120) days after receipt of the request for review. If such an extension of time is required, written notice of the extension shall be furnished to the claimant prior to the commencement of the extension. The Employer's decision shall be in writing, shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, as well as specific references to the pertinent Plan provisions on which the decision is based, and shall be promptly furnished to the claimant. Benefits under this Plan granted pursuant to such an appeal will be paid only if the Employer decides in its discretion that the applicant is entitled to them.

3.7.3 Claims Involving Disability. If the Plan Administrator receives a Disability claim from a Participant or a Beneficiary, and the final determination of Disability is being made by the Plan Administrator, the claim shall be reviewed in accordance with this subsection. If a claim for a Disability benefit is denied by the Plan Administrator, in whole or in part, the Plan Administrator shall provide adequate notice, in writing, to the Participant or Beneficiary whose claim for benefit has been denied. The notice must be provided within forty-five (45) days after receipt of the claim that has been filed in accordance with the reasonable procedures of the Plan unless the Plan Administrator determines that an extension of time of up to thirty (30) days is required due to matters beyond control of the Plan. If such an extension is required the Plan Administrator shall furnish written notice of the extension prior to the end of the initial forty-five (45) day period. The notice of extension must include information to indicate the special circumstances that required the extension and the date by which the Plan Administrator will issue their determination (no later than thirty (30) days beyond the end of the first deadline). If prior to the end of the first extension period the Plan Administrator determines that another extension is required due to matters beyond the control of the Plan, the deadline can be extended for a further thirty (30) days. If such further extension is required, the Plan Administrator shall furnish written notice of the extension prior to the end of the above notice period. The notice of extension must include information to indicate the special circumstances giving rise to the extension and the date by which the Plan Administrator will issue their determination. In no event will the determination extend more than thirty (30) days beyond the end of the first deadline. Both notices of extension must contain (1) the standards on which the determination is being made, (2) the unresolved issues that prevent the Plan Administrator from making the decision, and (3) the additional information that would be needed to allow the Plan Administrator to make the decision. After receipt of an extension notice the Participant or Beneficiary will have no less than forty-five (45) days to provide the information specific as need for the decision.

Following receipt of notice of the Plan Administrator decision the Participant or Beneficiary will have one hundred and eighty (180) days to appeal such denial. Upon receipt of such appeal, the Plan Administrator must act within forty-five (45) days.

In addition, with respect to a claim for Disability benefits as described above, the Participant or Beneficiary must be provided, free of charge, any new or additional evidence or rationale obtained by the Plan during pendency of appeal. The Participant or Beneficiary shall have the right to review and respond to the additional information. This information must include any new or additional evidence considered, relied upon, or generated by the Plan, insurer, or other person making the benefit determination in connection with the claim. This information must be provided as soon as possible and sufficiently in advance of the Plan's decision on appeal to give the Participant or Beneficiary a reasonable opportunity to respond.

All claims subject to this Section 3.7.3 must be adjudicated in a manner designed to ensure the independence and impartiality of the persons involved in making the decision. Therefore, decisions regarding hiring, compensation, termination, promotion, or similar matters with respect to any individual must not be made based upon the likelihood that the individual will support the denial of the Disability claim. In addition, with respect to a Disability claim, both the initial denial letter and any appeal denial letter must be provided in a culturally and linguistically appropriate manner and must specifically set forth the following:

1. The specific basis for disagreeing with any determination by the Social Security Administration or other third party disability payer, or any views of health care professionals or vocational professionals treating a claimant, regardless of whether the information was relied upon.
2. If the adverse determination is based on a medical necessity, experimental treatment, or similar exclusion or limit, either (1) an explanation of the scientific or clinical judgment for the

determination, or (2) the denial letter must make a statement that such an explanation will be made available upon request at no charge.

3. All internal rules, guidelines, protocols, standards or other similar criteria that were relied upon in denying the claim or a statement that such criteria do not exist.
4. A statement that the Participant or Beneficiary is entitled to receive, upon request and free of charge, relevant documents.
5. In the case of an appeal denial letter, the letter must describe any contractual limitation period for a lawsuit and the expiration date for that limitation period along with a statement that the limitation period may not expire before the conclusion of the Plan's internal appeals process.
6. If a claimant's address is in a county where at least 10% of the individuals in that population are literate only in the same non-English language (as determined by the United States Census Bureau), the notices must include a statement in the non-English language about the availability of language services. In addition, the Plan must provide a customer assistance process (such as a telephone hotline) with oral language services in the non-English language and provide written notices in that language upon request.

Failure to adhere to the special requirements applicable to benefit determinations pursuant to this Section 3.7.3 will result in the Participant or Beneficiary being deemed to have exhausted the Plan's administrative remedies, thus giving such Participant or Beneficiary the right to pursue court action, unless the violation was de minimis; non-prejudicial; attributable to good cause or matters beyond the Plan's control; in the context of on-going good-faith exchange of information; and not reflective of a pattern or practice of non-compliance.

The administrative remedies available under the Plan with respect to claims for disability benefits will not be deemed exhausted based on de minimis violations that do not cause, and are not likely to cause, prejudice or harm to the claimant so long as the Plan demonstrates that the violation was for good cause or due to matters beyond the control of the Plan and that the violation occurred in the context of an ongoing, good faith exchange of information between the Plan and the claimant. This exception is not available if the violation is part of a pattern or practice of violations by the Plan. The claimant may request a written explanation of the violation from the Plan, and the Plan must provide such explanation within ten (10) days, including a specific description of its basis, if any, for asserting that the violation should not cause the administrative remedies available under the Plan to be deemed exhausted. If a court rejects the claimant's request for immediate review under on the basis that the Plan met the standards that the violation was de minimis; non-prejudicial; attributable to good cause or matters beyond the Plan's control, the claim shall be considered as re-filed on appeal upon the Plan's receipt of the decision of the court. Within a reasonable time after the receipt of the decision, the Plan shall provide the claimant with notice of the resubmission.

3.7.4 Claims Appeal Involving Disability. If the Plan Administrator receives a notice of an appeal of the denial of a claim for benefit from a Participant or a Beneficiary, within the prescribed period of time, such notice and all relevant materials shall immediately be submitted to the Employer. The Employer may hold a hearing or otherwise ascertain such facts as it deems necessary and shall render a decision, which shall be binding upon both parties.

The decision of the Employer shall be made within sixty (60) days (forty-five (45) days for Disability claims) after the receipt by the Plan Administrator of the notice of appeal, unless special circumstances require an extension of time for processing, in which case a decision of the Employer shall be rendered as soon as possible but not later than one hundred twenty (120) days after receipt of the request for review. If such an extension of time is required, written notice of the extension shall be furnished to the claimant prior to the commencement of the extension. The decision of the Employer shall be in writing, shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, as well as specific references to the pertinent Plan provisions on which the decision is based and shall be promptly furnished to the claimant. Benefits under this Plan granted pursuant to such an appeal will be paid only if the Employer decides in his discretion that the applicant is entitled to them.

STATEMENT OF ADOPTION

Siegel Actuarial Consulting, Inc. hereby adopts this Amendment on this 29th day of March, 2018.



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Plan Description: Prototype Non-standardized Profit Sharing Plan
FFN: 313B4948503-002 Case: 201205885 EIN: 65-1279994
Letter Serial No: J398222a
Date of Submission: 04/02/2012

SIEGEL ACTUARIAL CONSULTING INC
11676 PERRY HIGHWAY, SUITE 3300
WEXFORD, PA 15090

Contact Person:
Janell Hayes
Telephone Number:
513-263-3602
In Reference To: TEGE:EP:7521
Date: 03/31/2014

Dear Applicant:

In our opinion, the form of the plan identified above is acceptable under section 401 of the Internal Revenue Code for use by employers for the benefit of their employees. This opinion relates only to the acceptability of the form of the plan under the Internal Revenue Code. It is not an opinion of the effect of other Federal or local statutes.

You must furnish a copy of this letter, a copy of the approved plan, and copies of any subsequent amendments to each employer who adopts this plan. Effective on or after 10/31/2011, interim amendments adopted by the sponsor on behalf of employers must provide the date of adoption by the sponsor.

This letter considers the changes in qualification requirements contained in the 2010 Cumulative List of Notice 2010-90, 2010-52 I.R.B. 909.

Our opinion on the acceptability of the form of the plan is not a ruling or determination as to whether an employer's plan qualifies under Code section 401(a). However, an employer that adopts this plan may rely on this letter with respect to the qualification of its plan under Code section 401(a), as provided for in Rev. Proc. 2011-49, 2011-44 I.R.B. 608, and outlined below. The terms of the plan must be followed in operation.

Except as provided below, our opinion does not apply with respect to the requirements of Code sections 401(a)(4), 401(l), 410(b), and 414(s). Our opinion does not apply for purposes of Code section 401(a)(10)(B) and section 401(a)(16) if an employer ever maintained another qualified plan for one or more employees who are covered by this plan. For this purpose, the employer will not be considered to have maintained another plan merely because the employer has maintained another defined contribution plan(s), provided such other plan(s) has been terminated prior to the effective date of this plan and no annual additions have been credited to the account of any participant under such other plan(s) as of any date within the limitation year of this plan. Also, for this purpose, an employer is considered as maintaining another plan, to the extent that the employer maintains a welfare benefit fund defined in Code section 419(e), which provides postretirement medical benefits allocated to separate accounts for key employees as defined in Code section 419A(d)(3), or an individual medical account as defined in Code section 415(l)(2), which is part of a pension or annuity plan maintained by the employer, or a simplified employee pension plan.

Our opinion does not apply for purposes of the requirement of section 1.401(a)-1(b)(2) of the regulations applicable to a money purchase plan or target benefit plan where the normal retirement age under the employer's plan is lower than age 62.

Letter 4334

This is not a ruling or determination with respect to any language in the plan that reflects Section 3 of the Defense of Marriage Act, Pub. L. 104-199, 110 Stat. 2419 (DOMA) or U.S. v. Windsor, 133 S. Ct. 2675 (2013), which invalidated that section.

Our opinion applies with respect to the requirements of Code section 410(b) if 100 percent of all nonexcludable employees benefit under the plan. Employers that elect a safe harbor allocation formula and a safe harbor compensation definition can also rely on an opinion letter with respect to the nondiscriminatory amounts requirement under section 401(a)(4). If this plan includes a CODA or otherwise provides for contributions subject to sections 401(k) and/or 401(m), the opinion letter can be relied on with respect to the form of the nondiscrimination tests of 401(k)(3) and 401(m)(2) if the employer uses a safe harbor compensation definition. In the case of plans described in section 401(k)(12) or (13) and/or 401(m)(11) or (12), employers may also rely on the opinion letter with respect to whether the form of the plan satisfies the requirements of those sections unless the plan provides for the safe harbor contribution to be made under another plan.

The employer may request a determination (1) as to whether the plan, considered with all related qualified plans and, if appropriate, welfare benefit funds, individual medical benefit accounts, and simplified employee pension plans, satisfies the requirements of Code section 401(a)(16) as to limitations on benefits and contributions in Code section 415 and the requirements of Code section 401(a)(10)(B) as to the top-heavy plan requirements in Code section 416; (2) with respect to whether a money purchase or target benefit plan's normal retirement age which is earlier than age 62 satisfies the requirements of section 401(a)-1(b)(2) of the Income Tax Regulations; (3) that the plan is a multiple employer plan; (4) whether there has been a partial termination; and (5) to comply with published procedures of the Service (e.g. minimum funding waiver request). The employer may request a determination letter in these circumstances by filing an application with Employee Plans Determinations on Form 5300, without restating for the Cumulative List in effect when the application is filed.

If you, the master or prototype sponsor, have any questions concerning the IRS processing of this case, please call the above telephone number. This number is only for use of the sponsor. Individual participants and/or adopting employers with questions concerning the plan should contact the master or prototype sponsor. The plan's adoption agreement must include the sponsor's address and telephone number for inquiries by adopting employers.

If you write to the IRS regarding this plan, please provide your telephone number and the most convenient time for us to call in case we need more information. Whether you call or write, please refer to the Letter Serial Number and File Folder Number shown in the heading of this letter.

You should keep this letter as a permanent record. Please notify us if you modify or discontinue sponsorship of this plan.

Sincerely Yours,



Andrew E. Zuckerman
Director, Employee Plans Rulings and Agreements

**SIEGEL ACTUARIAL CONSULTING, INC.
PROTOTYPE
DEFINED CONTRIBUTION TRUST
Basic Plan 03**

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INC. PROTOTYPE
DEFINED CONTRIBUTION TRUST
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TABLE OF CONTENTS

ARTICLE I - INTRODUCTION	1
1.1 Creation and Title.	1
1.2 Subject to the Requirements of the Plan.	1
1.3 Effective Date.	1
1.4 Purpose.	1
1.5 Plan Administration.	1
ARTICLE II - TRUSTEE	2
2.1 Acceptance of Trust.	2
2.2 Trustee Capacity - Co-Trustees.	2
2.3 Resignation, Removal, and Successors.	2
2.4 Consultations.	2
2.5 Rights, Powers, and Duties.	2
2.6 Right of Trustee to Contributions.	4
2.7 Trustee Indemnification.	5
2.8 Changes in Trustee Authority.	5
ARTICLE III - FIDUCIARY DUTIES	6
3.1 Standard of Conduct.	6
3.2 Individual Fiduciaries.	6
3.3 Incorporation of Plan Provisions Regarding Fiduciaries.	6
ARTICLE IV - TRUST ASSETS	7
4.1 Trustee Is Exclusive Owner.	7
4.2 Investments.	7
4.3 Administration of Trust Assets.	8
4.4 Segregated Funds.	9
4.5 Investment Control Option.	9
ARTICLE V - AMENDMENT AND TERMINATION	11
5.1 Amendments.	11
5.2 Manner of Amending.	11
5.3 Limitations On Amendments.	11
5.4 Trustee Powers Pending Final Distribution.	11
5.5 Delegation to Sponsor.	11
ARTICLE VI - MISCELLANEOUS	12
6.1 No Reversion to Employer.	12
6.2 Persons Dealing With Trustee Protected.	12
6.3 Notices.	12

6.4 Governing Law.	12
6.5 Severability of Provisions.	12
6.6 Gender and Number.	12
6.7 Qualification Under Internal Revenue Laws.	12

ARTICLE I

INTRODUCTION

1.1 Creation and Title. The Employer and the undersigned Trustee(s) hereby create a Trust to be known by the name set forth in the Adoption Agreement. All terms used herein have the same meaning as described in the Siegel Actuarial Consulting, Inc. Prototype Defined Contribution Plan 03.

1.2 Subject to the Requirements of the Plan. Numerous Plan provisions describe the role and duties of the Trustee regarding the Plan. Such provisions are hereby incorporated by reference and apply to the Trustee in the same manner as if they were stated in this Trust Agreement. This Trust is subject to the terms of the Plan, and the Plan shall control in the event of any conflict between the Plan document and this Agreement.

1.3 Effective Date. The provisions of this Trust shall be effective as of the Effective Date specified in the most recent Adoption Agreement unless modified herein.

1.4 Purpose. The Plan and this Trust are established to provide retirement benefits to Eligible Employees in accordance with the Plan and the Adoption Agreement.

1.5 Plan Administration. The Plan is administered by the Plan Administrator. The Trustee shall act according to the Plan Administrator's directions unless such directions are inconsistent with the terms of the Plan or applicable law.

ARTICLE II

TRUSTEE

2.1 Acceptance of Trust. The Trustee, by the execution of this Trust Agreement, agrees to act in accordance with the express terms and conditions hereof and the Plan.

2.2 Trustee Capacity - Co-Trustees.

- (a) The Trustee may be a bank, trust company, or other corporation possessing trust powers under applicable state or federal law or one or more individuals or any combination thereof.
- (b) The term "Trustee" as used herein also includes any person holding the assets of a custodial account, an annuity contract, or other contract that is treated as a qualified trust pursuant to Code section 401(f), and references to the Trust Fund shall be construed to apply to such custodial account, annuity contract, or other contract.
- (c) At any time that a group of individuals is acting as Trustee, the number of such persons who shall act in such capacity from time to time shall be determined by the Employer. The Employer shall appoint such persons, who may or may not be Participants or Employees of the Employer. When there are two (2) or more Trustees, they may allocate specific responsibilities, obligations, or duties among themselves by their written agreement. An executed copy of such written agreement shall be delivered to and retained by the Plan Administrator. Unless otherwise elected by the Employer in the Adoption Agreement, any action taken by the Trustees shall be taken at the direction of a majority of such Trustees, or, if the number of such Trustees is two (2), by unanimous consent.

2.3 Resignation, Removal, and Successors. Any Trustee may resign at any time by delivering to the Employer a written notice of resignation to take effect at a date specified therein, which shall not be less than thirty (30) days after the delivery thereof; the Employer may waive such notice. The Trustee may be removed by the Employer with or without cause, by tendering to the Trustee a written notice of removal to take effect at a date specified therein.

Upon such removal or resignation of a Trustee, the Employer shall either appoint a successor Trustee who shall have the same powers and duties as those conferred upon the resigning or discharged Trustee, or, if a group of individuals is acting as Trustee, determine that a successor shall not be appointed and the number of Trustees shall be reduced by one (1).

2.4 Consultations. The Trustee shall be entitled to advice of counsel, which may be counsel for the Plan or the Employer, in any case in which the Trustee shall deem such advice necessary. The Trustee shall not be liable for any action taken or omitted in good faith reliance upon the advice of such counsel.

With the exception of those powers and duties specifically allocated to the Trustee by the express terms of the Plan, it shall not be the responsibility of the Trustee to interpret the terms of the Plan, and the Trustee may request, and is entitled to receive, guidance and written direction from the Plan Administrator on any point requiring construction or interpretation of the Plan documents.

2.5 Rights, Powers, and Duties. The rights, powers, and duties of the Trustee are:

- (a) The Trustee shall have exclusive authority, discretion, and responsibility for the management and control of the assets of the Trust Fund in accordance with the provisions of the Plan and any amendments thereto, but the Employer may limit the exclusive authority, discretion, and responsibility of the Trustee by written direction delivered to the Trustee. The duties of the Trustee under the Plan shall be determined solely by the express provisions hereof, and no other further duties or responsibilities shall be implied. Subject to the terms of the Plan, the Trustee shall be fully protected and shall incur no liability in acting in reliance upon the written instructions or directions of the Employer, the Plan Administrator, a duly designated investment manager, or any other named

Fiduciary.

- (b)** The Trustee shall have all powers necessary or convenient for the orderly and efficient performance of its duties hereunder, including but not limited to those specified in this Section. The Trustee shall have the power generally to do all acts, whether or not expressly authorized, that the Trustee in the exercise of its fiduciary responsibility may deem necessary or desirable for the protection of the Trust Fund and the assets thereof.
- (c)** The Trustee shall have the power to collect and receive any and all moneys and other property due the Plan and to give full discharge and release therefore; to settle, compromise, or submit to arbitration any claims, debts, or damages due to or owing to or from the Trust Fund; to commence or defend suits or legal proceedings whenever, in the Trustee's judgment, any interest of the Trust Fund requires it; and to represent the Trust Fund in all suits or legal proceedings in any court of law or equity or before any other body or tribunal. Claims that are not subject to arbitration are ERISA claims, claims involving participants and claims that affect the qualification of the Plan.
- (d)** The Trustee shall cause any Life Insurance Policies or assets of the Trust Fund to be registered in its name as Trustee and shall be authorized to exercise any and all ownership rights regarding these assets, subject to the terms of the Plan.

 - (i)** The requirements of paragraph (d) of this Section will not fail to be satisfied merely because securities of a plan are held in the name of a nominee or in street name, provided such securities are held on behalf of the Plan by:

 - (A)** A bank or trust company that is subject to supervision by the United States or a State, or a nominee of such bank or trust company;
 - (B)** A broker or dealer registered under the Securities Exchange Act of 1934, or a nominee of such broker or dealer; or
 - (C)** A "clearing agency," as defined in section 3(a)(23) of the Securities Exchange Act of 1934, or its nominee.
 - (ii)** Where a corporation described in section 501(c)(2) of the Internal Revenue Code holds property on behalf of the Plan, the requirements of paragraph (d) of this Section are satisfied with respect to such property if all the stock of such corporation is held in trust on behalf of the Plan by one or more trustees.
 - (iii)** If the assets of an entity in which the Plan invests include Plan assets by reason of the Plan's investment in the entity, the requirements of paragraph (d) of this Section are satisfied with respect to such investment if the indicia of ownership of the Plan's interest in the entity are held in trust on behalf of the Plan by one or more trustees.
- (e)** The Trustee may temporarily hold cash balances and shall be entitled to deposit any funds received in a bank account in the name of the Trust Fund in any bank selected by the Trustee, including the banking department of a corporate Trustee, if any, pending disposition of such funds in accordance with the Plan. Any such deposit may be made with or without interest.
- (f)** The Trustee shall pay the premiums and other charges due and payable at any time on any Life Insurance Policies as the Plan Administrator may direct, provided funds for such payments are then available in the Trust. The Trustee shall be responsible only for such funds and Life Insurance Policies that it actually receives as Trustee and shall have no obligation to make payments other than from such funds and cash values of Life Insurance Policies.
- (g)** If the whole or any part of the Trust Fund shall become liable for the payment of any estate, inheritance, income, or other tax that the Trustee shall be required to pay, the Trustee shall have full power and authority to pay such tax out of any moneys or other property in its possession for the Account of the person whose Plan interest is so liable. Prior to making any payment, the Trustee may require such releases or other documents from any lawful taxing authority as it shall deem necessary.

The Trustee shall not be liable for any nonpayment of tax when it distributes an interest hereunder on instructions from the Plan Administrator.

- (h) The Trustee shall keep a full, accurate, and detailed record of all transactions of the Trust, which the Employer and the Plan Administrator shall have the right to examine at any time during the Trustee's regular business hours. As of the close of each Plan Year, the Trustee shall furnish the Plan Administrator with a statement of account setting forth all receipts, disbursements, and other transactions effected by the Trustee during the year. The Plan Administrator shall promptly notify the Trustee in writing of his approval or disapproval of the statement of account.

The Plan Administrator's failure to provide written disapproval of the statement within sixty (60) days after receipt shall be considered an approval. Except as otherwise required by law, the Plan Administrator's approval shall be binding on all matters embraced in any statement to the same extent as if the statement of the Trustee had been settled by judgment or decree of a court of competent jurisdiction under which the Trustee, Employer, and all persons having or claiming any interest in the Trust Fund were parties; provided, however, that the Trustee may have its account judicially settled if it so desires.

- (i) The Trustee is hereby authorized to execute all necessary receipts and releases to any parties concerned; and shall be under a duty, upon being advised by the Plan Administrator that the proceeds of any Life Insurance Policies are payable, to give reasonable assistance to the Beneficiary designated therein to collect such sums as may appear to be due and upon payment, transfer such sums to the Beneficiary.
- (j) If, at any time, as the result of the death of the Participant, there is a dispute regarding the person to whom payment or delivery of moneys or property should be made by the Trustee, or regarding any action to be taken by the Trustee, the Trustee may postpone such payment, delivery, or action, retaining the funds or property involved, until such dispute shall have been resolved in a court of competent jurisdiction, the Trustee shall have been indemnified to its satisfaction, or it has received written direction from the Plan Administrator.
- (k) Anything in this instrument to the contrary notwithstanding, the Trustee shall have no duty or responsibility with respect to the determination of matters pertaining to the eligibility of any Employee to become or remain a Participant under the Plan, the amount of benefit to which any Participant or Beneficiary shall be entitled under the Plan, or the size and type of any Life Insurance Policy to be purchased from any Insurer for any Participant under the Plan; all such responsibilities being vested in the Plan Administrator.

2.6 Right of Trustee to Contributions. Unless provided with written direction to the contrary, by the Employer or the Plan Administrator, the Trustee shall have no duty to require any contribution to be made or to determine whether contributions delivered to the Trustee by the Employer comply with the provisions of this Agreement. The Trustee shall be notified in writing of the Named Fiduciary to whom such responsibility has been assigned. In this case, the Trustee shall be accountable only for funds actually received by the Trustee.

If the Plan has two or more Named Fiduciaries or Trustees assigned this duty, it may be allocated to a single Named Fiduciary or Trustee. The Employer or Plan Administrator may also provide that a Named Fiduciary may direct the Trustee as to this responsibility or may appoint an Investment Manager to take on this duty. To the extent the nature and scope of the Trustee's responsibilities are specifically limited in the Plan documents, Trust Agreement or by written direction, it will be the responsibility of the Named Fiduciary with the authority to hire and monitor Trustees to assure that all Trustee responsibilities with respect to the management and control of the Plan's assets (including collecting delinquent contributions) have been properly assigned to a Trustee, Investment Manager or Named Fiduciary.

The Plan must make systematic, reasonable and diligent efforts to collect delinquent Employer Contributions. The steps necessary to discharge this duty to collect contributions will depend on the available facts. In determining what collection actions to take, a Named Fiduciary must weigh the value of the Plan assets involved, the likelihood of a successful recovery, and the expenses expected to be incurred. Among other factors, the Named Fiduciary may take into account the Employer's solvency in

deciding whether to expend Plan assets to pursue a claim.

2.7 Trustee Indemnification. The Employer shall indemnify and hold harmless the Trustee for and from the assertion or occurrence of any liability to a Participant or Beneficiary for any action taken or omitted by the Trustee pursuant to any written direction to the Trustee from the Employer or the Plan Administrator. Such indemnification obligation of the Employer shall not be applicable to the extent that any such liability is covered by insurance.

2.8 Changes in Trustee Authority. If a successor Trustee is appointed, neither an Insurer nor any other person who has previously had dealings with the former Trustee shall be chargeable with knowledge of such appointment or change until furnished with written notice. Until such notice, the Insurer and any other such party shall be fully protected in relying on any action taken or signature presented that would have been proper in accordance with information previously received.

ARTICLE III

FIDUCIARY DUTIES

3.1 Standard of Conduct. The duties and responsibilities of the Trustee with respect to the Plan shall be carried out (a) in a non-discriminatory manner; (b) for the exclusive benefit of Participants and their Beneficiaries; (c) by defraying the reasonable expenses of administering the Plan; (d) 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; (e) by diversifying the investments of the Plan to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and (f) in accordance with the documents and instruments governing the Plan insofar as such documents and instruments are consistent with the provisions of the Act.

3.2 Individual Fiduciaries. At any time that a group of individuals is acting in the same Fiduciary capacity, the number of such persons who shall act in such capacity from time to time shall be determined by the Employer. Such persons shall be appointed by the Employer and may or may not be Participants or Employees of the Employer. Unless otherwise elected by the Employer in the Adoption Agreement, any action taken by a group of individuals acting in such capacity shall be taken at the direction of a majority of such persons, or, if the number of such persons is two (2), by unanimous consent.

3.3 Incorporation of Plan Provisions Regarding Fiduciaries. The provisions of Sections 3.3.3 through 3.3.11 of the Plan are hereby incorporated by reference, and such provisions shall apply to the Trustee in the same manner as they apply to any other Fiduciary.

ARTICLE IV

TRUST ASSETS

4.1 Trustee Is Exclusive Owner. All assets held by the Trustee, whether in the Trust Fund or Segregated Funds, shall be owned exclusively by the Trustee, and no Participant or Beneficiary shall have any individual ownership thereof. Participants and their Beneficiaries shall share in the assets of the Trust, its net earnings, profits and losses, only as provided in the Plan.

4.2 Investments. The Trustee shall invest and reinvest the Trust Fund without distinction between income and principal in one or more of the following ways, as the Trustee shall from time to time determine:

- (a) The Trustee may invest the Trust Fund or any portion thereof in obligations issued or guaranteed by the United States of America or of any instrumentality thereof, or in other bonds, notes, debentures, mortgages, preferred or common stocks, options to buy or sell stocks or other securities, mutual fund shares, limited partnership interests, commodities, real estate or any interest therein, or in such other property, real or personal, as the Trustee shall determine.
- (b) The Trustee may cause the Trust Fund or any portion thereof to be invested in a common trust fund established and maintained by a national or other bank regulated by the Federal Deposit Insurance Corporation, for the collective investment of fiduciary funds, even though the bank is acting as the Trustee or investment manager, provided such common trust fund is a qualified trust under the applicable Code section, or corresponding provisions of future federal internal revenue laws, and is exempt from income tax under the applicable Code section. In the event any assets of the Trust Fund are invested in such a common trust fund, the Declaration of Trust creating such common trust fund, as it may be amended from time to time, shall be incorporated into the Plan by reference and made a part thereof.

Further, all or any portion of the assets subject to this Trust Agreement may be invested in any collective investment fund maintained exclusively for the investment of assets of (i) exempt, qualified employee benefit trusts and (ii) collective investment funds consisting exclusively of assets of such qualified trust. The assets so invested shall be subject to all the provisions of the instrument establishing such collective investment fund, as such instrument may be amended from time to time. Such instrument, as amended from time to time, is hereby incorporated and made a part of this Trust Agreement and shall control notwithstanding any contrary provision of this Trust Agreement or the Plan.

- (c) The Trustee may deposit any portion of the Trust Fund in savings accounts in federally insured banks or savings and loan associations or invest in certificates of deposit issued by any such bank or savings and loan association. The Trustee may retain, without liability for interest, any portion of the Trust Fund in cash balances pending investment thereof or payment of expenses.
- (d) The Trustee may buy and sell put and call options, covered or uncovered, engage in spreads, straddles, ratio writing and other forms of options trading, including sales of options against convertible bonds, and sales of Standard & Poor futures contracts, and trade in and maintain a brokerage account on a cash or margin basis.
- (e) The Trustee may invest any portion or all of the assets of the Trust Fund that are attributable to the vested and nonforfeitable interest in the Accounts of a Participant in the purchase of group or individual Life Insurance Policies issued on the life of the Participant or family member for the benefit of the Participant with the consent of the Participant, subject to the following conditions, as they are represented by the Plan Administrator:
 - (i) If ordinary Life Insurance Policies are used, the aggregate life insurance premiums must be less than one-half (1/2) of the aggregate Employer Contributions and Forfeitures allocated to the Participant's Account at any particular time, without regard to Trust earnings, capital gains and

losses; for purposes of this Plan, the term "Ordinary Life Insurance Policies" shall mean Policies with both nondecreasing death benefits and nonincreasing premiums.

- (ii) The aggregate premiums paid for Life Insurance Policies on the life of any Participant or family member that are either term, universal or any other contracts which are not ordinary whole life Policies shall not at any time exceed twenty-five percent (25%) of the aggregate amount of Employer Contributions and Forfeitures that have been allocated to the Accounts of such Participant.
- (iii) The sum of one-half of the aggregate premiums for ordinary whole Life Insurance Policies and all premiums for other Life Insurance Policies shall not at any time exceed twenty-five percent (25%) of the aggregate amount of Employer Contributions and Forfeitures that have been allocated to the Accounts of such Participant.
- (iv) If the Plan permits in-service distributions to a Participant prior to his Normal Retirement Date, the amount that may be distributed to the Participant may be applied to the purchase of Life Insurance Policies.
- (f) The Trustee may invest the Trust Fund or any portion thereof to acquire or hold Qualifying Employer Securities or Real Property, provided that the portion so invested shall not exceed the amount allowed as an investment under the Act. There shall be no limit on the acquisition of Qualifying Employer Securities in an individual account balance plan in which Participants may direct the Trustee to buy Qualifying Employer Securities on their behalf.
- (g) If permitted, the Participant may direct the purchase of life insurance on his life, on the joint lives of the Participant and someone in whom the Participant has an insurable interest, or on the life of someone in whom the Participant has an insurable interest. The amount that can be used to pay life insurance premiums shall be determined according to this Section.

4.3 Administration of Trust Assets.

Subject to the limitations expressly set forth here and in the Plan, the Trustee shall have the following powers and authority in connection with the administration of the assets of the Trust:

- (a) To hold and administer all contributions made by the Employer to the Trust Fund and all income or other property derived therefrom as a single Trust Fund, except as otherwise provided in the Plan. Receive contributions of property to the Plan as long as the Plan is not a pension plan, the contribution is discretionary and the property is not encumbered;
- (b) To manage, control, sell, convey, exchange, petition, divide, subdivide, improve, repair, grant options, sell upon deferred payments, lease without limit as determined for any purpose, compromise, arbitrate, or otherwise settle claims in favor of or against the Trust Fund, institute, compromise, and defend actions and proceedings, and to take any other action necessary or desirable in connection with the administration of the Trust Fund;
- (c) To vote any stock, bonds, or other securities of any corporation or other issuer; otherwise consent to or request any action on the part of any such corporation or other issuer; to give general or special proxies or powers of attorney, with or without power of substitution; to participate in any reorganization, recapitalization, consolidation, merger, or similar transaction with respect to such securities; to deposit such stocks or other securities in any voting trusts, or with any protective or like committee, or with the trustee, or with the depositories designated thereby; to exercise any subscription rights and conversion privileges or other options and to make any payments incidental thereto; and generally to do all such acts, execute all such instruments, take all such proceedings and exercise all such rights, powers, and privileges with respect to the stock or other securities or property constituting the Trust Fund as if the Trustee were the absolute owner thereof;
- (d) To apply for and procure, at the election of any Participant, Life Insurance Policies on the life of the Participant or someone in whom the Participant has an insurable interest; to exercise whatever rights and privileges may be granted to the Trustee under such Policies, and to cash in, receive, and collect such Policies or the proceeds therefrom as and when entitled to do so under the provisions thereof;

- (e) 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;
- (f) To register any investment held in the Trust in the Trustee's own name or in the name of a nominee for the benefit of the Plan, or to hold any investment in bearer form, provided that the books and records of the Trustee shall at all times show that all such investments are part of the Trust;
- (g) To borrow money for the purposes of the Plan in such amounts and upon such terms and conditions as the Trustee deems appropriate;
- (h) To commingle the assets of the Trust Fund with the assets of other similar trusts that are exempt from income tax, whether sponsored by the Employer, an affiliate of the Employer, or an unrelated employer, provided that the books and records of the Trustee shall at all times show the portion of the commingled assets that are part of the Trust; and
- (i) To do all acts whether or not expressly authorized that the Trustee may deem necessary or proper for the protection of the property held hereunder.

4.4 Segregated Funds.

Unless otherwise determined by the Trustee to be imprudent, the Trustee shall invest and reinvest each Segregated Fund without distinction between income and principal. Such accounts shall be held for the benefit of the Participant for whom such Segregated Fund is established in accordance with the terms of the Plan, and the Participant's Segregated Account shall be credited with any interest earned in connection with such accounts. If the Trustee determines that an alternative investment is appropriate, the Trustee may invest the Segregated Fund in any manner permitted with respect to the Trust Fund and such Segregated Fund shall be credited with the net income or loss or net appreciation or depreciation in value of such investments. No Segregated Fund shall share in any Employer Contributions or Forfeitures, any net income or loss from, or net appreciation or depreciation in value of, any investments of the Trust Fund, or any allocation for which provision is made in the Plan that is not specifically attributable to the Segregated Fund.

4.5 Investment Control Option.

If the Employer elects in the Adoption Agreement to permit Participants to direct the investment of their Accounts, each Participant may elect to transfer funds that do not exceed the balances in his Trustee-directed Accounts to a Controlled Account and exercise investment control of those funds by appropriate direction to the Trustee.

To the extent that the funds to be transferred from a Participant's Account include his share of an Employer Contribution or other funds that have not yet been received by the Trustee, such transfer shall not occur until the Trustee receives such funds. Funds transferred to a Controlled Account on behalf of the Participant shall be thereafter be invested by the Trustee in such property, real or personal (other than collectibles), as the Participant shall direct from time to time in writing, unless policies adopted pursuant to Section 3.4.6 of the Plan permit electromechanical communications in this context. The Participant may not direct the Trustee to make distributions or loans to himself, nor to make loans to the Employer, and the Trustee may limit the investment alternatives available to the Participant in a uniform and nondiscriminatory manner.

A Participant shall make such election by giving notice thereof to the Trustee as the Trustee deems necessary, and such notice shall specify the source and amount of such funds to be transferred. Any such election shall be at the absolute discretion of the individual Participant and shall be binding upon the Trustee unless the Trustee has actual knowledge that such transaction is a prohibited transaction under the Code or the Act. Upon any such election being made, the amount of such funds to be transferred shall be deducted from his Trustee-directed Accounts as appropriate and added to a Controlled Account of the Participant. All earnings thereafter received with respect to such transferred funds, as well as any appreciation or depreciation in his investments, shall be added to or deducted from his Controlled Account.

If the Employer elects to follow ERISA section 404(c), the Plan Administrator or appropriate Fiduciary shall ensure that the Plan provides Participants with the minimum options and information required by ERISA

section 404(c) and the regulations thereunder.

If a Participant elects to transfer funds from his Trustee-directed Accounts to a Controlled Account as of a date other than a Valuation Date, the Trustee may defer such transfer until the next succeeding Valuation Date or may make such transfer, provided that the Trustee determines that the assets in the Trust Fund are such that it is feasible and practical to make such transfer. As of the date of such transfer, adjustments to the Participant's Accounts shall be made as if such date is a Valuation Date.

As of any Valuation Date, the Participant may elect to have all or any portion of any cash contained in his Controlled Account transferred back to the general assets of the Trust Fund, in which case the Trustee shall again invest such cash as part of the general assets of the Trust Fund. A Participant shall make such election by giving notice to the Trustee, in the manner that the Trustee deems necessary, and the notice shall specify the amount of cash to be transferred. The amount of such funds so transferred shall be deducted from the Participant's Controlled Account and added to the appropriate Account of the Participant. Any such election shall be at the absolute discretion of the individual Participant and shall be binding upon the Trustee.

The Trustee shall not have any investment responsibility with respect to a Participant's Controlled Account. In the event that a Participant elects to have any such funds transferred to a Controlled Account and invested in particular securities or assets pursuant to this Section, the Trustee shall not be liable for any loss or damage resulting from the investment decision of the Participant.

ARTICLE V

AMENDMENT AND TERMINATION

5.1 Amendments.

The Employer may at any time or times amend this Trust, in whole or in part.

5.2 Manner of Amending.

Each amendment of this Trust shall be made by delivery to the Trustee of a copy of the Employer resolution that sets forth such amendment.

5.3 Limitations On Amendments.

(a) No amendment to this Trust shall:

(1) Directly or indirectly operate to give the Employer any interest whatsoever in the assets of the Trust or a custodial account or to deprive any Participant or Beneficiary of his vested and nonforfeitable interest in the assets of the Trust as then constituted, or cause any part of the income or corpus of the Trust to be used for, or diverted to purposes other than the exclusive benefit of Employees or their Beneficiaries; or

(2) Increase the duties or liabilities of the Trustee without the Trustee's prior written consent.

(b) The Employer may amend the Trust or custodial account document provided such amendment merely involves the specifications of the names of the Plan, Employer, Trustee or custodian, Plan Administrator or other Fiduciaries, the Trust Year, or the name of any pooled trust in which the Plan's Trust will participate.

(c) The Plan will not be considered to have an individually designed plan merely because the Employer amends administrative provisions of the Trust or custodial account document (such as provisions relating to investments and duties of Trustees) so long as the amended provisions are not in conflict with any other provision of the Plan and do not cause the Plan to fail to qualify under Code section 401(a).

5.4 Trustee Powers Pending Final Distribution.

Sections 3.8.4 through 3.8.6 of the Plan provide for the termination or partial termination of the Plan and the withdrawal of an Employer from participation in the Plan. Until final distribution of the assets of the Trust, the Trustee shall continue to have all the powers provided under the Plan and this Trust as are necessary for the orderly administration, liquidation, and distribution of the assets of the Trust.

5.5 Delegation to Sponsor.

The Employer expressly delegates authority to the Plan Sponsor the right to amend any part of this Trust on its behalf to the extent necessary to preserve the qualified status of the Plan. For purposes of amendments by the Plan Sponsor, the Mass Submitter shall be recognized as the agent of the Plan Sponsor. If the Plan Sponsor does not adopt the amendments made by the Mass Submitter, the Plan shall no longer be identical to or a minor modifier of the Mass Submitter plan. The Plan Sponsor shall submit a copy of the amendment to each Employer who has adopted the Plan after first having received a ruling or favorable determination from the Internal Revenue Service that the Plan as amended satisfies the applicable requirements of the Code.

ARTICLE VI

MISCELLANEOUS

6.1 No Reversion to Employer.

Except as specifically provided in the Plan, no part of the corpus or income of the Trust shall revert to the Employer or be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries.

6.2 Persons Dealing With Trustee Protected.

No person dealing with the Trustee shall be required or entitled to see to the application of any money paid or property delivered to the Trustee, or determine whether the Trustee is acting pursuant to the authorities granted to the Trustee hereunder or to authorizations or directions herein required. The certificate of the Trustee that the Trustee is acting in accordance with the Plan shall protect any person relying thereon.

6.3 Notices.

Any notice or direction to be given in accordance with this Trust shall be deemed to have been effectively given if hand delivered to the recipient or sent by certified mail, return receipt requested, to the recipient at the recipient's last known address. At any time that a group of individuals is acting as Trustee or in a Fiduciary capacity, notice to the Trustee or such Fiduciary may be given by giving notice to any one or more of such individuals.

6.4 Governing Law.

The provisions of this Trust shall be construed, administered, and enforced in accordance with the provisions of the Act and, to the extent applicable, the laws of the state specified in the Adoption Agreement. All contributions to the Trust shall be deemed to take place in such state.

6.5 Severability of Provisions.

In the event that any provision of this Trust shall be held to be illegal, invalid, or unenforceable for any reason, said illegality, invalidity or unenforceability shall not affect the remaining provisions, but shall be fully severable and the Trust shall be construed and enforced as if said illegal, invalid or unenforceable provisions had never been inserted herein.

6.6 Gender and Number.

Whenever appropriate, words used in the singular shall include the plural, and the masculine gender shall include the feminine gender and vice versa.

6.7 Qualification Under Internal Revenue Laws.

The Employer intends that the Trust qualify under the applicable Code provisions. Until advised to the contrary, the Trustee may assume that the Trust is so qualified and is entitled to tax exemption under the Code. If the Plan of the Employer fails to attain or retain qualification, the Employer's Plan shall no longer participate in the Prototype Plan and shall be considered an individually designed plan.

The Employer and the Trustee(s) hereby adopt the foregoing Trust on this _____ day of _____, _____.

Employer:

ARK TEX URBAN TRANSIT, INC.

Trustee:

Officer of Employer

MARY BETH RUDEL
Trustee

LESLIE MCBRIDE
Trustee

**ADOPTION AGREEMENT
FOR THE SIEGEL ACTUARIAL CONSULTING, INC. PROTOTYPE
NON-STANDARDIZED PROFIT SHARING PLAN
03-002**

**NON-STANDARDIZED PROTOTYPE
ADOPTION AGREEMENT
FOR THE SIEGEL ACTUARIAL CONSULTING, INC.
PROFIT SHARING PENSION PLAN**

The Siegel Actuarial Consulting, Inc. Profit Sharing Plan ("the Plan") is hereby adopted by:

ARK TEX URBAN TRANSIT, INC.
(the "Employer").

The Plan as applicable to the Employer shall be known as:

ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN

☐ This Plan shall be funded solely by Insurance Contracts. (See Insurance Addendum)

The Effective Date of the Plan and Trust is: October 1, 2020. (May not be earlier than the first day of the initial Plan Year.)

Note: For New Plans, skip to Part I.

- ☐ a. The Plan is an amendment of a preexisting Plan that was originally effective as of: ____/____/____.
- ☒ b. The Plan is an amendment and restatement of a preexisting Plan that was originally effective as of: October 1, 2013.
- ☐ c. Frozen Plan. This Plan was frozen effective: ____/____/____.

*** CAUTION ***

FAILURE TO FILL OUT THE ADOPTION AGREEMENT PROPERLY MAY
RESULT IN DISQUALIFICATION OF THE PLAN

PART I. The following identifying information pertains to the Employer, the Plan and the Trust:

1. **Employer Address:** 4808 ELIZABETH STREET
TEXARKANA, TX 75503
2. **Employer Telephone:** (903) 255-3513
3. **Employer Tax ID:** 27-5098348
4. **Employer Fiscal Year End:** 09/30
5. **Three Digit Plan Number:** 001
6. **Plan Year:** 01/01 to 12/31
(Must be 12 consecutive months.)
7. **Short Plan Year:** ____/____/____ to ____/____/____
8. **Plan Agent:** ARK TEX URBAN TRANSIT, INC.
4808 ELIZABETH STREET
TEXARKANA, TX 75503
(903) 255-3513
9. **Plan Administrator:** ARK TEX URBAN TRANSIT, INC.
4808 ELIZABETH STREET
TEXARKANA, TX 75503
(903) 255-3513
10. **Plan Administrator ID Number:** 27-5098348
11. **IRS Determination Letter Date:** 03/31/2014
(Leave blank for a new plan.)
12. **IRS File Folder Number:** 313B4948503-002
(Leave blank for a new plan.)

13. Legal Organization of Employer:

- ☐ a. Sole Proprietorship
- ☐ b. Partnership
- ☐ c. C Corporation
- ☐ d. S Corporation
- ☐ e. Limited Liability Company (LLC)
- ☐ f. Limited Liability Partnership (LLP)
- ☒ g. Not for Profit Corporation
- ☐ h. Professional Service Corporation
- ☐ i. Other: _____
(Must be legal entity recognized under federal income tax laws)

14. Business Code: 485210
(as used on Form 5500; 6 digit NAICS)

15. State of Legal Construction: TEXAS

16. Date Business Commenced: ____/____/____

17. Other Members of a Controlled Group or Affiliated Service Group:

(Only participating members should sign the Adoption Agreement. May check both controlled group and affiliated service group.)

- ☐ Controlled Group: (List participating members)
- ☐ Affiliated Service Group: (List participating members)

18. Trust Information:

Note: An executed copy of the Trust Agreement must be attached to this Plan. The Plan and Trust Agreement must be read and construed together. The powers, rights, and responsibilities of the Trustee shall be those specified in the Trust Agreement.

- a. Plan Trustees **MARY BETH RUDEL**
LESLIE MCBRIDE
- b. Trust ID Number **27-5098348**
- c. The Trust shall be known as: **ARK TEX URBAN TRANSIT, INC. RETIREMENT TRUST**
- d. Trust document
 - ☒ d.1 The Plan will use the **Siegel Actuarial Consulting, Inc.** trust approved by the IRS for use with this Plan.
 - ☐ d.2 The Plan will use the _____ approved by the IRS for use with this Plan.
 - ☐ d.3 The Plan will use a separate trust provided by the Trustee.
Note: The use of this trust causes loss of reliance on the opinion letter. The Plan is no longer considered part of the pre-approved plan program.
- e. Trustees as signatories to the Adoption Agreement, discretionary Amendments and Interim

Amendments.

- ☐ e.1 Trustee must sign the Adoption Agreement, discretionary Amendments and Interim Amendments.
- ☒ e.2 Trustee does not sign the Adoption Agreement, discretionary Amendments and Interim Amendments.

PART II. The Plan contains certain design features intended to provide the statutory requirement or most commonly adopted feature but permits the selection of alternative features. **Unless specifically provided to the contrary, only one selection may be made for each design category.** Section references are to the Plan or the Trust. All capitalized terms are defined in the Plan or Trust.

A. Eligibility and Service Provisions

A1. Eligible Employees - All Employees, including Employees of certain related businesses and Leased Employees are eligible except for certain members of a collective bargaining unit and nonresident aliens with no U.S. source income, unless otherwise specified below. An Employer that is a member of a controlled group or affiliated service group must adopt this Plan for its Employees to be eligible to participate in this Plan. (Select all applicable. Selections other than a., d., and e. are not safe harbor and are subject to nondiscrimination testing.)

- ☒ a. All Employees are eligible except members of a collective bargaining unit and nonresident aliens with no U.S. source income. (Plan provision.)

In lieu of the Plan provision described in a., you may select the inclusions and exclusions below. For example, selecting only b. means that all Employees, including members of a collective bargaining unit, but excluding nonresident aliens with no U.S. income, will be eligible.

- ☐ b. Include members of collective bargaining unit.
- ☐ c. Include nonresident aliens with no U.S. source income.
- ☐ d. Exclude Employees acquired in a Code section 410(b)(6)(C) transaction.
- ☐ e. Exclude Employees not covered by a collective bargaining agreement with the following unions: _____
- ☐ f. Exclude Leased Employees.
- ☐ g. Exclude Key Employees.
- ☐ h. Exclude all Highly Compensated Employees.
- ☐ i. Exclude Highly Compensated Employees who are Key Employees.
- ☐ j. Exclude Self-Employed Individuals.
- ☐ k. Exclude Employees whose compensation is based solely on commissions.
- ☐ l. Exclude Employees that are paid on an hourly basis.
- ☐ m. Exclude Employees that have a stated salary and are not paid on an hourly basis.
- ☐ n. Exclude Employees who are not eligible for Employer-provided health and welfare benefits.
- ☐ o. Exclude Employees whose compensation does not include prevailing wage payments. Include only "prevailing wage" employees.
- ☐ p. Other: _____
(The exclusions entered here cannot result in the group of NHCEs participating under the Plan being only those NHCEs with the lowest amount of compensation and/or the shortest periods of Service and who may represent the minimum number of these Employees necessary to satisfy coverage under Code section 410(b).) (Cannot discriminate in favor of Highly Compensated Employees.)

A2. Highly Compensated Employee Determination - Highly Compensated Employee means any Employee who: (1) was a 5-percent owner at any time during the year or the preceding year, or (2) for the preceding year had compensation from the Employer in excess of \$80,000 (as adjusted by the Secretary pursuant to Code section 415(d)) and, if the Employer so elects, was in the top-paid group for the preceding year. The top-paid group election and the calendar year data election must apply consistently to the determination years of all plans of the Employer. (Select all applicable.)

- ☒ a. Plan Provision.
- ☐ b. Top-paid group election - Highly Compensated Employee determination limited to top 20% of Employees by pay.

- ☐ c. Calendar year data election - Method for determining greater than \$80,000 in compensation (as adjusted by the Secretary pursuant to Code section 415(d)), uses compensation paid during the calendar year beginning with or within the Look-Back Year. (Not available for calendar year plans.)
- d. The employee census for all plans will be based on:
- ☒ d.1. The preceding Plan Year.
- ☐ d.2. The calendar year beginning within the preceding Plan Year.
- ☐ d.3. The 12 month period ending ____/____/_____. (Select this option when using the Plan Year of another plan of the Employer.)

A3. Computation Periods for Years of Service

Eligibility Computation Period - The initial Eligibility Computation Period begins on the Employment Commencement Date and ends on the anniversary thereof. The Eligibility Computation Periods subsequent to the initial Eligibility Computation Period:

- ☐ a. Continue to be based on the Employment Commencement Date. (Plans using the Elapsed Time Method for determining a Year of Service for Eligibility purposes must select this option.)
- ☒ b. Are the Plan Years beginning with the first Plan Year commencing prior to the first anniversary of the Employment Commencement Date. (Not available for Plans using the Elapsed Time Method for determining a Year of Service for Eligibility purposes.)

Computation Periods for Vesting Service and Credited Service - The computation period for a year of service shall be the 12 consecutive month period selected below:

Note: Credited Service is only applicable for Plans selecting Employer Contribution allocation formulas based on service (D8j, D8w, and D8y.). You may omit Credited Service selections unless required by the allocation formula.

Vesting Service	Credited Service	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	c. The Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	d. The Employee's Eligibility Computation Period.
<input type="checkbox"/>	<input type="checkbox"/>	e. The 12-month period ending on the employment anniversary date.
<input type="checkbox"/>	<input type="checkbox"/>	f. The calendar year ending with or within the Plan Year.

- A4. Hour of Service** - Service is credited on the basis of actual hours for which the Employee is paid or entitled to payment. The Employer may elect to use the Elapsed Time Method to determine years of service. (Complete a. or b. for each purpose.)

Service for Eligibility Purposes	Vesting Service	Credited Service	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	a. Service is based on actual hours and following equivalency will be used when records of hours are not maintained: (Also select one of a1 through a4.)

Service for Eligibility Purposes	Vesting Service	Credited Service	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	a.1. Days Worked - An Employee will be credited with 10 Hours of Service if he is credited with at least 1 Hour of Service during the day.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a.2. Weeks Worked - An Employee will be credited with 45 Hours of Service if he is credited with at least 1 Hour of Service during the week.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a.3. Semi-Monthly or Two-Week (Bi-weekly) Payroll Period - An Employee will be credited with 95 Hours of Service if he is credited with at least 1 Hour of Service during the payroll period.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a.4. Months Worked - An Employee will be credited with 190 Hours of Service if he is credited with at least 1 Hour of Service during the month.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b. Service is determined under the Elapsed Time Method, and fractional years are measured using: (Also select one of b1 through b5 and one of b6 through b9.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.1. Exact dates in years
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.2. Exact dates in months
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.3. Calendar month granted if Employee credited with an Hour of Service
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.4. Nearest calendar months
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.5. Completed calendar months
			and rounded to the nearest:
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.6. 1/12th of a year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.7. 1/10th (.1) of a year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.8. 1/100th (.01) of a year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b.9. 1/1000th (.001) of a year.

A5. Years of Service

Note: for Eligibility and Vesting purposes, no more than 1000 hours may be required, though a lesser number may be specified. For Credited Service, no more than 2000 hours may be required for a year of service, with proration required for 1000 hours or more.

Year of Service for Eligibility Purposes - If service for eligibility purposes based on Hours of Service, a Year of Service is granted for each computation period during which at least 1000 hours are credited, unless otherwise specified below. (Skip to Years of Vesting Service if Elapsed Time Method is selected for eligibility purposes. See Definition "Elapsed Time Method.")

- ☒ a. At least 1000 hours credited during an Eligibility Computation Period. (Plan provision.)
☐ b. ____ hours (not to exceed 1000) credited during an Eligibility Computation Period.

Years of Vesting Service (Select one of c. through e. or f.)

Determined based on Hours of Service Method using one of the following:

- ☒ c. At least 1000 hours credited during a computation period for Vesting Service. (Plan provision.)
☐ d. ____ hours (not to exceed 1000) credited during a computation period for Vesting Service.
☐ e. ____ Hours of Service (not to exceed 1000 hours), pro-rata year given if less than specified hours.
☐ f. Determined under the Elapsed Time Method using the following measure:
☐ f.1. ____ months of service (May not require more than 12 months.)
☐ f.2. ____ days of service (May not require more than 365 days.)

All Years of Vesting Service are taken into account UNLESS you exclude certain years. (Select either g. or any combination of h. through j.)

- ☒ g. Include all Years of Vesting Service.
- ☐ h. Exclude Years of Vesting Service prior to age 18.
- ☐ i. Exclude Years of Vesting Service prior to the original Effective Date of this Plan.
- ☐ j. Exclude Years of Vesting Service prior to the original effective date of predecessor plan - Effective date of predecessor plan: ____/____/____.

Year of Credited Service

Complete if the Employer Contribution allocation formula is based on Credited Service (D8j, D8w, or D8y) and Credited Service is based on Hours of Service. (If Credited Service is based on the Elapsed Time Method, omit and refer to the Definition "Elapsed Time Method.")

- ☐ k. ____ Hours of Service (not to exceed 1000).
- ☐ l. ____ Hours of Service, pro-rata year given if less than specified hours (Not to exceed 2000).
- ☐ m. ____ Hours of Service, pro-rata year given if less than specified hours provided at least ____ hours are earned (First blank not to exceed 2000, second blank not to exceed 1000).

Years of Credited Service are granted for:

- ☐ n. Years while a Participant.
- ☐ o. All years with the Employer.
- ☐ p. Limited to ____ years.

A6. Service with Predecessor Employers/Prior Employers - Service with Predecessor Employers is treated as service for the Employer, if the Employer maintains the plan of the Predecessor Employer. In all other cases, predecessor service is granted as specified below. Where applicable, identify the Predecessor Employer(s) and any document(s) that provide(s) for the crediting of service with such predecessor(s).

- ☒ a. No predecessor service is being granted.
- ☐ b. The Plan credits predecessor service as specified in this item b.

Service with the following entities shall be credited as service under this Plan:

Service with the above entities has been determined under the terms of the following documents, if any: _____

The granting of predecessor service is due to:

- ☐ b.1. Adoption of predecessor's plan.
- ☐ b.2. Merger of predecessor's plan and this plan.
- ☐ b.3. Spin-off of portion of predecessor's plan to form this Plan.
- ☐ b.4. Termination of predecessor's plan.
 - ☐ b.4.A. Assets and liabilities transferred to this Plan
 - ☐ b.4.B. Assets of prior plan distributed. Service granted for those employed as of ____/____/____

Such service credit will be limited to 5 years, and will be counted for (select all applicable):

- ☐ b.5. Eligibility.
- ☐ b.6. Vesting.

- ☐ b.7. Contribution Allocations.
- ☐ b.8. Attainment of Early or Normal Retirement Age.
- ☐ c. The Plan credits service with prior employers as specified in this item c.

Service with the following prior employers shall be credited as service under this Plan:

Such service credit will be limited to 5 years, and will be counted for (select all applicable):

- ☐ c.1. Eligibility.
- ☐ c.2. Vesting.
- ☐ c.3. Contribution Allocations.
- ☐ c.4. Attainment of Early or Normal Retirement Age

A7. Eligibility Requirements (Section 2.1.1.) - An Employee is eligible to participate in the Plan, if he satisfies the following requirements during the Eligibility Computation Period. (Select all applicable. Selecting more than one option means that an Employee must meet all indicated requirements for eligibility, except for option e "Employed on". Option e. overrides any other requirement.)

- ☒ a. No age or service required.
- ☐ b. Minimum age of ____ years. (Not to exceed 21.)
- ☐ c. Service requirement (If a service requirement applies, select one of c1 through c3.)
 - ☐ c.1. Minimum of Year(s) of Service, where a Year of Service for Eligibility purposes is selected under A5. (Cannot require more than 2 years. If 2 years is selected, must select full and immediate vesting.)
 - ☐ c.2. Minimum of ____ months of service - use Elapsed Time Method. (Cannot require more than 24 months. If 24 months is selected, must select full and immediate vesting. An Employee cannot be required to complete any specified number of Hours of Service.)
 - ☐ c.3. Minimum of ____ months (Cannot require more than 24 months) of service in which the Employee is credited with ____ Hours of Service in each month, but in no event will the Employee be required to complete more than One Year of Service as defined in Part 1 Article 2. If 24 months is selected, must select full and immediate vesting.)
 - ☐ c.3.A. Months must be consecutive, but in no event will the Employee be required to complete more than One Year of Service as defined in Part 1 Article 2.
- ☐ d. In determining the applicable Entry Date, the service requirement described above is satisfied as soon as the hours or months requirements are met, not at the end of the Eligibility Computation Period.

Note for A7e: Elections in e below require testing under 1.401(a)(4)-4 Benefits, Rights and Features.

- ☐ e. Eligible Employees employed on ____/____/____ are eligible as indicated below. Select either or both of the following, if Employees must also meet the eligibility requirements selected above:
 - ☐ e.1. Age requirement
 - ☐ e.2. Service requirement (If not selected, employees that would otherwise never work 1000 hours per year will enter the plan.)

Employees who meet these requirements shall enter the Plan as of:

- ☐ e.3. The date specified: ____/____/____. (Prior to next Plan Entry Date)

- ☐ e.4. The effective date of this document.
- ☐ e.5. The next Plan Entry Date.

A8. Break in Service - A Break in Service occurs, if an Employee fails to complete more than 500 Hours of Service during the applicable computation period unless a lesser number is specified.

Note: A Year of Service and a Break in Service must be measured on the same computation period. A Break in Service for vesting purposes must use the same computation period used to determine a Year of Vesting Service.

Eligibility	Vesting	Credited Service	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	a. Plan Provision. A Break in Service will occur if the Employee fails to complete more than 500 Hours of Service.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b. A Break in Service will occur if the Employee fails to complete more than ____ (not to exceed 500) Hours of Service.
			Specify hours, not to exceed 500.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	c. A Break in Service will occur after a one year period of severance under the Elapsed Time Method.

A9. Entry Date - Section 2.1.2 provides that an Employee who satisfies the eligibility requirements enters the Plan on the Entry Date.

- ☐ a. Semiannual - First Entry Date: ____/____ or the date 6 months later, coincident with or next following satisfaction of the eligibility requirements.
- ☐ b. Quarterly - First Entry Date: ____/____ and the same day of the month occurring in each successive 3-month period, coincident with or next following satisfaction of the eligibility requirements.
- ☐ c. Monthly - The _____ day of each calendar month of the Plan Year, coincident with or next following satisfaction of the eligibility requirements.
- ☐ d. First day of next Plan Year coincident with or next following satisfaction of the eligibility requirements, but in no event later than ____ months (not to exceed 6) after satisfaction of the requirements.
- ☐ e. First day of the next Plan Year after satisfaction of the eligibility requirements, but in no event later than ____ months (not to exceed 6) after satisfaction of the requirements.
- ☐ f. First day of the _____ month (not more than 6th) after satisfaction of the eligibility requirements, but in no event later than the first day of the next Plan Year. (drop down, first thru sixth)
- ☐ g. The _____ (first or last) day of the Plan Year in which the eligibility requirements are satisfied. (If "last" is used, eligibility requirements, item A7 above, cannot exceed 6 months of service and age 20-1/2 or 18 months of service and age 20-1/2 with immediate (100%) vesting.)
- ☐ h. First day of the Plan Year nearest to the date the eligibility requirements are satisfied.
- ☐ i. First day of the Plan Year coincident with or next following the date the eligibility requirements are satisfied, but in no event later than 6 months after satisfying the eligibility requirements.
- ☐ j. First day of the Plan Year coincident with or next following the satisfaction of the eligibility requirements. (Eligibility requirements, item A7 above, cannot exceed 6 months of service and age 20-1/2 or 18 months of service and age 20-1/2 with immediate (100%) vesting.)
- ☐ k. Anniversary Date coincident with or next following the satisfaction of the eligibility requirements but in no event later than the first day of the next Plan Year or 6 months after satisfying the eligibility requirements.

- ☐ l. Anniversary Date of the Plan Year in which the eligibility requirements are satisfied, but in no event later than 6 months after satisfying the eligibility requirements.
- ☒ m. Date of satisfaction of the eligibility requirements.

B. Date Provisions

B1. Anniversary Date - The Anniversary Date is:

- ☒ a. The last day of the Plan Year.
- ☐ b. The first day of the Plan Year.
- ☐ c. ____/____ of each Plan Year. (Enter month and day)
- ☐ d. Other - Specify: _____ (Must be at least annually.)

B2. Valuation Date

Note: Participant controlled investments, as specified in item G3, are valued daily, unless otherwise specified in item B2.k below.

The Valuation Date is the date or dates on which the assets of the Trust Fund are valued and Participants' Accounts determined. (Select all applicable.)

- ☐ a. Last day of the Plan Year.
- ☐ b. Semiannually on the last day of each 6 month period beginning with the first day of the Plan Year.
- ☐ c. Quarterly on the last day of each 3 month period beginning with the first day of the Plan Year.
- ☐ d. Monthly on the last day of each calendar month of the Plan Year.
- ☐ e. Bi-Monthly beginning on the last day of the second month of the Plan Year and at two month intervals thereafter on the last day of the month.
- ☐ f. Semi-Monthly on the 15th day and last day of each calendar month.
- ☐ g. Weekly.
- ☐ h. Bi-Weekly.
- ☐ i. Last day of each pay period.
- ☒ j. Daily.
- ☐ k. Other. (e.g., If different assets have different valuation dates, such as Segregated Funds are valued on a different basis, specify in this item) Specify: _____ (Must be at least annually)

Note: For purposes of computing the Top-Heavy Ratio, the Valuation Date is the last Valuation Date in the prior Plan Year.

B3. Normal Retirement Age - For each Participant, the Normal Retirement Age is: (Select one of a. through d. You may also select one or more of e. through l. If more than one option is selected, Normal Retirement Age is attained on the first date the requirements of any option are met.

- ☒ a. Statutory: The later of age 65 or the fifth anniversary of participation in the Plan. For this purpose only, participation is assumed to commence as of the first day of the first Plan Year in which the Employee became a Participant.
- ☐ b. Age ____ (not to exceed 65).

For options c. through l.:

(1) The age selected must not be later than age 65. Nor can the age be earlier than the earliest retirement age that is reasonably representative of the typical retirement age for the industry in which the Plan Participants work. Age 62 or older automatically meets this requirement. In no event may the age be earlier than 55.

(2) Regardless of the age and service /participation requirements specified below, in no event

shall Normal Retirement Age be later than the age at the later of age 65 or the 5th anniversary of participation.

- ☐ c. Age ____ and ____ Years of Service.
- ☐ d. Age ____ and ____ Years of Participation.
- ☐ e. Sum of age and Years of Service equals ____.
- ☐ f. Sum of age and Years of Participation equals ____.
- ☐ g. Age ____ and the sum of the age and Years of Service equals ____.
- ☐ h. Age ____ and the sum of age and Years of Participation equals ____.
- ☐ i. Age ____ and the ____ anniversary of employment.
- ☐ j. Age ____ and the ____ anniversary of actual participation in the Plan.
- ☐ k. Age ____ and the ____ (not to exceed 5th) anniversary of the participation commencement date. For this purpose only, participation is assumed to commence as of the first day of the first Plan Year in which the Employee became a Participant.
- ☐ l. Other - Specify: _____, but in no event later than the later of age 65 or the 5th anniversary of participation. (Cannot discriminate in favor of Highly Compensated Employees.)

B4. Normal Retirement Date - The Normal Retirement Date is:

- ☐ a. The actual date Normal Retirement Age is attained.
- ☐ b. The first day of the month in which Normal Retirement Age is attained.
- ☐ c. The first day of the month nearest the date Normal Retirement Age is attained.
- ☒ d. The first day of the month coincident with or next following the date Normal Retirement Age is attained.
- ☐ e. Anniversary Date of the Plan Year in which Normal Retirement Age is attained, but in no event later than 6 months following attainment of Normal Retirement Age.
- ☐ f. Anniversary Date nearest the date Normal Retirement Age is attained.
- ☐ g. Anniversary Date coincident with or next following the date Normal Retirement Age is attained, but in no event later than 6 months following attainment of Normal Retirement Age.
- ☐ h. Anniversary Date coincident with or next preceding the date Normal Retirement Age is attained.
- ☐ i. The last day of the month in which Normal Retirement Age is attained.
- ☐ j. The last day of the month nearest the date Normal Retirement Age is attained.
- ☐ k. The last day of the month coincident with or next following the date Normal Retirement Age is attained.

B5. Early Retirement Age - For each Participant, the Early Retirement Age is: (Select all that apply. If more than one option is selected, the Participant attains Early Retirement Age at the earliest age when any of the selected requirements are satisfied.)

Note: In no event shall Early Retirement Age exceed Normal Retirement Age.

- ☒ a. The Plan does not provide an Early Retirement Age. (Skip Question B6.)
- ☐ b. Age ____.
- ☐ c. Age ____ and ____ Years of Service.
- ☐ d. Age ____ and ____ Years of Participation.
- ☐ e. ____ years prior to the Normal Retirement Age.
- ☐ f. Sum of age and Years of Service equals ____.
- ☐ g. Sum of age and Years of Participation equals ____.
- ☐ h. Age ____ and the sum of the age and Years of Service equals ____.
- ☐ i. Age ____ and the sum of age and Years of Participation equals ____.
- ☐ j. ____ Years of Service.

- ☐ k. ____ Years of Participation.
- ☐ l. Age ____ and the ____ anniversary of employment.
- ☐ m. Age ____ and the ____ anniversary of actual participation in the Plan.

B6. Early Retirement Date - The Early Retirement Date is:

- ☐ a. The actual date Early Retirement Age is attained.
- ☐ b. The first day of the month in which the Early Retirement Age is attained.
- ☐ c. The first day of the month nearest the date Early Retirement Age is attained.
- ☐ d. The first day of the month coincident with or next following the date Early Retirement Age is attained.
- ☐ e. Anniversary Date of the Plan Year in which the Early Retirement Age is attained.
- ☐ f. Anniversary Date nearest the date Early Retirement Age is attained.
- ☐ g. Anniversary Date coincident with or next following the date Early Retirement Age is attained.
- ☐ h. Anniversary Date coincident with or next preceding the date Early Retirement Age is attained.
- ☐ i. The last day of the month in which the Early Retirement Age is attained.
- ☐ j. The last day of the month nearest the date Early Retirement Age is attained.
- ☐ k. The last day of the month coincident with or next following the date Early Retirement Age is attained.

B7. Disability - The Plan requires the Adoption Agreement to specify the meaning of the term "Disability" and that an Employee or Participant is "Disabled" if he has a Disability. The Plan Administrator shall make all determinations in connection with such issues in a uniform, nondiscriminatory manner. An Employee or Participant has a "Disability" if:

Select a. or one or more of b. through d. Selecting more than one option means that an Employee or Participant has a Disability as of the earliest date he meets one of the selected options.

- ☐ a. No disability benefits are provided and there are no disability-related vesting provisions.
- ☐ b. He suffers from a medically determinable physical or mental impairment that may be expected to result in death or to last for a continuous period of not less than ____ (at least 12) months and that renders him incapable of performing his duties.
- ☒ c. The Social Security Administration has determined that he is eligible to receive Social Security disability benefits.
- ☐ d. He has begun to receive payments under the long term disability program or a comparable disability program maintained by the Employer.

B8. Limitation Year - The Limitation Year for purposes of the limitation imposed by Code section 415 is:

- ☒ a. The Plan Year.
- ☐ b. Calendar year coinciding with or ending within the Plan Year.
- ☐ c. Twelve consecutive month period ending ____/____.
- ☐ d. Employer Fiscal Year ending with or within Plan Year.
- ☐ e. Twelve consecutive month period ending _____ (Specify. e.g. "the last Friday in February") with or within Plan Year.

C. Compensation

- C1. Compensation (Section 3.2.5(a) and Definitions)** - For purposes of the Plan, a Participant's Compensation is based on one of the IRC 415 definitions of Compensation, as selected below, and measured over the Compensation Computation Period, as selected in C3.

Note: Use caution when selecting different definitions of Compensation for the various plan purposes.

1. Plan Compensation	2. Compensation for IRC sec. 415 and 416 purposes	
<input type="checkbox"/>	<input type="checkbox"/>	a. Wages, tips, and other compensation entered on Box 1 of Form W-2.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	b. IRC section 3401(a) compensation (compensation for FICA purposes).
<input type="checkbox"/>	<input type="checkbox"/>	c. IRC section 415(c)(3) compensation.
<input type="checkbox"/>	<input type="checkbox"/>	d. Simplified IRC section 415(c)(3) compensation, as defined in IRC Reg. 1.415(c)-(2)(d)(2).

Deferrals - Specify the deferrals to be excluded. All salary deferrals must be included or excluded to maintain an IRC sec. 414(s) safe harbor definition of Compensation.

Indicate the **exclusions** from among the salary deferrals by selecting e. or any of f. through j. Omit to **include** all salary deferrals from the applicable definition of Compensation.

- ☐ e. All of the items listed in f. through j.
- ☐ f. 402(h)(1)(B) (SEP deferrals).
- ☐ g. 125 (Cafeteria Plan).
- ☐ h. 132(f)(4) (Transportation).
- ☐ i. 402(e)(3) (401(k) and 403(b) deferrals).
- ☐ j. 457(b) deferrals.
- ☐ k. 408(p) (Simple Retirement Account 402(k) deferrals).

Deemed Sec. 125 Compensation - The plan may include Deemed Sec 125 Compensation in Compensation. Select k. or one of l. or m. for the basic definition of Compensation selected above. This selection does not affect the safe harbor status of the definition of Compensation.

- ☐ l. Not applicable. No Cafeteria Plan or no Deemed Sec. 125 Compensation.

Plan Compensation	Compensation for IRC sec. 415 and 416 purposes	
<input checked="" type="checkbox"/> Include	<input checked="" type="checkbox"/> Include	l. Include Deemed Sec. 125 Compensation. Only permitted if 125 (Cafeteria Plan) deferrals are included.
<input type="checkbox"/> Exclude	<input type="checkbox"/> Exclude	m. Exclude Deemed Sec. 125 Compensation.

C2. Modifications to Compensation

Exclusions - a Participant's Compensation shall exclude the following (No exclusions in this area, other than e., taxable employee benefits, are permitted for Code section 414(s) safe harbor Compensation.):

- ☐ a. Overtime.

- ☐ b. Commissions.
- ☐ c. Discretionary bonuses.
- ☐ d. Bonuses.
- ☐ e. Taxable employee benefits.
- ☐ f. In excess of \$_____.
- ☐ g. Other exclusion - specify: _____ (Cannot discriminate in favor of Highly Compensated Employees.)

Final IRC Sec. 415 regulations and HEART Act Compensation - Select "Include" or "Exclude" regarding the treatment as Compensation of amounts described below. These selections do not affect the safe harbor status of the definition of Compensation.

Plan Compensation	Compensation for IRC sec. 415 and 416 purposes	
<input type="checkbox"/> Include	<input type="checkbox"/> Include	h. Include amounts paid during the first few weeks of the next Limitation Year. (Plan Provision on the 2007 Defined Contribution Plan Interim Amendment.)
<input checked="" type="checkbox"/> Exclude	<input checked="" type="checkbox"/> Exclude	i. Exclude amounts paid during the first few weeks of the next Limitation Year.

Compensation for nonparticipating nonresident aliens - For administrative convenience in determining Key and Highly Compensated Employees, the employer may elect to exclude compensation paid to nonresident aliens who are not Participants.

- ☒ j. Exclude compensation paid to nonresident aliens who do not participate to the extent compensation is excluded from gross income and not effectively connected with a U.S. trade or business
- ☐ k. Include compensation paid to nonresident aliens who do not participate, though compensation is excluded from gross income and not effectively connected with a U.S. trade or business

Salary Continuation while on Military Leave

Note: Differential Wage Payments are salary continuation payments received while on active military duty for more than 30 days. For Plan Years beginning on or after January 1, 2008, Differential Wage Payments are included in Compensation for Code sec. 415 and 416 purposes.

- ☒ l. Include Differential Wage Payments.
- ☐ m. Exclude Differential Wage Payments.
- ☒ n. Include salary continuation payments for military service that do not meet the definition of Differential Wage Payments in Compensation for Code sec. 415 and 416 purposes and for Plan purposes.
- ☐ o. Exclude salary continuation payments for military service that do not meet the definition of Differential Wage Payments.

Salary Continuation for Disabled Participants - Select one of p. or q., to include, or select r. to exclude salary continuation payments to disabled Participants as Compensation.

Plan Compensation	Compensation for IRC sec. 415 and 416 purposes	
<input type="checkbox"/> Include	<input type="checkbox"/> Include	p. Include Compensation paid to any Participant who is permanently and totally disabled. (Check this box only if salary continuation applies to all Participants who are permanently and totally disabled for a fixed or determinable period.)
<input checked="" type="checkbox"/> Include	<input checked="" type="checkbox"/> Include	q. Include Compensation paid to any Participant who is not Highly Compensated and who is permanently and totally disabled.
<input type="checkbox"/> Exclude	<input type="checkbox"/> Exclude	r. Exclude Compensation paid to Participants who are permanently and totally disabled. (Plan Provision on the 2007 Defined Contribution Plan Interim Amendment)

Post-Severance Compensation - Select "Include" or "Exclude" regarding the treatment of Post-Severance Compensation as Compensation for Plan purposes. These selections do not affect the safe harbor status of the definition of Compensation.

- ☐ s. Apply the Plan's rules regarding certain Post-Severance Compensation in Limitation Years beginning after ____/____/_____. (Select this option and specify a date before July 1, 2007, if the provisions of the Plan regarding the inclusion of certain Post-Severance Compensation in the definition of Compensation applied prior to July 1, 2007.)

Plan Compensation	Compensation for IRC sec. 415 and 416 purposes	
<input checked="" type="checkbox"/> Include	<input checked="" type="checkbox"/> Include	t. Include Post-Severance Compensation that is for unused sick, vacation or leave pay.
<input type="checkbox"/> Exclude	<input type="checkbox"/> Exclude	u. Exclude Post-Severance Compensation that is for unused sick, vacation or leave pay. (Plan Provision on the 2007 Defined Contribution Plan Interim Amendment.)

Complete v. or w. only if Compensation for that Plan purpose is defined as IRC 415(c)(3) compensation.

<input type="checkbox"/> Include	<input type="checkbox"/> Include	v. Include amounts received post-severance pursuant to an unfunded deferred compensation plan.
<input type="checkbox"/> Exclude	<input type="checkbox"/> Exclude	w. Exclude amounts received post-severance pursuant to an unfunded deferred compensation plan. (Plan Provision on the 2007 Defined Contribution Plan Interim Amendment.)

C3. Compensation Computation Period:

Plan Compensation	For Sec. 416 Purposes	
<input type="checkbox"/>	N/A	a. Plan Year.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	b. Limitation Year.
<input type="checkbox"/>	<input type="checkbox"/>	c. Calendar year ending with or within the Plan Year.
<input checked="" type="checkbox"/>	N/A	d. Over the period selected below that ends with or within the Plan Year: <input type="checkbox"/> Pay period. <input type="checkbox"/> Monthly. <input type="checkbox"/> Bi-monthly. <input checked="" type="checkbox"/> Quarterly. <input type="checkbox"/> Semi-Annually. <input type="checkbox"/> Bi-weekly. <input type="checkbox"/> Weekly.
<input type="checkbox"/>	N/A	e. The twelve consecutive month period ending on (___/___) with or within the Plan Year. (For Employees whose Employment Commencement Date is less than 12 months before the end of the 12-month period designated, Compensation will be determined over the Plan Year.)

Compensation for initial Plan Year of Participation:

- ☐ f. From Entry Date as a Participant.
☒ g. For the 12 month period ending in the initial year of participation.

D. Contribution and Allocation

D1. Deemed Individual Retirement Account (Section 3.12.1)

Note: In order to accept a rollover from a Roth IRA, the plan must permit Deemed IRAs. Review the requirements for IRA accounts held within a qualified plan in Part 3 Article 12.

- ☒ a. Not applicable - Deemed IRAs are not permitted.
- ☐ b. Deemed IRAs are permitted, and are pre-tax and/or after-tax Roth IRAs, as indicated in b.1 and b.2.
 - ☐ b.1. Pre-tax IRA.
 - ☐ b.2. After-tax Roth IRA.

D2. Paid Time Off Contributions (Section 2.2.1(a)(6)) (Select a or b)

- ☒ a. The Employer does not sponsor a bona fide Paid Time Off (PTO) Plan or chooses not to provided that unused PTO credits may be treated as a plan contribution.
- ☐ b. The Employer sponsors a bona fide Paid Time Off (PTO) Plan that clearly defines when unused PTO credits will be forfeited, carried over, cashed out, or treated as a plan contribution. The Plan will treat the cash equivalent value of any unused PTO credits as indicated below. (Complete b1. and select b2. and/or b3, as applicable.)
 - b.1. Specify the name(s) of the Paid Time Off Plan(s) to which the following selections apply. _____
 - ☐ b.2. Unused PTO credits will be treated as an Employer Contribution.
 - ☐ b.3. Upon termination of employment, unused PTO credits are considered Post-Severance Compensation as indicated under C2t., and will be treated as a plan contribution if selected in b2. above.
- ☐ c. The Plan treats unused PTO credits as contributions to the Plan as indicated in a. or b., effective ____/____/_____. (Complete if the effective date for the PTO provision is other than the general Effective Date of this Plan or a prior Plan.)

D3. Employer Contribution (Section 2.2.1(a)(3)(i)) - The Employer's Contribution to the Plan (other than Prevailing Wage or Top-Heavy Contributions) shall be: (Select all applicable. You may select h. and/or k. in addition to making other selections under this item.)

- ☒ a. Discretionary.
- ☐ b. Discretionary, by Employee Classification defined in D13. below.
- ☐ c. Discretionary, by Employee Classification; each Participant is a separate class.

If the Employer Contribution is discretionary, select one of d. through f.

- ☒ d. Not limited to profits.
- ☐ e. Limited to profits for the year.
- ☐ f. Limited to accumulated profits.

Nondiscretionary

- ☐ g. An amount necessary to meet the allocation requirements in D8. below.
- ☐ h. The amount required by any collectively bargained agreement (CBA).
- ☐ i. _____% of eligible Plan Compensation. (Not to exceed 25%)
- ☐ j. Total of \$_____ per Plan Year.
- ☐ k. _____% (not less than 3%) of each Eligible Participant's Compensation to meet the Safe Harbor Non-Elective Contribution requirement of (specify other Plan name) _____ will be made to this Plan.

D4. Optional Employer Contributions (Section 2.2.1) - The Employer may contribute additional contributions determined under another defined contribution plan of the Employer, as specified below: (Omit if additional contributions not permitted)

- ☐ a. _____% (not less than 3%) of each Eligible Participant's Compensation to meet the safe harbor non-elective contribution requirements under IRC section 401(k)(12)(c) or 401(k)(13)(D)(i)(II) of the plan(s) specified under D5c., will be made to this Plan.
- ☐ b. Qualified non-elective contributions and qualified matching contributions as defined in Reg. 1.401(k)-1(g)(13) of the plan(s) specified under D5c., will be made to this Plan.
- c. If D4a and/or D4b are selected, specify the name(s) of the other defined contribution plan(s) of the Employer for which contributions will be made to this Plan.

D5. Requirements to Share in Allocations of Employer Contributions (Section 2.3.2) - (Select all applicable. Does not apply to prevailing wage or Top-Heavy contributions.)

Participants eligible to share in Employer Contributions

- ☒ a. No exclusions. All Participants are eligible subject to the requirements selected below.
- ☐ b. Highly compensated Employees are excluded.
- ☐ c. Key employees are excluded.
Note: May impact nondiscrimination testing.
- ☐ d. Other excluded group - Specify: _____.
(Cannot discriminate in favor of Highly Compensated Employees.)

Requirements to share in Employer Contributions

- ☐ e. Will be eligible regardless of Hours, Months or Days of Service.
- ☐ f. Must complete an Hours, Days, or Months of Service requirement, as specified in I. below.
- ☐ g. Must complete an Hours, Days, or Months of Service requirement, as specified in I. below, **AND** be employed on the last day of the Plan Year.
- ☐ h. Must complete an Hours, Days, or Months of Service requirement, as specified in I. below, **OR** be employed on the last day of the Plan Year.
- ☐ i. Must be employed on the last day of the Plan Year.
- ☐ j. Must have received Compensation since prior Allocation Date.
- ☒ k. Must be employed on the Allocation Date for Employer Contributions.

I. Hours, Days, or Months Requirement for f., g. or h.

- ☐ I.1. Must complete _____ hours (cannot exceed 1000).
- ☐ I.2. Under the Elapsed Time Method, must complete _____ calendar days (not to exceed 365).
- ☐ I.3. Under the Elapsed Time Method, must complete _____ calendar months (not to exceed 12).

Death, Retirement, Disability

If requirements other than those specified above apply if a participant dies, retires or becomes disabled during the Plan Year, select the applicable options.

- ☐ m. Regardless of the selections in b., a Participant will be eligible as indicated below.

Death	Retirement	Disability	
--------------	-------------------	-------------------	--

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	n. The requirement selected below applies if the Participant experiences the event during the Plan Year. (Death, Retirement, and/or Disability, as indicated by the column selection. If Disability is selected, also complete item D6.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	n.1 No hours requirement.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	n.2 Only if the Participant meets Hours of Service requirement.

HEART Act Allocations

- ☐ o. **HEART Act Allocations (2.3.9(a)):** In the case of death or disability resulting from active military service, the Participant shall be eligible for an allocation as if he returned to employment with the Employer prior to death or disability, provided the death or disability occurred on or after ____/____/____ (no earlier than 01/01/08).

D6. Employer Contributions on Behalf of Disabled Participants based on Imputed Compensation (Section 2.3.8) (Select one of a. or b., and if b. is selected, must complete c.)

- ☒ a. The Employer will **not** make contributions on behalf of Disabled Participants based on imputed Compensation.

Note: If b. is selected, must complete c. below and must select E1.e-C, 100% vesting for Disabled Participants.

- ☐ b. The Employer will make Employer Contributions on behalf of Disabled Participants, as indicated below, on the basis of the Compensation each such Participant would have received for the Limitation Year if the Participant had been paid at the rate of Compensation paid immediately before becoming Disabled. Such imputed Compensation for the Disabled Participant may be taken into account only if the contributions made on behalf of such Participant will be nonforfeitable when made. Compensation will mean Compensation as the term is defined in Part I, Article II.
- ☐ b.1. Disabled Participants who are not Highly Compensated Employees.
- ☐ b.2. All Disabled Participants.
- ☐ c. Contributions for Disabled Participants based on imputed Compensation shall be made: (If c2. or c3. is selected, must also select one of c4. through c7. Otherwise, select only one option.)
- ☐ c.1. Only for the Plan Year in which he becomes Disabled.
- ☐ c.2. For ____ Plan Years provided he continues to be Disabled, but not beyond the Plan Year selected below. (Must also select one of c4 through c7.)
- ☐ c.3. For up to ____ years after date of Disability, but not beyond the Plan Year selected below. (Must also select one of c4. through c7.)
- ☐ c.4. Until the end of the Plan Year in which he attains Early Retirement Age.
- ☐ c.5. Until the end of the Plan Year before the Plan Year in which Early Retirement Age is attained.
- ☐ c.6. Until the end of the Plan Year in which he attains Normal Retirement Age.
- ☐ c.7. Until the end of the Plan Year before the Plan Year in which Normal Retirement Age is attained.

D7. Fail Safe Allocations (Section 2.3.7)) - Allocations will be given to Employees who normally would not be given an allocation of Employer Contributions in order to satisfy nondiscrimination requirements. If a fail safe is not elected, the Plan must be amended if the test fails.

- ☐ a. No fail safe. (Warning: If a Plan with this option fails the 410(b) tests, it must be amended within 9-1/2 months after the end of the Plan Year to bring it into compliance.)
- ☒ b. Fail Safe if the Plan fails coverage under Code section 410(b).

D8. Allocation Method for the Employer Contribution (Section 2.3.2) - The Employer Contribution is allocated to Participants on the basis selected below. (Select one of a. through y.) (Does not apply to prevailing wage contributions (see D11).)

Dollar Based Formulas

- ☐ a. Flat dollar amount per Plan Year equal to the Employer contribution divided by the number of Participants. (Design based safe harbor requires no additional testing)
- ☐ b. Flat dollar amount per Compensation Computation Period equal to the Employer contribution divided by the number of Participants. (Design based safe harbor requires no additional testing)
- ☐ c. \$_____ per Participant. (Design based safe harbor requires no additional testing)
- ☐ d. \$_____ per Hour of Service.
- ☐ e. \$_____ per Hour of Service up to a maximum of _____ hours.

Non-Integrated Formulas

- ☒ f. Pro-rata on Compensation during the Plan Year. (Design based safe harbor requires no additional testing)
- ☐ g. Pro-rata on Compensation during the Compensation Computation Period.
- ☐ h. _____% of each Participant's Compensation. (Design based safe harbor requires no additional testing)
- ☐ i. Age-Weighted: Allocation pro-rata on an annuity of 1% of Compensation payable at Normal Retirement Age, where the present value of such annuity is based on the interest rates and the mortality table selected below. (Design based safe harbor requires no additional testing)

Preretirement interest rate

- ☐ 7.50%
- ☐ 8.00%
- ☐ 8.50%

Post-retirement interest rate

- ☐ 7.50%
- ☐ 8.00%
- ☐ 8.50%

Post-Retirement Mortality

- | | | |
|--|--|---|
| <input type="checkbox"/> UP-84 (unisex) | <input type="checkbox"/> 71 GAM - female | <input type="checkbox"/> 83 GAM - female |
| <input type="checkbox"/> 71 IAM - male | <input type="checkbox"/> 83 IAM - male | <input type="checkbox"/> 83 GAM - blended 50/50 |
| <input type="checkbox"/> 71 IAM - female | <input type="checkbox"/> 83 IAM - female | <input type="checkbox"/> 94 GAR (unisex) |
| <input type="checkbox"/> 71 GAM - male | <input type="checkbox"/> 83 GAM - male | |

- ☐ j. Uniform points allocation formula where: (May require additional testing)
- ☐ j.1. The Employer contribution is allocated pro-rata over total awarded points for the Plan Year
- ☐ j.2. \$_____ is allocated for each point
- ☐ j.3. _____% of Compensation is allocated for each point

Each Participant will be awarded: (Select at least 2 options; do not select both j5 and j6)

- ☐ j.4. _____ points for each year of age.
- ☐ j.5. _____ points for each Year of Credited Service, as specified under A5.
- ☐ j.6. _____ points for each Year of Credited Service, as specified under A5, at Normal Retirement Age (or current age if later)

- ☐ j.7. _____ points for each \$_____ of Compensation (not to exceed \$200)
- ☐ j.8. Maximum number of points per Participant: _____
- ☐ k. Tiered formula: Each eligible Participant shall receive an allocation of the Employer's discretionary contribution in accordance with the following table: It is not necessary to contribute an amount sufficient to fund each tier. *(Complete tier 1 and tier 6 and any middle tiers desired)* (Design based safe harbor requires no additional testing)
- Tier 1 Up to _____ % of Compensation not in excess of \$_____
- Tier 2 Up to _____ % of Compensation in excess of the amount in tier 1, but not in excess of \$_____
- Tier 3 Up to _____ % of Compensation in excess of the amount in tier 2, but not in excess of \$_____
- Tier 4 Up to _____ % of Compensation in excess of the amount in tier 3, but not in excess of \$_____
- Tier 5 Up to _____ % of Compensation in excess of the amount in tier 4, but not in excess of \$_____
- Tier 6 Up to _____ % of Compensation in excess of the amount in tier 5
- (The last blank in each Tier is to be the excess Compensation)*
- The tiers will be applied:
- ☐ k.1. By allocating the Employer contribution tier by tier until no remaining contribution remains. The percentages entered above represent the maximum amount that can be allocated to a specific tier
- ☐ k.2. As stated. (Money purchase type formula)

Class Allocated Formulas

- ☐ l. Prorate by Classification. Each eligible Participant shall receive an allocation for the Plan Year equal to a prorata percentage of the Employer's discretionary Contribution specified for the Employee Classification of which the Participant is a member, such percentage to equal the ratio that the Participant's Compensation for the Plan Year bears to the aggregate Compensation for all eligible Participants in the same Employee Classification for that Plan Year. (Must complete Employee Classification definitions in D13 below.) (Requires additional testing)
- ☐ m. Percentage of Compensation or Dollar Amount Per Participant. Each eligible Participant shall receive an allocation of the Employer Contribution, such allocation will be based on the Participant's classification. There shall be a separate classification for each Participant identified by the Participant's name. A list of each classification and the associated percentage or dollar amount shall be prepared for each Plan Year not later than the time prescribed by law for filing the return for such applicable taxable year (including any extensions), and shall be maintained as part of the administrative records of the Plan.
- Note: The list must be updated on an annual basis and approved by the Employer prior to making the allocation. (Requires additional testing)*
- ☐ n. Flat dollar amount per Plan Year equal to the Employer contribution to the class divided by the number of Participants in the class (Must complete Employee Classification definitions in D13 below.) (Requires additional testing)
- ☐ o. A dollar amount equal to cents per hour the Participant worked, where the cents per hour worked is based on the table below: (Must complete Employee Classification definitions in D13 below.) (Requires additional testing)

<u>Employee</u> <u>Classification</u>	<u>Cents per</u> <u>Hour</u>	<u>Employee</u> <u>Classification</u>	<u>Cents per</u> <u>Hour</u>
--	---------------------------------	--	---------------------------------

A	==	F	==
B	==	G	==
C	==	H	==
D	==	I	==
E	==	J	==

- ☐ p. Pro-rata on weighted Compensation during the Plan Year. Weights are listed by Participant name. The list will be prepared and stored in the Employer's records on a permanent basis. Residual Employer contributions allocated pro-rata on: (Choose p.1. or p.2.) (Requires additional testing)

- ☐ p.1. Compensation
☐ p.2. Weighted Compensation

Note: The list must be updated on an annual basis and approved by the Employer prior to making the allocation.

Integrated Formulas: Integration Level and Integrated Allocation Formulas

Complete q. to designate the integration level and select an integrated formula under r., s., t., or u.

- ☐ q. Integration Level - If the allocation formula selected is integrated, the integration level is: (See Section 2.3.5 and Definitions.)

Integration levels that automatically satisfy Code section 401(l) (Design based safe harbor, requires no additional testing)

- ☐ q.1. The Taxable Wage Base under the Social Security Act
☐ q.2. The lesser of \$_____ or 20% of the Taxable Wage Base under the Social Security Act
☐ q.3. The lesser of \$_____ or 80% of the Taxable Wage Base under the Social Security Act
☐ q.4. The lesser of \$_____ or the Taxable Wage Base under the Social Security Act (the amount must exceed 80% of the Taxable Wage Base)
☐ q.5. _____% of the Taxable Wage Base under the Social Security Act (not to exceed 100%)
☐ q.6. The greater of \$10,000 or 20% of the Taxable Wage Base under section 230 of the Social Security Act in effect as of the first day of the Plan Year.
☐ q.7. 80% of the Taxable Wage Base under section 230 of the Social Security Act in effect as of the first day of the Plan Year plus \$_____ (not to exceed \$1,000)

Integration levels that do not automatically satisfy IRC section 401(l) and require additional testing

- ☐ q.8. _____% of the Taxable Wage Base under section 230 of the Social Security Act in effect as of the first day of the Plan Year rounded up to the next \$_____ (First blank not to exceed 100%, second blank not to exceed \$3,000)
☐ q.9. \$_____
☐ q.10. _____% of the Taxable Wage Base under the Social Security Act

Integrated Formulas

- ☐ r. _____% (Base Contribution Percentage) of Compensation up to the Integration Level PLUS _____% (Excess Contribution Percentage) of Compensation in excess of the Integration Level
☐ s. Following the four steps of Plan Section 2.3.5, pro-rata over Compensation up to _____

%; any remaining contribution allocated pro-rata over Compensation above the Integration Level up to the same percentage; any remaining contribution allocated over Compensation plus Compensation above the Integration Level, provided IRC section 401(l) is satisfied; any remaining contribution allocated pro-rata over Compensation.

- ☐ s.1. Limit disparity to _____% (Use when limiting disparity to less than the Maximum Permitted Disparity.)

*Note: For plans that choose to automatically satisfy the top-heavy minimum allocation requirement, the blank should be completed with 3% for a single plan, or 5% if the employer also sponsors a defined benefit plan that covers the same employees as this defined contribution plan. **Warning:** if you specify a percentage that is less than 3%, an additional contribution may be required for years when the plan is Top-Heavy.*

- ☐ t. Pro-rata over Compensation plus Compensation above the Integration Level, provided IRC section 401(l) is satisfied; any remaining contribution allocated pro-rata over Compensation

If the Plan is top-heavy, the allocation formula:

- ☐ t.1. Remains the same (top-heavy minimums determined last)
- ☐ t.2. Changes to the formula in option s. (Use Steps One through Four in Plan Section 2.3.5 only when Plan is Top-Heavy.)
- ☐ u. Pro-rata over Compensation plus Compensation over the Integration Level, disregarding the constraints of IRC section 401(l)

Age and Service Schedules

- ☐ v. Age Based Allocation. Each eligible Participant shall receive an allocation of the Employer discretionary contribution based on the age of the Participant as shown in the table below: (Plans intending to provide a schedule that ""increases smoothly"" under Reg. 1.401(a)(4)-8 must enter percentages that increase, but not more than 5 percentage points or by a ratio of 2.)

- ☐ v.1. Ages grouped in 10 year intervals:

<u>Attained Age</u>	<u>Percentage of Compensation</u>	<u>Attained Age</u>	<u>Percentage of Compensation</u>
Less than 25	_____ %	45 to 54	_____ %
25 to 34	_____ %	55 to 64	_____ %
35 to 44	_____ %	65 or older	_____ %

- ☐ v.2. Ages grouped in 5 year intervals

<u>Attained Age</u>	<u>Percentage of Compensation</u>	<u>Attained Age</u>	<u>Percentage of Compensation</u>
Less than 25	_____ %	45 to 49	_____ %
25 to 29	_____ %	50 to 54	_____ %
30 to 34	_____ %	55 to 59	_____ %
35 to 39	_____ %	60 to 64	_____ %
40 to 44	_____ %	65 or older	_____ %

- ☐ w. A percentage of Compensation based on Years of Credited Service as shown in the table below: (Plans intending to provide a schedule that ""increases smoothly"" under Reg. 1.401(a)(4)-8 must enter percentages that increase, but not more than 5 percentage points or by a ratio of 2)

- ☐ w.1. Fifth year in second Credited Service range: (Also select one of w.1.A or w.1.B)

<u>Years of Credited Service</u>	<u>Percentage of Compensation</u>
----------------------------------	-----------------------------------

Less than 5	_____ %
5 to 9	_____ %
10 to 14	_____ %
15 to 19	_____ %
20 to 24	_____ %

- | | | |
|--------------------------------|------------|---------|
| <input type="checkbox"/> w.1.A | 25 or more | _____ % |
| <input type="checkbox"/> w.1.B | 25 to 29 | _____ % |
| | 30 to 34 | _____ % |
| | 35 or more | _____ % |

- ☐ w.2. Fifth year in first Credited Service range: (Also select one of w2A or w2B.)

<u>Years of Credited Service</u>	<u>Percentage of Compensation</u>
----------------------------------	-----------------------------------

0 to 5	_____ %
6 to 10	_____ %
11 to 15	_____ %
16 to 20	_____ %
21 to 25	_____ %

- | | | |
|--------------------------------|------------|---------|
| <input type="checkbox"/> w.2.A | 26 or more | _____ % |
| <input type="checkbox"/> w.2.B | 26 to 30 | _____ % |
| | 31 to 35 | _____ % |
| | 36 or more | _____ % |

- ☐ x. Allocate Employer contribution age range by age range until no unallocated contribution remains. (Plans intending to provide a schedule that ""increases smoothly"" under Reg. 1.401(a)(4)-8 must enter percentages such that the cumulative percentages increase, but not more than 5 percentage points or by a ratio of 2). THE PERCENTS ENTERED ARE THE INCREASE BETWEEN AGE RANGES, NOT THE CUMULATIVE PERCENT FOR THE RANGE

- ☐ x.1. Ages grouped in 10 year intervals:

<u>Attained Age</u>	<u>ADDITIONAL Maximum Percentage of Compensation</u>	<u>Attained Age</u>	<u>ADDITIONAL Maximum Percentage of Compensation</u>
Less than 25	_____ %	45 or older	_____ %
25 or older	_____ %	55 or older	_____ %
35 or older	_____ %	65 or older	_____ %

- ☐ x.2. Ages grouped in 5 year intervals:

<u>Attained Age</u>	<u>ADDITIONAL Maximum Percentage of Compensation</u>	<u>Attained Age</u>	<u>ADDITIONAL Maximum Percentage of Compensation</u>

Less than 25	_____	%	45 or older	_____	%
25 or older	_____	%	50 or older	_____	%
30 or older	_____	%	55 or older	_____	%
35 or older	_____	%	60 or older	_____	%
40 or older	_____	%	65 or older	_____	%

- ☐ y. Allocate Employer contribution Credited Service range by Credited Service range until no unallocated contribution remains. (Plans intending to provide a schedule that "increases smoothly" under Reg. 1.401(a)(4)-8 must enter percentages that increase such that the cumulative percentages increase, but not more than 5 percentage points or by a ratio of 2). THE PERCENTS ENTERED ARE THE INCREASE BETWEEN CREDITED SERVICE RANGES, NOT THE CUMULATIVE PERCENT FOR THE RANGE (Also select one of y.1 or y.2)

<u>Years of Credited Service</u>	<u>Percentage of Compensation</u>
Less than 5	_____ %
5 or more	_____ %
10 or more	_____ %
15 or more	_____ %
20 or more	_____ %

- ☐ y.1. 25 or more _____ %
- ☐ w.1.B 25 or more _____ %
- 30 or more _____ %
- 35 or more _____ %

D9. Minimum Top-Heavy Allocation (Section 2.3.4) - Minimum top-heavy allocations will be satisfied based on the following selections. (Must select a. or b. and must select e. or f. May also select c. or d.)

In the event the Plan is Top-Heavy the Employer will, if necessary,

- ☐ a. Make an additional contribution to meet the Top-Heavy requirements.

If formula D8n. is selected above (flat dollar amount for each Participant in the class) the additional contribution is to:

- ☐ a.1. Only the affected Participants.
- ☐ a.2. All Participants in the affected class.

- ☒ b. First satisfy the top-heavy minimums and reallocate the remaining Employer contribution.

All Participants are eligible for the top-heavy minimum allocations, except (May select either, neither, or both of c. and d.)

- ☒ c. Key Employees.
- ☒ d. Employees covered by a collectively bargained agreement.

Minimum Top-Heavy Allocation - For purposes of minimum top-heavy allocations, an allocation of contributions and forfeitures equal to the following percentage of each eligible Participant's Compensation will be made to the Employee's Account when the Plan is Top-Heavy: (Must select e. or f.)

- ☒ e. The lesser of 3% or the highest percentage allocated to any Key Employee.

- ☐ f. _____% (Must be at least 3.)

D10. Limits on Allocations of Employer Contributions (Section 2.3.2) - Other than the Minimum Top-Heavy Allocation and Maximum Permissible Annual Additions, the Plan imposes the following limits: (Select all applicable)

- ☒ a. No Plan imposed limits
- ☐ b. The minimum allocation to any Participant eligible for an allocation of Non-Elective Contributions for a Plan Year is:
- ☐ b.1. \$_____
- ☐ b.2. _____% of Compensation
- ☐ c. The maximum allocation to any Participant eligible for an allocation of Non-Elective Contributions for a Plan Year is:
- ☐ c.1. \$_____
- ☐ c.2. _____% of Compensation

D11. Prevailing Wage Contributions (Section 2.2.1(a)(4)) - This contribution shall be determined pursuant to the Davis Bacon Act or any other Federal, State, or Municipal prevailing wage law. All contributions must be 100% vested at all times, and shall be made and allocated on a timely basis as required by the various acts. No age or service requirement under this Plan shall apply to this contribution. (Select one.)

- ☒ a. Not applicable. Prevailing Wage Contributions are not permitted.

Select b. or c. to indicate that this Plan will accept Prevailing Wage Contributions. In either case, for Participants receiving an allocation of Prevailing Wage Contributions who are not eligible for other Employer Contributions, the Prevailing Wage Contribution will be allocated to a Segregated Account, as determined by the prevailing wage schedule.

For Participants entitled to Prevailing Wage Contributions as well as an allocation of other Employer Contributions which are 100% vested when made, the Prevailing Wage Contribution will:

- ☐ b. Supplement the other Employer contributions.
- ☐ c. Reduce the other Employer contributions.

Note: If b. or c. is selected, you must attach the prevailing wage schedule to this Adoption Agreement and to the Summary Plan Description.

D12. Allocation Dates and True-Up for Employer Contributions (Sections 2.2.1 and 2.3.3) - Employer Contributions (other than prevailing wage contributions) will be allocated to Participant Accounts as indicated below. (Select one of a. through h. and one of i. through o.)

Allocation Dates - Select one of a. through h.

- ☐ a. Annually, the last day of the Plan Year.
- ☐ b. The Valuation Date elected in B2 coincident with or next following the date the contribution is made.
- ☐ c. The last day of the Compensation Computation Period selected in C3.
- ☐ d. The last day of each pay period.
- ☒ e. Quarterly, the last day of each Plan Year quarter.
- ☐ f. Quarterly, the last day of each calendar year quarter.
- ☐ g. Monthly, the last day of each calendar month.
- ☐ h. Other - Specify: _____

True-Up - Select one of i. through o.

- ☒ i. No True-up.
- ☐ j. True-up to the current pay period for the Plan Year to date.
- ☐ k. True-up at the end of the Plan Year.
- ☐ l. True-up year-to-date at each Valuation Date.
- ☐ m. True-up year-to-date at each allocation date.
- ☐ n. True-up each plan-year quarter with respect to the Compensation for that plan-year quarter. (No True-up at the end of the Plan Year.)
- ☐ o. True-up each calendar month with respect to the Compensation for that calendar month. (No True-up at the end of the Plan Year.)

D13. Employee Classifications (Section 2.3.2) - If the Plan allocates the Employer Contributions based on Employee classifications, define the classifications below: (In the text area, add rows as needed to list all Employee Classifications.)

<u>Employee</u> <u>Classification</u>	<u>Description of Classification</u>
--	--------------------------------------

E. Vesting Provisions

- E1. Vesting Schedule (Section 2.4.1)** - Benefits will vest in accordance with the method specified in a. through d. below. (Select one under each column. All contributions made pursuant to the Prevailing Wage Contribution provisions (D11) shall be 100% vested and nonforfeitable at all times.)

Vesting Schedule for Years when the Plan is not Top-Heavy	Top-Heavy Vesting Schedule	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	a. At the rate of 20% each year after 2 Years of Vesting Service (20% vested in second year).
<input type="checkbox"/> ____ years	<input type="checkbox"/> ____ years	b. 100% vesting after ____ (not to exceed 3) Year(s) of Vesting Service.
<input type="checkbox"/>	<input type="checkbox"/>	c. 100% vesting upon participation.
<input type="checkbox"/>	<input type="checkbox"/>	d. Other. Enter the percentage for each service range. (Optional vesting schedule must be at least as favorable as b.)
_____ %	_____ %	Less than 1 year of vesting service
_____ %	_____ %	1 but less than 2
_____ %	_____ %	2 but less than 3
_____ %	_____ %	3 but less than 4
_____ %	_____ %	4 but less than 5
_____ %	_____ %	5 but less than 6
100%	100%	6 or more

Vesting at attainment of Early Retirement Age, Death, or Disability while employed. (Select all that apply among the e. sub-options and f. However, you may not select both e-C and f. in the same column.)

Vesting Schedule for Years when the Plan is not Top-Heavy	Top-Heavy Vesting Schedule	
e. 100% vesting if any of the selected events occur while a Participant is employed by the Employer.		
<input type="checkbox"/>	<input type="checkbox"/>	e-A Early Retirement Age
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	e-B Death
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	e-C Disability
Vesting Service while Disabled		
<input type="checkbox"/>	<input type="checkbox"/>	f. A Disabled Participant continues to earn Vesting Service as though he were still employed

- E2. Prior Vesting Schedule** - Complete the following if a prior vesting schedule continues to apply to Participants' Accounts. This prior vesting schedule may be more generous than that described in E1. and the Plan is subject to the limitations of Section 3.8.3(b). Or, the prior vesting schedule may be less generous, and continues to apply to contributions prior to the date specified under E2.a.2.

- ☐ a. A prior vesting schedule applies to certain participants. The vesting schedule was amended effective ____/____/____.
- ☐ a.1. The prior vesting schedule is more generous than the vesting schedule of E1
- ☐ a.2. The prior vesting schedule is less generous than the vesting schedule of E1 and continues to apply to contributions made prior to ____/____/____.
- b. Enter the vested percentage for each service range under the prior schedule

_____	%	Less than 1 year of vesting service
_____	%	1 but less than 2
_____	%	2 but less than 3
_____	%	3 but less than 4
_____	%	4 but less than 5
_____	%	5 but less than 6
_____	%	6 but less than 7
_____	100%	7 or more

E3. Transferred Assets Vesting Schedule (Section 3.9.3(b)) - For transfers occurring after 12/31/07, complete the following only if the other plan's vesting schedule provides greater vesting than the vesting schedule listed above.

- ☐ a. A different vesting schedule applies to assets that were transferred from another plan.
- b. Specify the name of the plan from which assets were transferred:

- c. Specify the name of the source account from which assets were transferred (e.g. Profit Sharing): _____
- d. Enter the vested percentage for each service range under the transferred assets vesting schedule:

_____	%	Less than 1 year of vesting service
_____	%	1 but less than 2
_____	%	2 but less than 3
_____	%	3 but less than 4
_____	%	4 but less than 5
_____	%	5 but less than 6
_____	100%	6 or more

E4. Reemployment - Section 2.4.3 provides that Years of Vesting Service completed after a Break in Service are not counted for purposes of increasing the vested percentage attributable to service before the Break in Service unless reemployed within 5 years, unless otherwise indicated below.

- ☒ a. Plan provision described above (5-year break rule).
- ☐ b. Count all service after the Break in Service for purposes of increasing the vested percentage attributable to service before the Break in Service.
- ☐ c. Not applicable - 100% immediate vesting.

Omit the rest of this section E if ALL accounts are 100% vested at participation.

E5. Forfeitures (Section 2.4.4) - When a Participant terminates, the nonvested portion of his accounts is treated as a Forfeiture, as indicated below. (Select all applicable.)

- ☐ a. No Forfeitures shall occur if the Participant is entitled to an allocation of Forfeitures. In this case, the forfeiture will occur and be applied as of the first date indicated in item E6. for which the Participant is not entitled to an allocation of Forfeitures.

The forfeiture is determined as of the: (Must select one of b. through e. May select e. along with b. or c., in which case the forfeiture is determined as of the earlier of the two dates.)

- ☒ b. Last day of the Plan Year in which the distribution occurs.
- ☐ c. Valuation Date coincident with or next following the Distribution Determination Date.

- ☐ d. As of the last day of the Plan Year in which the _____ Break in Service occurs.
- ☐ e. Later of the last day of the Plan Year in which the distribution occurs, or the last day of the Plan Year of the _____ Break in Service.

If forfeitures are determined based on distributions, forfeitures occur: (Must select f. or g., if option b., c., or e. is selected.)

- ☒ f. Only when the entire vested interest (the final payment) is distributed.
- ☐ g. Pro-rata as the vested interest is distributed.

Deemed distributions to nonvested Participants occur as of:

- ☐ h. The date of termination
- ☐ i. The last day of the Plan Year in which the Participant terminates employment
- ☐ j. The Valuation Date next following the Participant's date of termination
- ☐ k. The last day of the Plan Year following the Plan Year in which the Participant terminates employment
- ☒ l. Other: At the discretion of the Employer, however, no earlier than the date of termination and not later than the last day of the Plan Year of the 5th consecutive Break in Service.

E6. Application of Forfeitures (Select all applicable. Must select at least one of a., d., or e.)

Note: If c. is not selected, then any restoration of forfeitures will be accomplished by an additional Employer contribution specifically allocated to the Participant's Account.

- ☐ a. Not applicable; 100% immediate vesting.
- ☒ b. Reduce administrative expenses of the Plan.
- ☒ c. Restore forfeited account balances of rehires who are eligible for a restoration of forfeitures. If that allocation is insufficient, the Employer shall make an additional contribution specifically allocated to the Participant's Account.
- ☒ d. Reduce Employer Contributions, at the discretion of the Plan Administrator.
- ☐ e. Supplement Employer Contributions, at the discretion of the Plan Administrator.

Forfeitures shall be applied as of:

- ☐ f. Each Valuation Date.
- ☐ g. Each Anniversary Date.
- ☒ h. Each Allocation Date for Employer Contributions.

Forfeitures to be applied were determined:

- ☐ i. During the Plan Year.
- ☐ j. Since the prior Valuation Date.
- ☐ k. For the period before the prior Valuation Date.
- ☒ l. Since the prior Allocation Date.
- ☐ m. For the period before the prior Allocation Date.

Omit the following questions unless forfeitures are allocated to Participants (item E6e).

E7. Requirement to Share in Allocation of Forfeitures - In order to share in the allocation of Forfeitures that supplement rather than reduce other contributions, a Participant:

- ☐ a. Not applicable; 100% immediate vesting or Forfeitures do not supplement Employer Contributions.
- ☐ b. Must be eligible to receive an allocation of the Employer Contribution.
- ☐ c. All Participants are eligible to receive an allocation of Forfeitures. (may require testing)
- ☐ d. Must be a Participant and employed on the date the Forfeiture is determined per E5, above. (may require testing)
- ☐ e. Must be a Participant and employed on the date the Forfeiture is applied per E6, above.

If d. or e. is selected, Participants are also eligible in the Plan Year of death, retirement or disability, as indicated below.

- ☐ f. In the Plan Year of Death
- ☐ g. In the Plan Year of Retirement
- ☐ h. In the Plan Year of Disability

E8. Allocation of Forfeitures (Section 2.4.4) - Forfeitures are allocated:

- ☐ a. In the same manner as the respective Employer Contribution for the Plan Year. (Must select a. if Plan uses permitted disparity in the allocation formula.)
- ☐ b. In proportion to each Participant's Compensation for the Plan Year.
- ☐ c. In proportion to each Participant's Compensation for the Compensation Computation Period.
- ☐ d. As a flat dollar amount determined by dividing the Forfeiture amount by the number of Participants eligible to receive an allocation of Forfeitures.

F. Distribution Provisions

Unless otherwise specified, select only one option to each question below.

F1. Forms of Distribution (Section 2.5.2) - (Select all applicable)

No spousal consent shall be required for a distribution if the only forms of distribution available or elected are lump sum distribution, partial distribution, or installments. If an annuity option of life or longer is selected, Qualified Joint and Survivor Annuity provisions apply.

- ☒ a. Lump sum distribution
 - ☒ a.1. without regard to amount
 - ☐ a.2. not to exceed \$ _____
 - ☐ a.3. if the Participant has completed ____ Years of Service and has attained age ____
- ☐ b. Partial non-periodic distribution. Ad hoc distributions at the times and in the amounts requested by the Participant or Beneficiary,
 - ☐ b.1. without regard to amount.
 - ☐ b.2. with the amount of any distribution to be at least \$ _____ (\$200 or less) or the total remaining distributable benefit, if less.
- ☐ c. Installment payments paid:
 - ☐ c.1. Over _____ years payable on an annual, quarterly, or monthly basis
 - ☐ c.2. Over a period of years selected by the Participant that is less than the life of the Participant payable on an annual, quarterly, or monthly basis
 - ☐ c.3. Other: _____
Note: This option is not considered a modification to the pre-approved plan.
- ☐ d. Annuities
 - ☐ d.1. for not more than ____ years.
 - ☐ d.2. for the life of (Select all that apply.)
 - ☐ 2.A. the Participant.
 - ☐ 2.B. the Participant and spouse.
 - ☐ 2.C. the Participant and a Designated Beneficiary (Must also complete the "Other J&S options" column under F3)
 - ☐ d.3. for a certain period of: (Select all that apply.)
 - ☐ 3.A. 5 years
 - ☐ 3.B. 10 years
 - ☐ 3.C. 15 years
 - ☐ 3.D. 20 yearsand thereafter for the life of: (Select all that apply.)
 - ☐ 3.E. the Participant
 - ☐ 3.F. the Participant and spouse
 - ☐ 3.G. the Participant and a Designated Beneficiary
 - ☐ d.4. for a period certain selected by the Participant that is less than the life expectancy of: (Select all that apply.)
 - ☐ 4.A. the Participant
 - ☐ 4.B. the Participant and spouse
 - ☐ 4.C. the Participant and a Designated Beneficiary

- ☐ e. Minimum Distributable Amount to nonvested Participants (Section 2.5.1(c)) - The Plan will provide the lesser of the Account Balance or \$_____ (Amount cannot exceed \$100) to a Participant with no vested balance.

Direct and Participant Rollovers from the Plan

- ☒ f. Direct Rollovers by non-spouse beneficiary to an inherited IRA were permitted for distributions after December 31, 2006. (Enter a date on or after December 31, 2006 and prior to January 1, 2008 to indicate early adoption of this provision which is required for distributions after December 31, 2007. 2009 Interim Amendment item 3.)
- ☐ g. The Plan permits or permitted after-tax contributions and Direct and/or Participant rollover of after-tax amounts to a 403(b) annuity contract are permitted effective ____/____/____ (2009 Interim Amendment item 2.) The Plan permits:
- ☐ g.1. Direct rollovers of after-tax amounts to a 403(b) annuity contract.
- ☐ g.2. Participant rollovers of after-tax amounts to a 403(b) annuity contract.

F2. Mandatory Cash Out and Automatic Direct Rollover Provisions (Sections 2.5.3(c) and 2.5.3(d)) - Select one of a. or b, and complete d. If b. is selected, may also select c.)

- ☐ a. No Mandatory Cash Out.
- ☒ b. The Mandatory Cash Out threshold shall be \$1,000.00. (less than or equal to \$5,000)

The distribution will occur:

- ☒ b.1. As soon as administratively feasible
- ☐ b.2. As soon as administratively feasible after the next Valuation Date
- ☐ b.3. As soon as administratively feasible after the last day of the Plan Year

(Warning: Exclusion of rollovers could trigger automatic rollover provisions if the Participant's total balance exceeds \$1,000)

- ☐ c. Exclude Rollover Contributions when determining the value of the Participant's nonforfeitable Account balance for purposes of the Plan's involuntary cash-out rules. This election shall apply with respect to distributions made after ____/____/____ (Enter a date no earlier than December 31, 2001.), and with respect to Participants who separated from service after ____/____/____ (Enter date. The date may be earlier than December 31, 2001.)
- ☒ d. Automatic Rollover. Subject to Section 2.5.3(d), the default form of distribution for Eligible Rollover Distributions that are greater than \$1,000.00 shall be a Direct Rollover. (Must be \$1,000 or less)

F3. Survivor Annuity Percentages and One Year Marriage Rule (Section 2.5.6) - If a life annuity option is selected above (F1d2., F1d3E., F1d3F., or F1d3G.), specify the Qualified Joint and Survivor Annuity percentage and any other permitted survivor annuity percentages. (Select one in column 1 and all that apply in column 2. Also select one of g. or h.)

Note: In addition to the percentage selected for the Qualified Joint and Survivor Annuity, a Participant must be permitted to elect an optional form of annuity. If the selected Qualified Joint and Survivor Annuity percentage is less than 75%, the Qualified Optional Survivor Annuity will be 75%. If the selected percentage is 75% or more, the Qualified Optional Survivor Annuity will be 50%.

- ☐ a. 50%
- ☐ b. 66.67%
- ☐ c. 75%
- ☐ d. 100%
- ☐ e. _____% (Specify the percentage. May not be less than 50% or greater than 100%)
- ☐ f. Other percentage selected by the Participant which is not less than 50% nor more than 100%

"One Year Marriage Rule" (Section 2.5.6(d))

- ☐ g. Apply the "One Year Marriage Rule"
- ☐ h. The "One Year Marriage Rule" does not apply

F4. Designated Beneficiary Survivor Annuity Percentages (Section 2.5.6) - If a joint and survivor annuity option for a Designated (non-spouse) Beneficiary is selected above (F1.d.2.C. and/or F1.d.3.G.), select the survivor annuity percentage(s) that a Participant may elect for the survivor's annuity payments. (Select a. or all applicable from b. through g.)

- ☐ a. Same as the Qualified Joint and Survivor percentage selected in F3.
- ☐ b. 50%
- ☐ c. 66.67%
- ☐ d. 75%
- ☐ e. 100%
- ☐ f. _____% (Specify the percentage. May not be less than 50% or greater than 100%)
- ☐ g. Other percentage selected by the Participant which is not less than 50% nor more than 100%

F5. Distributable Event due to Disability - A distributable event due to Disability occurs:

- ☒ a. Termination Date. (Distributable event occurs upon the Participant's termination of employment.)
- ☐ b. The Participant's actual date of disability, as determined by the Plan Administrator.
- ☐ c. ____ months after the Participant's actual date of disability, as determined by the Plan Administrator.
- ☐ d. The date the Plan Administrator determines the Participant to be disabled.

F6. Distribution Determination Date (Section 2.5.1(d)) - For distribution purposes, the value of a Participant's vested Account Balance shall be determined as of:

Note: The value of investments in Accounts valued on a daily basis is always determined on the date of distribution.

Select one under each column.

Column 1 establishes the Distribution Determination Date upon termination of employment for reasons other than Death, Disability, or Retirement, for all Accounts other than those specified under column 3 (Voluntary and Rollover).

Column 2 establishes the Distribution Determination Date for a distributable event due to Death, Disability, or Retirement, for all Accounts other than those specified under column 3.

Column 3 established the Distribution Determination Date for Voluntary and Rollover Accounts, for any distributable event.

Termination Prior to Death, Disability, or Retirement	Death, Disability, or Retirement	Voluntary and Rollover Accounts	
--	---	--	--

Termination Prior to Death, Disability, or Retirement	Death, Disability, or Retirement	Voluntary and Rollover Accounts	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a. The last day of the Plan Year coinciding with or next following the date of the distributable event.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b. The Valuation Date coinciding with or next following the date of the distributable event.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	c. The Valuation Date coinciding with or immediately preceding the date of the distributable event.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	d. As soon as administratively feasible following the date of the distributable event, based on the preceding Valuation Date.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	e. The indicated date following ___ consecutive Breaks in Service. (Select one of A., B., or C. and complete D.)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	e.1. Valuation Date
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	e.2. Anniversary Date
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	e.3. Other Date. (Specify in the text box. e.g. "Last Day of the Plan Year")
0	0	0	e.4. Number of Breaks in Service
<input type="checkbox"/>	N/A	N/A	f. The Valuation Date preceding the Participant's Normal or Early Retirement Date

- F7. Time of Distribution (Sections 2.5.1 and 2.5.4)** - For distributions other than mandatory cash out distributions, the distribution shall be made as indicated below: (See F2. for mandatory cash out selections.)

Distributions to Participants who resign or are discharged prior to death, disability, or retirement shall be:

- ☒ a. Made within a reasonable period following the Distribution Determination Date
☐ b. Made within a reasonable period following the Anniversary Date
☐ c. Deferred until the Participant's Normal or Early Retirement Date

Distributions as a result of death, Disability, or retirement shall be:

- ☒ d. Made within a reasonable period following the Distribution Determination Date
☐ e. Made within a reasonable period following the Anniversary Date

Restriction on Immediate Distributions - Immediate distributions are only permitted if the Participant's vested Account Balance is less than:

- ☒ f. No Restriction
☐ g. \$_____

- F8. In-service Distributions (Section 2.5.12)** - In-service distributions are permitted as specified below.

Warning: In-service distributions are a protected benefit. If the Plan was in existence before the adoption of this Adoption Agreement, the selections under this item should be the same as, or more liberal than, the selections previously made, to avoid a cutback in protected benefits and to

have uniform provisions apply to all Participants. However, if the Employer chooses to amend the in-service distribution provisions to make the provisions more restrictive, such an amendment will only apply to eligible employees hired on or after the effective date of such amendment. Further, the effective date of such an amendment to the in-service distribution provisions can be no earlier than the adoption date of the amendment.

a. Amendment to in-service distribution provisions. Select one of a1. through a3.

- ☒ a.1. Not Applicable - New Plan or the selections below are identical to those previously made.
- ☐ a.2. The selections below reflect an amendment to in-service distribution provisions, and these selections are a liberalization (e.g. reduction in age requirement, availability of more Accounts), that will be effective as of the Effective Date of this Adoption Agreement and will apply to all Participants.
- ☐ a.3. The selections below reflect an amendment to the in-service distribution provisions, and these selections are more restrictive (e.g. imposition of limitations on the number of in-service distributions during a Plan Year). These in-service distribution provisions will apply only to eligible employees hired on or after the effective date for the in-service distribution provisions selected below. The effective date for these provisions is the later of the Adoption Date of this Adoption Agreement or ____/____/____ (specify date that is on or after the Adoption Date).

Note: If a3 is selected, you must also specify the in-service distribution provisions under the prior plan, on the SPD screen.

b. Availability of in-service distributions. Select b1. or b2. If b2. is selected, complete the remainder of this item F7.

- ☒ b.1. No in-service distributions are permitted
- ☐ b.2. In-service distributions are permitted, as provided below.

c. Specify the requirements to be satisfied to receive an in-service distribution from the Employer Contribution Account, for reasons other than hardship: (Select all that apply.) (In-service distributions due to hardship are specified under F7d.)

Retirement Age

- ☐ c.1. Attainment of Normal Retirement Age.
- ☐ c.2. Attainment of Early Retirement Age.

Other requirements (Complete all that apply.)

- ☐ c.3. Attainment of age ____.

If requirements under c4. through c8. apply, then the Participant must attain the indicated age:

- ☐ c.3.A. **AND** meet the requirements indicated below.
- ☐ c.3.B. **OR** meet the requirements indicated below.

- ☐ c.4. Amounts have been allocated for ____ years (Must be at least 2)
- ☐ c.5. Require participation for at least ____ years (Must be at least 5.)
- ☐ c.6. Amounts have been allocated for ____ years (Must be at least 2) AND require participation for at least ____ years (Must be at least 5.)
- ☐ c.7. Amounts have been allocated for ____ years (Must be at least 2) OR require participation for at least ____ years (Must be at least 5.)
- ☐ c.8. Vesting - Must be fully (100%) vested in all Plan accounts to receive an in-service distribution. If additional requirements apply, as selected in f3. through f7., the Participant must satisfy those requirements as well as being 100% vested.

- ☐ d. In-service distributions due to hardship are permitted from the Employer Contribution account, subject to the stated deemed hardship standards of Reg. 1.401(k)-1(d)(2)(iv) (the 6 criteria):

The Employer may choose to impose requirements in addition to the criteria for hardship for an in-service distribution due to hardship. (Complete all that apply.)

- ☐ d.1. Hardship only. No other requirements apply.
- ☐ d.2. In addition to meeting the hardship criteria, the Participant must also satisfy
- ☐ Any ☐ All of the following conditions:
- ☐ d.2.A. Attainment of age ____.
- ☐ d.2.B. Amounts have been allocated for ____ years. (Must be at least 2.)
- ☐ d.2.C. Require participation for at least ____ years. (Must be at least 5.)
- ☐ d.2.D. Amounts have been allocated for ____ years (Must be at least 2) **AND** require participation for at least ____ years Must be at least 5.)
- ☐ d.2.E. Amounts have been allocated for ____ years (Must be at least 2) **OR** require participation for at least ____ years Must be at least 5.)
- ☐ d.2.F. Vesting - Must be fully (100%) vested in all Plan accounts to receive an in-service distribution due to hardship.
- ☐ e. Deemed severance distributions are also permitted from the Employer Contribution account, for Participants on active duty for 30 day performing qualified military service. The requirements selected under c. and/or d. do not apply to a distribution due to Deemed Severance.

In-service distributions from Rollover Accounts and Voluntary Contribution Accounts

- ☐ f. In-service distributions from the following accounts are permitted, provided the conditions selected under g. are satisfied:
- ☐ f.1. All Rollover Accounts, including Roth Rollover Accounts (from transfers into the Plan)
- ☐ f.2. Rollover Accounts, excluding Roth Rollover Accounts (from transfers into the Plan)
- ☐ f.3. Voluntary Contribution Accounts
- g. The following requirements must be satisfied to receive an in-service distribution from Rollover Accounts and Voluntary Contribution Accounts. (Select all applicable.)
- ☐ g.1. None; a participant may request distribution of from these accounts at any time.
- ☐ g.2. Normal Retirement Age
- ☐ g.3. Early Retirement Age
- ☐ g.4. Age ____
- ☐ g.5. Hardship
- ☐ h. Deemed severance distributions are also permitted from the accounts indicated under f., for Participants on active duty for 30 day performing qualified military service. The requirements selected under g. do not apply to a distribution due to Deemed Severance.
- i. The Employer may choose to limit the number of in-service distributions made to a Participant during a Plan Year and/or to set a minimum amount for any single in-service distribution, provided that such administrative provisions do not discriminate in favor of Highly Compensated Employees.

Warning: If the Plan was in existence before the adoption of this Adoption Agreement, the selections under F7i. must be the same as the prior plan provisions (e.g. i1. for Plans on an EGTRRA version Siegel Actuarial Consulting, Inc. document.) to avoid an amendment to the in-service distribution provisions as described in the warning for item F7a.

- ☐ i.1. No limitations on the number of in-service distributions made during a Plan Year and no minimum amount for an in-service distribution.
- ☐ i.2. The maximum number of in-service distributions made to any Participant during a Plan Year is _____. (One request, regardless of the number of accounts from which the distribution is to be taken, is counted as one in-service distribution.)
- ☐ i.3. The minimum amount of a single in-service distribution made to any Participant during a Plan Year is the lesser of \$_____ or the total value of the vested account balances of the accounts eligible for in-service distribution. (Enter a value not to exceed \$1000.00). (One request, regardless of the number of accounts from which the distribution is to be taken, is considered a single in-service distribution.)

F9. Qualified Domestic Relations Orders - Section 3.11.6 provides that the Employer may elect to permit distributions to an Alternate Payee pursuant to the terms of a Qualified Domestic Relations Order even if the Participant continues to be employed.

- ☐ a. Distributions to an Alternate Payee are not permitted while the Participant continues to be employed before the earliest possible retirement age pursuant to Code section 414(p).
- ☒ b. Distributions to an Alternate Payee are permitted while the Participant continues to be employed on or after the date a Domestic Relations Order is determined to be a Qualified Domestic Relations Order by the Plan Administrator.

F10. Required Minimum Distributions

- a. Required Beginning Date - The General Rule in Section 2.5.8(i)(5) states that minimum distributions to a Participant must begin by April 1 of the calendar year following the calendar year in which the Participant attains age 70 1/2.

Warning: If the Plan was in existence before the adoption of this Adoption Agreement, the choice between items F10.a.1. or F10.a.2. must be the same as the selection previously made.

- ☐ a.1. Required Beginning Date is age 70 1/2 for all Participants.
- ☒ a.2. Exception for Non-5-Percent Owners. (The Required Beginning Date for Participants who are not 5-Percent Owners shall be the later of April 1st of the calendar year following the calendar year in which the Participant attains age 70 1/2, or April 1st of the calendar year following the calendar year in which the Participant retires.)
- ☒ b. If selected, Participants or Beneficiaries may elect to apply the 5-year rule to distributions regarding a Participant who dies before distributions begin.

G. Other Administrative Provisions

- G1. Earnings for Distribution Purposes** - Section 3.1.2 permits the Employer to specify the manner in which earnings are allocated to Participants who receive distributions on any date other than a Valuation Date.

- ☒ a. Earnings will be credited solely as of the immediately preceding Valuation Date.
☐ b. Actual earnings will be credited to the date of distribution.

Note: Earnings and gains and losses on investments in Accounts that are valued on a daily basis are always credited to the date of distribution.

- G2. Earnings on Forfeiture Accounts (Section 3.1.3)**

- a. Will any Forfeiture Account holding the Plan's aggregate Forfeitures be subject to Trust earnings?

- ☒ a.1. Yes.
☐ a.2. No.

- G3. Investment Control** - Section 4.5 of the Trust provides that the Employer may elect to permit Participants to control the investment of their Accounts. (Select a. or b. If b. is selected, complete the remainder of this item as appropriate.)

Note: If the options under investment control are compatible with the attached trust, choose the investment control provisions a. through g. If the other trust has unique investment control provisions choose h. in which case the provisions of the trust will govern. Attaching a trust other than the Siegel Actuarial Consulting, Inc. trust or another trust pre-approved for use with the Siegel Actuarial Consulting, Inc. prototype will cause the plan to be considered Individually Designed.

- ☐ a. Participants may not control their investments.
☒ b. Participants may control the investment of their accounts, as provided below. The following elections apply to: (Select one of b1. through b3. Also, select one of c. or d., and complete the remainder of this item as applicable.)
☒ b.1. Account balances as of the Effective Date of this Plan as well as future contributions.
☐ b.2. Contributions made as of ____/____/____ and after. Participants may not control the investment of contributions made as of a prior date. (This option requires sub-accounts to be established as of the specified date.)
☐ b.3. Other: _____ (Specify other provisions for determining the portions of a Participant's accounts that the Participant may control. Indicate the accounts subject to Participant control under option c. or d. The provision entered in this item b3 must not discriminate in favor of Highly Compensated Employees. If this provision is not uniformly available, it must be tested for nondiscrimination.)

If b. is selected, specify the Accounts over which the Participant may exercise investment control, subject to the limitations of b1., b2., or b3., by selecting one of c. or d.

- ☒ c. Participants may control the investments in all Accounts.
☐ d. Participants may control their investments solely with respect to amounts attributable to: (Select one or more.)
☐ d.1. Employer Contributions
☐ d.2. Voluntary Contributions
☐ d.3. Deemed IRA Contributions
☐ d.4. Amounts held in a Rollover Account

- ☐ e. Must be 100% vested in directed Accounts.
- ☐ f. Elections to transfer investments to a Controlled Account may occur:
 - ☐ f.1. Only on a Valuation Date
 - ☒ f.2. As of the date of election, provided such election is deemed feasible by the Trustee
- ☒ g. This Plan is intended to comply with ERISA section 404(c). (Plan Administrator or appropriate Fiduciary shall ensure that the Plan provides Participants with the minimum options and information required by ERISA section 404(c) and the Regulations thereunder.)
- ☐ h. Not Applicable (see attached Trust).

G4. Life Insurance Authorization - Section 3.10.1 permits the purchase of Life Insurance Policies to provide incidental insurance benefits. (Select one)

- ☒ a. No Life Insurance shall be purchased.
- ☐ b. The purchase of Life Insurance is permitted as provided under Part 3 Article 10 and the Life Insurance Policy adopted by the Employer.

G5. Loans - Section 3.5.1 provides that the Employer may elect to permit loans to Participants and Beneficiaries in accordance with a Participant loan program.

- ☐ a. Loans are permitted, in accordance with a Participant loan program.
- ☒ b. Loans are not permitted.

G6. Rollovers / Portability - Section 3.9.3 authorizes the Employer to permit rollover of Eligible Rollover Distributions from other qualified plans and IRAs to this Plan. (Select all applicable.)

- ☐ a. Rollover contributions are not permitted.
- ☐ b. Rollover contributions are permitted only from other plans of the Employer:
 - ☐ b.1. Including Roth Rollovers.
 - ☐ b.2. Excluding Roth Rollovers.
- ☐ c. The indicated types of Rollovers or Transfers are permitted, and the Plan will accept rollovers from the plans / IRAs indicated below. (To permit Rollovers or Transfers, select all that apply under this item c.)

Direct Rollover (Trust to Trust transfer)	Participant Rollover (within 60 days of the distribution)	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	c.1. Permitted, as indicated below, from:
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	c.2. A qualified plan described in Code sections 401(a) or 403(a), excluding after-tax employee contributions.
<input type="checkbox"/>	N/A	c.3. A qualified plan described in Code sections 401(a) or 403(a), including after-tax employee contributions.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	c.4. An annuity contract described in Code sections 403(b). After-tax amounts:

Direct Rollover (Trust to Trust transfer)	Participant Rollover (within 60 days of the distribution)	
<input type="checkbox"/>	<input type="checkbox"/>	c.4.A Will be accepted by the Plan.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	c.4.B Are excluded. The Plan will not accept rollover of after-tax amounts.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	c.5. An eligible plan under Code section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	c.6. An Individual Retirement Account or Annuity described in Code sections 408(a) or (b) or 408A that is eligible to be rolled over:
<input type="checkbox"/>	<input type="checkbox"/>	c.6.A Including a Transfer/Rollover from a Roth IRA. (May select this option only if the Plan permits Deemed IRA Accounts.)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	c.6.B Excluding a Roth IRA. Transfer/ Rollover from a Roth IRA is not permitted.

d. Rollovers are accepted:

- ☐ d.1. Only after Participant enters Plan.
- ☒ d.2. From Employees in an eligible class before Plan entry.

e. Rollovers of in-kind assets are:

- ☐ e.1. Permitted.
- ☒ e.2. Not permitted.
- ☐ e.3. Permitted, except Participant loans.
- ☐ e.4. Not permitted, except Participant loans.
- ☐ e.5. Permitted only if from other plans of the Employer.

G7. Multiple Plans Provisions - The Employer that maintains a qualified defined benefit plan in which any Participant in the Plan is, was, or could become a Participant adds the following optional provisions that it deems necessary to satisfy Code section 416 because of the required aggregation of multiple plans:

- ☒ a. Not applicable - No other plan or other plan terminated prior to the Effective Date of this Adoption Agreement.
- ☐ b. A minimum contribution allocation of 5% of each eligible Non-Key Employee's total Compensation shall be provided in a defined contribution plan of the Employer.
- ☐ c. A minimum benefit of the lesser of 2% times years of service or 20% of each eligible Non-Key Employee's Average Compensation shall be provided in a defined benefit plan of the Employer.
- ☐ d. A minimum benefit of the lesser of 2% times years of service or 20% of each eligible Non-Key Employee's Average Compensation shall be provided in a defined benefit plan of the Employer but offset by the amount contributed on such eligible Non-Key Employees behalf under any defined contribution plan of the Employer.
- ☐ e. Other - Specify: _____

Note: When selecting "e. Other" the method selected must preclude Employer discretion (method used must be definitely determinable and clearly stated). If c. or d. selected, should coordinate with any existing defined benefit plan.

G8. Top-Heavy Assumptions - (SKIP this question UNLESS the Employer also has a Defined Benefit Plan.) The interest rate and mortality table used to establish the present value of accrued benefits in

order to calculate the Top-Heavy Ratio under Code section 416 shall be:

- ☐ a. Same as the following defined benefit plan:

- ☐ b. Interest Rate: _____
(Insert description of variable rate or enter fixed rate.)
Mortality table: _____
Note: The actuarial assumptions entered here should be coordinated with any existing defined benefit plan.

G9. Top-Heavy Duplications - If Employer maintains two or more defined contribution plans, the Employer has determined that a minimum top-heavy benefit will be provided as follows:

- ☒ a. Not applicable - No other plan or other plan terminated prior to the Effective Date of this Adoption Agreement.
- ☐ b. A minimum contribution of _____ % of each Non-Key Participant's Compensation shall be provided by:
 - ☐ b.1. This Plan.
 - ☐ b.2. The following defined contribution plan:

 - ☐ b.3. Employees who will receive the minimum benefit under such other plan:

Note: Satisfying the minimum top-heavy allocation in another plan for some but not all of the Participants may cause the Plan to fail to satisfy the uniformity requirement of Treasury Regulations section 1.401(a)(4)-2(b)(2)(ii) for plans using a design-based safe harbor, even though all other requirements of the safe harbor are met.

G10. Multiple Plans Maximum Permitted Disparity (Section 2.3.5)

- ☒ a. The Employer does not sponsor any other qualified plans. (SKIP the remaining items in G10.)
- ☐ b. The Employer has another defined contribution plan, but no Participant in the Plan has ever participated in a defined benefit plan sponsored by the Employer. (SKIP items e. and f.)

(Complete items c. and d. only if the Plan formula is integrated (Formulas D8r. through D8u.))

If the maximum permitted disparity is exceeded:

- ☐ c. If the Employer sponsors another defined contribution plan, the allocation will be adjusted in this Plan, as selected below:
 - ☐ c.1. Allocation based pro-rata on Compensation.
 - ☐ c.2. Allocation based on the (Tier 2) Excess Contribution Percentage (*only available if allocation formula D8r. selected*).
 - ☐ c.3. Allocation based on the (Tier 1) Base Contribution Percentage (*only available if allocation formula D8r. selected*).
 - ☐ c.4. General test will be performed without recognizing imputed disparity (*only available if allocation formula D8r. or D8u. is selected*).
- ☐ d. Allocation or accrued benefit will be adjusted in another DC plan of the Employer.

If the Employer also sponsors a defined benefit plan, for Plan Years on or after 1/1/89, the Annual Overall Permitted Disparity Fraction equals:

- ☐ e. 1 (one).
- ☐ f. The value determined under the provisions of Reg. 1.401(l)-5.

G11. Trustee Authority - Subject to Section 2.2 of the Trust, if the Employer has appointed a group of 2

or more individuals to act as Trustee of the Plan, the Trustee may be bound by:

- ☐ a. Not Applicable (see attached Trust).
- ☐ b. The act of the majority.
- ☒ c. The act of any 1 (insert number) individuals acting in the capacity of the Trustee.

G12. Prior Plan Protected Benefits (Section 3.8.3) - The adoption of this Plan shall not reduce or eliminate any previously accrued protected benefits under IRC 411(d)(6). In the event that this adoption agreement does not reflect an optional form of payment or other protected benefit accrued under a prior plan, the employer may elect to attach an appendix to this adoption agreement, describing all such prior plan protected benefits.

- ☒ a. Not Applicable.
- ☐ b. Appendix describing prior plan protected benefits is attached to this adoption agreement. Specify the contents of the appendix:

The name, address and telephone number of the Document Sponsor which is also the document provider, is:

Document Sponsor and Document Provider

Siegel Actuarial Consulting, Inc.
420 Commonwealth Drive, Suite 101
Warrendale, PA 15086
(724) 934-4780

This Plan must be registered with the Document Sponsor within 60 days of adoption of this document, and the Document Serial Number assigned by the Document Sponsor shall be affixed to this signature page. The adopting Employer must notify the Document Sponsor if the Plan is terminated, merged, or of any changes in the name, address, or EIN of the adopting employer at least annually, and within 30 days of any request of the Document Sponsor. If the adopting Employer terminates its relationship with the Document Sponsor, its Plan will no longer be considered a pre-approved plan sponsored by the Document Sponsor.

Unregistered use of this document will result in the Plan no longer participating in this pre-approved plan, and the document will be considered an individually designed plan, without reliance on the opinion / advisory letter of the Document Sponsor, which could result in the disqualification of the plan.

If the Employer's Plan fails to attain or retain qualification, such Plan will no longer participate in this pre-approved plan and will be considered an individually designed plan.

The Document Sponsor will inform the Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan.

The adopting Employer may rely on an opinion / advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under Code section 401 except to the extent provided in Revenue Procedure 2011-49.

The Employer may not rely on the opinion / advisory letter in certain other circumstances or with respect to certain qualification requirements that are specified in the opinion letter issued with respect to the Plan and in Revenue Procedure 2011-49.

In order to have reliance in such circumstances or with respect to such qualification requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service.

This Adoption Agreement may be used only in conjunction with Basic Plan Document #03 (the Siegel Actuarial Consulting, Inc. Prototype Defined Contribution Plan) Revised 3/31/2014.

* * *

The Employer hereby adopts the Plan as evidenced by the foregoing Adoption Agreement on this _____ day of _____, _____.

Employer:

ARK TEX URBAN TRANSIT, INC.

Officer of Employer

**RESOLUTION OF
THE BOARD OF DIRECTORS
OF
ARK TEX URBAN TRANSIT, INC.**

Whereas, the Employer has the power to amend and restate the Plan, on ____/____/____, the following resolutions to amend and restate the ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN and the ARK TEX URBAN TRANSIT, INC. RETIREMENT TRUST were duly adopted by unanimous consent in lieu of a meeting of the Board of Directors of ARK TEX URBAN TRANSIT, INC. and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of Plan presented to the Board of Directors is a Profit Sharing Plan as authorized under Internal Revenue Code sections 401(a) and 501(a). This restatement shall be effective October 1, 2020.

RESOLVED, that the ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN and the ARK TEX URBAN TRANSIT, INC. RETIREMENT TRUST presented to the Board of Directors are hereby adopted and approved and that the proper officers of the Employer are hereby authorized and directed to execute and deliver to the Plan Administrator one or more counterparts of the Plan and Trust.

RESOLVED, that the proper Officers of the Employer shall act as soon as possible to notify employees of the Employer of the restatement of the Plan and Trust by delivering to each employee a copy of the Summary Plan Description of the Plan in the form of the Summary Plan Description presented to the Board of Directors, which form is hereby approved.

The undersigned further certifies that attached hereto as Exhibits A, B, C and D respectively are true copies of the ARK TEX URBAN TRANSIT, INC. RETIREMENT PLAN Adoption Agreement, Document, Trust and Summary Plan Description approved and adopted in the above resolutions.

Secretary

Date

History of Ark-Tex Urban Transit, Inc. (ATUT)

4/22/2011 – Initial meeting of the ATUT Board

- Board member appointments and officer nominations
- Resolution approving creation of ATUT sent to ATCOG Board for approval, signed 4/28/2011
- Presented the Articles of Incorporation, ATUT Bylaws and the Seal of the Corporation

7/24/2012 – ATUT Board meeting

- Approval of the Employee Retirement Fund
- Discussed upcoming audit

3/21/2013 – ATUT Board meeting

- Approval of the Employee Health Insurance Plan

10/10/2013 – ATUT Board meeting

- Approval of the ATUT Retirement Plan
- Discussed procedures to develop the new ATUT Personnel Policy and Procedures Manual

3/11/2014 – ATUT Board meeting

- Appointment of Chris Brown as President and Sharon Pipes as Vice-President to ATUT Board of Directors
- Resolution approving appointment sent to ATCOG Board for approval, signed 3/27/2014
- Discussed term limits

8/29/2014 – ATUT Board meeting

- Owetta Walton appointed to ATUT Board to replace Lynda Pugh
- Resolution approving appointment sent to ATCOG Board for approval, signed 6/25/2015
- Approval of the ATUT Employee Handbook

6/26/2015 – ATUT Board meeting

- Approval of restatement and adoption of the ATUT Retirement Plan
- Approval of the Defined Contribution Trust

2/22/2018 – ATCOG Board signed resolution approving the appointment of Mary Beth Rudel to ATUT Board to replace Sharon Pipes

BYLAWS OF ARK-TEX URBAN TRANSIT, INC.

ARTICLE 1 POWERS AND PURPOSES

Section 1. Purpose. The purpose of the corporation is stated in the original articles of incorporation: “Any and all lawful purposes, including but not limited to employing T-Line employees.”

Section 2. Books and Records; Approval of Programs and Financial Statements. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors. All books and records of the Corporation may be inspected by any director or his agent or attorney for any proper purpose at any reasonable time; and at all times the Ark-Tex Council of Governments will have access to the books and records of the Corporation. The Ark-Tex Council of Governments shall be entitled to approve all programs and expenditures of the Corporation and annually review any financial statements of the Corporation.

Section 3. Nonprofit Corporation. The Corporation shall be a nonprofit corporation, and no part of its net earnings remaining after payment of its expenses shall inure to the benefit of any individual, firm or corporation, except that in the event the Board of Directors of the Corporation (the “Board of Directors”) shall determine that sufficient provision has been made for the full payment of the expenses, bonds and other obligations of the Corporation issued to finance all or part for the cost of a project, then any net earnings of the Corporation thereafter accruing with respect to said project shall be paid to the Ark-Tex Council of Governments.

ARTICLE 2 BOARD OF DIRECTORS

Section 1. Power, Number and Term of Office. The property and affairs of the Corporation shall be managed and controlled by the Board of Directors and, subject to the restrictions imposed by law, the Articles of Incorporation and these Bylaws, the Board of Directors shall exercise all of the powers of the Corporation. The Board of Directors shall consist of three (3) directors, each of whom shall be appointed by the Ark-Tex Council of Governments. Each director shall serve for six (6) years or until his or her successor is appointed as hereinafter provided. Subsequent directors shall hold office for a term of six (6) years or until their successors are appointed as hereinafter provided. However, the initial board of directors shall have staggered terms as follows: place one: six years; place two: four years; place three: two years; with all subsequent terms six years. Directors constituting the first Board of Directors shall be those directors named in the Articles of Incorporation. Any director may be removed from office, by the Ark-Tex Council of Governments, for cause or at will. Vacancies shall be filled by the Ark-Tex Council of Governments.

Section 2. Authority. The Board of Directors shall have the authority to carry out the purposes of the corporation. More specifically, the Board of Directors shall have the authority to apply for grants and loans and incur debt and to hire, employ, manage and dismiss employees of the T-Line.

Section 3. Meetings of Directors. The directors may hold their meetings at such place or places in the State of Texas, as the Board of Directors may from time to time determine provided, however, in the absence of any such determination by the Board of Directors, the meetings shall be held at the registered office of the Corporation in the State of Texas.

Section 4. Regular Meetings. All meetings of the corporation shall be held in accordance with the requirements of the Open Meetings Act found at Chapter 551 et seq of the Texas Government Code. These requirements include but are not limited to meetings which are open to the public (TEX. GOV. CODE §551.002), keeping minutes and tape recordings (TEX. GOV. CODE §551.004), and providing written notice of the meeting (TEX. GOV. CODE §551.041).

Section 5. Quorum. A majority of the directors fixed by the Articles of Incorporation shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, unless the act of a greater number is required by law.

Section 6. Conduct of Business. At the meetings of the Board of Directors, matters pertaining to the purposes of the Corporation shall be considered in such order as from time to time the Board of Directors may determine. At all meetings of the Board of Directors, the president shall preside, and in the absence of the president, the vice president shall exercise the powers of the president. The secretary of the Corporation shall act as secretary of all meetings of the Board of Directors, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 7. Compensation of Directors. Directors as such shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

ARTICLE 3 OFFICERS

Section 1. Titles and Terms of Office. The officers of the Corporation shall be a president, a vice president, a secretary/treasurer, and such other officers as the Board of Directors may from time to time elect or appoint. One person may hold more than one office, except that the president shall not hold the office of secretary. Terms of office shall not exceed three years. All officers shall be subject to removal from office, with or without cause, at any time by a vote of

majority of the entire Board of Directors or Ark-Tex Council of Governments. A vacancy in the office of any officer shall be filled by the Ark-Tex Council of Governments.

Section 2. Powers and Duties of the President. The president shall be the chief executive officer of the Corporation and, subject to the Board of Directors, he shall be in general charge of the properties and affairs of the Corporation; he shall preside at all meetings of the board of Directors; in furtherance of the purposes of this Corporation, he may sign and execute all contracts, conveyances and other instruments in the name of the Corporation.

Section 3. Vice President. The vice president shall have such powers and duties as may be assigned to him by the Board of Directors and shall exercise the powers of the president during that officer's absence or inability to act. Any action taken by the vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability to act by the president at the time such action was taken.

Section 4. Treasurer. The treasurer shall have custody of all the funds and securities of the Corporation which come into his hands. When necessary or proper, he may endorse, on behalf of the Corporation, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board of Directors; he may sign all receipts and vouchers for payment made to the Corporation, either alone or jointly with such other officer as is designated by the Board of Directors; whenever required by another officer as is designated by the Board of Directors; whenever required by the Board of Directors, he shall render a statement of his cash account; he shall enter or cause to be entered regularly in the books of the Corporation to be kept by him for that purpose full and accurate accounts of all monies received and paid out on account of the Corporation; he shall perform all acts incident to the position of treasurer subject to the control of the Board of Directors, and give such bond for the faithful discharge of his duties in such form as the Board of Directors may require. This position may be combined or separated from that of Secretary.

Section 5. Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose; he shall attend to the giving and serving of all notices; in furtherance of the purposes of this Corporation, he may sign with the president in the name of the Corporation, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation; he shall have charge of the corporate books, records, documents and instruments, except the books of account and financial records and securities of which the treasurer shall have custody and charge, and such other books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection upon application at the office of the Corporation during business hours, and he shall in general perform all duties incident to the office of secretary subject to the control of the Board of Directors. This position may be combined or separated from that of Treasurer.

Section 6. Compensation. Officers as such shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

ARTICLE 4 MEMBERS AND STOCK

Section 1. Members. The corporation shall have no members and will issue no stock.

ARTICLE 5 PROVISIONS REGARDING ARTICLES OF INCORPORATION AND BYLAWS

Section 1. Effective Date. These Bylaws shall become effective only upon the adoption of the Bylaws by the Board of Directors as indicated herein.

Section 2. Amendments of Articles of Incorporation and Bylaws. The Articles of Incorporation may at any time and from time to time be amended, provided that the Board of Directors files with the Ark-Tex Council of Governments a written application requesting that the Governing Body approve such amendment to the Articles of Incorporation, specifying in such application the amendment or amendments proposed to be made. If the Ark-Tex Council of Governments by appropriate resolution finds and determines that it is advisable that the proposed amendment be made, authorizes the same to be made and approves the form of the proposed amendment, the Board of Directors shall proceed to amend the Articles as provided in the Act. These bylaws may be amended by majority vote of the Board of Directors.

Section 3. Interpretation of Bylaws. These Bylaws and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section, or other part of the Bylaws to any other person or circumstance shall not be affected thereby.

ARTICLE 6 GENERAL PROVISIONS

Section 1. Principal Office. The principal office of the Corporation shall be located at 4808 Elizabeth Street, Texarkana, Texas, 75503.

Section 2. Registered Agent. The Corporation shall have and continuously maintain in the State of Texas (the "State") a registered office, and a registered agent whose business office is

identical with such registered office, as required by the Act. The registered office may be, but need not be, identical with the principal office in the State, and the address of the registered office may be changed from time to time by the Board of Directors, pursuant to the requirements of the Act.

Section 3. Fiscal Year. The fiscal year of the Corporation shall be as determined by the Board of Directors.

Section 4. Seal. The seal of the Corporation shall be as determined by the Board of Directors.

Section 5. Notice and Waiver of Notice. Whenever any notice whatsoever is required to be given under the applicable law, the Articles of Incorporation or these Bylaws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his post office address, as it appears on the books of the Corporation and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is now lawfully called convened. Neither the business to be transacted at nor the purpose of any Regular or Special Meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless required by the Board of Directors. A waiver of notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 6. Resignations. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the president or secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 7. Action Without a Meeting of Directors or Committees. Any action which may be taken at a meeting of the Board of Directors or of any Committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the directors, or all of the members of the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or document filed with the Secretary of State or any other person or entity. However, such actions must be in compliance with article 2 §4.

Section 8. Action of the Ark-Tex. Council of Governments. To the extent that these Bylaws refer to any action by the Ark-Tex Council of Governments, such action shall be evidenced by a certified copy of a resolution, order or motion duly adopted by the Ark-Tex Council of Governments.

Section 9. Organizational Control. The Ark-Tex Council of Governments may, at its sole discretion, and at any time, alter or change the structure, organization, programs or activities of

the Corporation (including the power to terminate the Corporation), subject to any limitation on the impairment of contracts entered into by such Corporation.

Section 10. Dissolution of the Corporation. Upon dissolution of the Corporation, title to or other interests in any real or personal property owned by the Corporation at such time shall vest in the Ark-Tex Council of Governments.

ADOPTED this _____ day of _____, 2011.

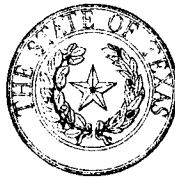
L.D. Williamson, President, Chairman of the Board
of Directors, Place 1

Brenda Davis, Vice-President, member of the Board
of Directors, Place 2

Lynda Pugh, Treasurer/Secretary, member of the
Board of Directors, Place 3

Form 202
(Revised 12/09)

Submit in duplicate to:
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
512 463-5555
FAX: 512/463-5709
Filing Fee: \$25



Certificate of Formation
Nonprofit Corporation

This space reserved for office use.

FILED
In the Office of the
Secretary of State of Texas

JAN 31 2011

Corporations Section

Article 1 – Entity Name and Type

The filing entity being formed is a nonprofit corporation. The name of the entity is:

Ark-Tex Urban Transit, Inc.

Article 2 – Registered Agent and Registered Office

(See instructions. Select and complete either A or B and complete C.)

☐ A. The initial registered agent is an organization (cannot be entity named above) by the name of:

OR

☒ B. The initial registered agent is an individual resident of the state whose name is set forth below:

Troy

A.

Hornsby

First Name

M.I.

Last Name

Suffix

C. The business address of the registered agent and the registered office address is:

1725 Galleria Oaks Dr.

Texarkana

TX

75503

Street Address

City

State

Zip Code

Article 3 – Management

The management of the affairs of the corporation is vested in the board of directors. The number of directors constituting the initial board of directors and the names and addresses of the persons who are to serve as directors until the first annual meeting of members or until their successors are elected and qualified are as follows:

A minimum of three directors is required.

Director 1				
I.	D.	Williamson		
<i>First Name</i>	<i>M.I.</i>	<i>Last Name</i>	<i>Suffix</i>	
4808 Elizabeth Street	Texarkana	Texas	75503	U.S.A.
<i>Street or Mailing Address</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>	<i>Country</i>

Director 2				
Brenda		Davis		
<i>First Name</i>	<i>M.I.</i>	<i>Last Name</i>	<i>Suffix</i>	
4808 Elizabeth Street	Texarkana	Texas	75503	U.S.A.
<i>Street or Mailing Address</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>	<i>Country</i>

Director 3				
Lynda		Pugh		
<i>First Name</i>	<i>M.I.</i>	<i>Last Name</i>	<i>Suffix</i>	
4804 Elizabeth Street	Texarkana	Texas	75503	U.S.A.
<i>Street or Mailing Address</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>	<i>Country</i>

OR

☐ The management of the affairs of the corporation is to be vested in the nonprofit corporation's members.

Article 4 – Membership

(See instructions. Do not select statement B if the corporation is to be managed by its members.)

☐ A. The nonprofit corporation shall have members.

☒ B. The nonprofit corporation will have no members.

Article 5 – Purpose

(See instructions. This form does not contain language needed to obtain a tax-exempt status on the state or federal level.)

The nonprofit corporation is organized for the following purpose or purposes:

Any and all lawful purposes, including but not limited to employing T-Line employees.

The following text area may be used to include any additional language or provisions that may be needed to obtain tax-exempt status.

Supplemental Provisions/Information

(See instructions.)

Text Area: [The attached addendum, if any, is incorporated herein by reference.]

Organizer

The name and address of the organizer:

L.D. Williamson

Name

4808 Elizabeth Street

Texarkana

Texas

75503

Street or Mailing Address

City

State

Zip Code

Effectiveness of Filing (Select either A, B, or C.)

A. ☒ This document becomes effective when the document is filed by the secretary of state.

B. ☐ This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: _____

C. ☐ This document takes effect upon the occurrence of a future event or fact, other than the passage of time. The 90th day after the date of signing is: _____

The following event or fact will cause the document to take effect in the manner described below:

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute the filing instrument.

Date: January 24, 2011



Signature of organizer

L.D. Williamson

Printed or typed name of organizer



ARK-TEX URBAN TRANSIT, INC.

Employee Ethics Policies

SEPTEMBER 2014

TABLE OF CONTENTS

I. RECORDS RETENTION

- A GENERAL POLICY
- B LOCAL GOVERNMENT CODE
- C WRONGFUL DESTRUCTION OF RECORDS
- D TERMINATION
- E ADMINISTRATION

II. FRAUD

- A GENERAL POLICY
- B SCOPE OF WORK
- C POLICY RESPONSIBILITY
- D ACTIONS CONSTITUTING FRAUD
- E OTHER IRREGULARITIES
- F INVESTIGATION RESPONSIBILITIES
- G CONFIDENTIALITY
- H AUTHORIZATION FOR INVESTIGATING SUSPECTED FRAUD
- I REPORTING PROCEDURES
- J TERMINATION
- K ADMINISTRATION

III. EQUAL OPPORTUNITY EMPLOYMENT

- A GENERAL POLICY
- B AFFIRMATIVE ACTION
- C COMPLIANCE AND ADMINISTRATION
- D PERSONS WITH DISABILITIES
- E WHISTLEBLOWERS PROTECTION
- F ADMINISTRATION

IV. SEXUAL HARASSMENT AND SEXUAL MISCONDUCT

- A GENERAL POLICY
- B SEXUAL HARASSMENT
- C SEXUAL MISCONDUCT
- D CONDUCT EXPECTATIONS
- E REPORTING PROCEDURES
- F PROTECTION FROM RETALIATION
- G TERMINATION
- H ADMINISTRATION

V. CONFLICTS OF INTEREST

- A GENERAL POLICY
- B EMPLOYEES
- C PUBLIC OFFICIALS
- D CONTRACTS
- E ADMINISTRATION

VI. PERSONAL USE OF ATUT PROPERTY

A GENERAL POLICY

B USE OF TOOLS, EQUIPMENT AND PROPERTY

C USE OF INFORMATION SYSTEMS RESOURCES

D USE OF BUILDING AND PREMISES

F MISUSE OF ATUT PROPERTY

VII. GIFTS AND HONORARIA

A GENERAL POLICY

B GIFTS TO EMPLOYEES

C GIFTS TO OFFICERS

D GIFTS TO STATE EMPLOYEES

E ADMINISTRATION

VIII. CODE OF ETHICS

SECTION I
RECORDS RETENTION

I. RECORDS RETENTION

A. GENERAL POLICY

Ark-Tex Urban Transit, Inc. (ATUT) is committed to proper maintenance and retention of records. Records are defined broadly to include almost any type of business information, and the required retention period varies with the type of record. Falsifying records, deliberately concealing records, destroying records in bad faith, exploiting confidential information, or otherwise mishandling records is not acceptable.

B. LOCAL GOVERNMENT CODE

As a subsidiary of a local government, ATUT must adhere to Local Government Code, Chapters 202 – 204, addressing records management. Records management includes the application of management techniques to the creation, use, maintenance, retention, preservation, and disposal of records for the purposes of reducing the costs and improving the efficiency of recordkeeping [Local Government Code § 201.003(8)].

C. WRONGFUL DESTRUCTION OF RECORDS

When a lawsuit is filed or is reasonably anticipated to be filed against this agency, or when an internal or governmental investigation is initiated, ATUT must ensure that all information potentially relevant to the suit or investigation is preserved. Employees may not alter, conceal, or in any way destroy information potentially relevant to a suit or investigation.

ATUT will take every step possible to ensure potentially relevant information is not inadvertently destroyed pursuant to document retention schedules or by routine computer operations or common computer settings, such as the automated deletion of e-mails.

D. TERMINATION

Any employee who violates this policy and destroys information, either through willful or unintentional act, will be subject to disciplinary action, up to and including termination. Engaging in unlawful destruction of records may also result in civil or criminal liability to any employee of ATUT committing such acts.

E. ADMINISTRATION

The Manager and the Administration Supervisor are responsible for the administration and application of this Policy. Any improper destruction of records will be considered fraud and will be investigated as such in conjunction with the Human Resources Office and the Executive Director. (See II. Fraud).

SECTION II
FRAUD

II. FRAUD

A. GENERAL POLICY

Fraud is broadly defined and may include any type of intentional deception for the purpose of personal or business gain or damage to an individual or organization. Engaging in acts of fraud may result in civil or criminal liability to any employee of Ark-Tex Urban Transit, Inc. (ATUT) committing such acts.

This Fraud Policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud against ATUT. It is the intent of ATUT to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

B. SCOPE OF WORK

This Fraud Policy applies to any irregularity, or suspected irregularity, involving employees, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with ATUT.

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to ATUT.

C. POLICY RESPONSIBILITY

Management is responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Fraud includes the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her benefit. Examples of fraud include lying on an employment application, falsifying records, or providing false receipts for reimbursement from ATUT.

Each member of management should be familiar with the types of improprieties that might occur within his or her area of responsibility and should be alert for any indication of irregularity. Any irregularity that is detected or suspected must be reported immediately to the Administration Supervisor, the Manager or the Human Resources Office, who coordinates all investigations with the appropriate authorities, both internal and external.

D. ACTIONS CONSTITUTING FRAUD

The terms defalcation, misappropriation, and other fiscal irregularities refer to, but are not limited to:

- Any dishonest or fraudulent act;
- Misappropriation of funds, securities, supplies, or other assets;
- Impropriety in the handling or reporting of money or financial transactions;

- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to ATUT (Exception: Gifts less than \$50 in value that can be used/enjoyed by all employees, i.e., cookies at Christmas);
- Destruction, removal, or inappropriate use of records, furniture, fixtures, buses and equipment; and/or
- Any similar or related irregularity.

E. OTHER IRREGULARITIES

Irregularities concerning an employee's moral, ethical, or behavioral conduct should be resolved by supervisor and the Manager.

If there is any question as to whether an action constitutes fraud, contact the Manager immediately for guidance.

F. INVESTIGATION RESPONSIBILITIES

Employees must be good stewards of resources entrusted to them and exercise due diligence to prevent and detect criminal conduct and noncompliance with laws and policies. All employees must report suspected fraud, waste, abuse or noncompliance to the Administration Supervisor, the Manager or the Human Resources Office immediately.

The Manager has the primary responsibility for the investigation of all suspected fraudulent acts as defined in this Fraud Policy. If the investigation substantiates that fraudulent activities have occurred, the Manager will issue reports to appropriate designated personnel and to the Board of Directors through the Audit Committee.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with legal counsel, the Manager and the Executive Director, as will final decisions on disposition of the case.

G. CONFIDENTIALITY

The Manager, the Administration Supervisor and the Human Resources Office will treat all information received in a confidential manner. Any employee who suspects dishonest or fraudulent activity will notify either the Manager, the Administration Supervisor or the Human Resources Office immediately, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act. (See **Reporting Procedure** below)

Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected, but subsequently found innocent, of wrongful conduct and to protect ATUT from potential civil liability.

H. AUTHORIZATION FOR INVESTIGATING SUSPECTED FRAUD

The Manager, the Administration Supervisor and the Human Resources Office will have:

- Free and unrestricted access to all company records and premises, whether owned or rented; and
- The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation.

I. REPORTING PROCEDURES

Great care must be taken in the investigation of suspected improprieties or irregularities so as to avoid mistaken accusations or alerting suspected individuals that an investigation is underway.

An employee who discovers or suspects fraudulent activity will contact the Manager, the Administration Supervisor or the Human Resources Office immediately, or may contact the toll-free Fraud Hot line at 800/892-8548. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to the Manager. No information concerning the status of an investigation will be given out. (Additional reporting tips found at <https://www.txdot.gov/inside-txdot/division/compliance/reporting-fraud.html>)

The reporting individual should be informed of the following:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the Manager.

J. TERMINATION

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the Executive Director and, if necessary, outside counsel before any action is taken.

K. ADMINISTRATION

The Manager and the Administration Supervisor are responsible for the administration, revision, interpretation, and application of this Policy. As part of the Ethics Manual, the Fraud Policy will be reviewed annually and revised as needed.

SECTION III
EQUAL OPPORTUNITY EMPLOYMENT

III. EQUAL OPPORTUNITY EMPLOYMENT

A. GENERAL POLICY

Ark-Tex Urban Transit, Inc. (ATUT) is an equal opportunity employer. It is the policy of ATUT to promote and ensure equal employment opportunities to all applicants for employment and to all employees regardless of race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, or gender identity or expression.

This Equal Opportunity Employment Policy is adopted to prohibit discrimination against any person in job structuring, recruitment, examination, selection, appointment, placement, training, promotion, demotions, discipline, or any other aspect of personnel administration based on race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, or gender identity or expression. Employment, promotion, demotion, training, discipline and any relation decisions will be made only on the basis of bona fide occupational qualifications and job-related factors such as education, training, experience, knowledge, attitude, aptitude, and necessary skills and abilities to perform a specific job. Discrimination has no place at ATUT and will not be tolerated.

B. AFFIRMATIVE ACTION

The ATUT is committed to maintaining and promoting equal opportunities for all qualified employees, applicants for employment, and program services for clients without regard to their race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, gender identity or expression, or any other protected characteristic. ATUT's commitment, in this regard, creates a positive obligation on the part of all management and participants for the adoption of and compliance with this affirmative action policy. Affirmative action includes, but is not limited to, hiring, placement, employment upgrading, promotions or transfers, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, and services provided to clients. In addition, ATUT will actively seek qualified members of minority groups and other protected classes in its services to clients and application and hiring processes.

C. COMPLIANCE AND ADMINISTRATION

It is the responsibility of each and every employee to insure compliance with the Equal Employment Opportunity; however, the Manager shall have the ultimate responsibility to insure compliance with all phases of this policy.

1. The Human Resources Specialist is the Equal Employment Opportunity (EEO) Officer and, as such, is responsible to administer the ATUT's Equal Employment Opportunity Policy.
2. The EEO Officer will be responsible for:
 - a. Developing and implementing an Affirmative Action Plan.

- b. Assuring compliance by all employees and reporting any deviation to the Manager.
- c. Maintaining records and preparing status reports as necessary.
- d. Receiving, investigating, and responding to complaints in accordance with established procedures.
- e. Insuring that this policy is disseminated to all employees.

D. PERSONS WITH DISABILITIES

- 1. It is the policy of ATUT to fully comply with the Americans With Disabilities Act of 1990 (ADA) and the ADA Amendment Act of 2008 (ADAAA), to prohibit discrimination against a qualified individual with a disability because of the disability of such individual in regard to job application procedures, the hiring, advancement, or discharge of employees, employee compensation, job training, and other terms, conditions, and privileges of employment.
- 2. In compliance with the Americans with the ADA and the ADAAA, ATUT will insure all programs and services administered by ATUT are accessible to qualified persons with disabilities. ATUT will further provide appropriate auxiliary aids and services where necessary to afford an individual with a disability an equal opportunity to participate in and to enjoy the benefits of its programs and services.

E. WHISTLEBLOWERS PROTECTION

ATUT encourages its employees to report improper activities in the workplace and will protect employees from retaliation for making any such report in good faith.

- 1. **EMPLOYEE RIGHTS:** Employees have the right to report, without suffering retaliation, any activity by ATUT or an employee of ATUT that the reporting employee reasonably believes:
 - a. Violates any state or federal law;
 - b. Violates or amounts to noncompliance with a state or federal rule or regulation; or
 - c. Violates fiduciary responsibilities to its employees.

In addition, employees can refuse to participate in an activity that would result in a violation of state or federal statutes, or a violation or noncompliance with a state or federal rule or regulation.

Employees are also protected from retaliation for having exercised any of these rights in any former employment.

The whistleblower protection laws do not entitle employees to violate a confidential privilege of ATUT (such as the attorney-client privilege) or improperly disclose trade-secret information.

2. **WHERE TO REPORT:** Employees have the duty to comply with all applicable laws and to assist ATUT to ensure legal compliance. An employee who suspects a problem with legal compliance is required to report the situation(s) to their supervisor or other appropriate member of management, to include the Executive Director.
3. **PROTECTION FROM RETALIATION:** Any employee who believes they have been retaliated against for whistleblowing may file a complaint with ATUT's Equal Employment Opportunity (EEO) Officer. The EEO Officer, designated by the Executive Director, shall be responsible for receipt, documentation, investigation and report of all such complaints in accordance with established procedures.

F. ADMINISTRATION

The Human Resources Coordinator as the Equal Employment Opportunity (EEO) Officer shall be responsible for receipt, documentation, investigation, and report of all such complaints of violations of the Equal Opportunity Employment Policy in accordance with established procedures.

SECTION IV
SEXUAL HARRASSMENT,
SEXUAL MISCONDUCT, AND BULLYING

IV. SEXUAL HARRASSMENT, SEXUAL MISCONDUCT, AND BULLYING

A. GENERAL POLICY

It is the policy of Ark-Tex Urban Transit, Inc. (ATUT) to provide an employment environment free of sexual harassment or sexual misconduct. Any and all forms of sexual harassment and/or sexual misconduct are strictly prohibited and ATUT will not tolerate any such form(s) of harassment or misconduct in the workplace.

B. SEXUAL HARASSMENT

Sexual harassment may include sexual advances, sexual solicitation, requests for sexual favors, or other verbal or physical conduct of a sexual nature where any of the three criteria exist:

1. Submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment or continued employment;
2. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or,
3. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

C. SEXUAL MISCONDUCT

Sexual misconduct includes behavior that is short of sexual harassment, but may include offensive language, offensive jokes, offensive bantering or any other behavior of a sexual nature deemed to be offensive and unwelcomed by the employee who is offended. This sexual misconduct is unprofessional and inappropriate and it will not be tolerated at ATUT.

D. BULLYING

Any and all forms of bullying are strictly prohibited. Bullying is defined as any form of intimidation or aggressive behavior in which someone intentionally and repeatedly causes another person injury or discomfort. Bullying can take the form of physical contact, words or more subtle actions or attacks.

E. CONDUCT EXPECTATIONS

It is the expectation of ATUT that all employees will treat each other and the general public with professionalism, respect and fairness. Employees must conduct themselves with courtesy and restraint at all times on the job and at all times when they may be perceived in any manner as representing ATUT.

F. REPORTING PROCEDURES

1. Any employee who feels he/she is being subjected to sexual harassment or sexual misconduct by any person in the workplace must report the incident to the appropriate supervisor or the Manager immediately. Likewise, any employee who witnesses any incident that appears to be a violation of sexual harassment or sexual misconduct policies is also required to report the incident immediately. If the subject of a complaint is the employee's supervisor or the Manager, the employee must report the complaint directly to the Human Resources Office or the Executive Director.
2. Supervisors who receive reports of sexual harassment or sexual misconduct must report the complaint(s) to the Human Resources Office, the Administration Supervisor or to the Manager, regardless of the form of the complaint (formal or informal) or whether it precisely follows ATUT's complaint procedures. Ignoring a report of sexual harassment or sexual misconduct is unacceptable.
3. Accurate records of all complaints must be kept. Supervisors will work with the Human Resources Office, the Administration Supervisor and the Manager to ensure appropriate action that actually stops the harassment or misconduct is taken.

G. PROTECTION FROM RETALIATION

ATUT encourages its employees to report any sexual harassment or sexual misconduct in the workplace. Employees who report any form of sexual harassment or sexual misconduct are protected against retaliation by state and federal laws. (See III. Equal Opportunity Employment, E. Whistleblowers Protection)

H. TERMINATION

Sexual harassment and/or sexual misconduct will not be tolerated. Disciplinary action will be taken against any employee who is proven through investigation to have engaged in such activity, up to and including termination.

I. ADMINISTRATION

The Human Resources Office, the Administration Supervisor and the Manager are responsible for the receipt, documentation, investigation and report of all such complaints of sexual harassment or sexual misconduct.

SECTION V
CONFLICTS OF INTEREST

V. CONFLICTS OF INTEREST

A. GENERAL POLICY

Conflict of interest is a situation in which the private interest of an employee or officer of Ark-Tex Urban Transit, Inc. (ATUT) conflicts with or raises a reasonable question of conflict with job-related duties or responsibilities of that employee or officer. This is usually financial or economic in nature.

B. EMPLOYEES

An employee shall not engage in any activity that would create a conflict of interest or even the appearance of a conflict, to include:

1. Make a personal investment in any enterprise that would create a substantial conflict between the employee's private interest and ATUT.
2. Engage in outside business or professional activities or accept employment if the activities create a conflict between the employee's private interests and ATUT.
3. Use or appear to use information obtained in connection with the employee's duties for ATUT or that could be expected to impair the employee's independence of judgment in the performance of the employee's duties for ATUT.

C. PUBLIC OFFICIALS

Local public officials, including a member of the ATUT governing body or another officer, whether elected, appointed, paid or unpaid, are subject to the Conflict of Interest provisions in Chapter 171 of the Texas Local Government Code. Chapter 171 establishes the standard for determining when a local official has a conflict of interest that would affect his or her ability to discuss, decide or vote on a particular item.

1. Officers of ATUT will neither have financial interests in the profits of any contract, service, or other work performed for ATUT nor derive personal profit directly or indirectly from any contract, purchase, sale, or service between the ATUT and any person or company.
2. An officer shall not:
 - a. Participate in the selection, award, or administration of a contract in which public funds are used where, to their knowledge, they or their immediate families or partners or organizations in which their immediate families or partners have a financial interest or with whom they are negotiating or have any arrangement concerning prospective employment.

- b. Solicit or accept gratuities, favors or anything of monetary value from potential or existing contractors or vendors.
- c. Solicit or accept or agree to accept a financial benefit, other than from ATUT, that might reasonably tend to influence his or her performance of duties for ATUT or that he knows or should know is offered with intent to influence the officer's performance;
- d. Accept employment or compensation that might reasonably induce him to disclose confidential information acquired in the performance of official ATUT duties or that might reasonably tend to impair independence of judgment in performance of official ATUT duties;
- e. Make any personal investment that might reasonably be expected to create a substantial conflict between the officer's private interest and responsibilities for ATUT; or
- f. Solicit or accept or agree to accept a financial benefit from another person in exchange for having performed duties as an ATUT officer in favor of that person.

D. CONTRACTS

- 1. With reference to contracts, no officer or employee of ATUT who exercises any functions or responsibilities in the review or approval of an undertaking or the carrying out of one of the ATUT's contracts shall participate in any decision relating to that contract if the decision affects his personal pecuniary interest.
- 2. Officers and other members of the ATUT governing body must file a conflicts disclosure statement relating to any person that ATUT has contracted with or is considering contracting with if that officer or member of the governing body or any of their family members has certain business relationships with that person.

E. ADMINISTRATION

The Manager and the Administration Supervisor are responsible for the administration, interpretation, and application of this Conflicts of Interest Policy. Legal counsel will be consulted as necessary in coordination with the Executive Director in order to ensure all provisions of this Policy are strictly adhered to.

SECTION VI
PERSONAL USE OF
ATUT PROPERTY

VI. PERSONAL USE OF ATUT PROPERTY

A. GENERAL POLICY

It is the policy of Ark-Tex Urban Transit, Inc. (ATUT) to provide each employee with all reasonable and necessary tools, equipment, and property to adequately perform their job. All such tools, equipment and property owned by, leased by or provided to ATUT may only be used for official purposes.

B. USE OF TOOLS, EQUIPMENT AND PROPERTY

1. Employees who are assigned tools, buses, equipment, or any other ATUT property are responsible for them and for their proper use and maintenance.
2. ATUT tools, buses, equipment, materials, supplies, or property may not be used for personal or political use.

C. USE OF INFORMATION SYSTEMS RESOURCES

1. Employees who are assigned information system resources, including personal computers and peripheral devices, are responsible for them and for their proper use and maintenance.
2. ATUT information system resources may not be used for personal or political use.

D. USE OF BUILDINGS AND PREMISES

Use of ATUT buildings and premises by employees shall be in compliance with law and with ATUT policies regarding authorized uses and may not be used for personal or political use.

F. MISUSE OF ATUT PROPERTY

Any misuse or unauthorized use of ATUT's property, including information system resources, is subject to disciplinary action. Misuse of official property may also result in criminal prosecution.

SECTION VII
GIFTS AND HONORARIA

VII. GIFTS AND HONORARIA

A. GENERAL POLICY

Employees and officers of Ark-Tex Urban Transit, Inc. (ATUT) are prohibited from accepting any favor or gift from a person who wants, or may want, or may be seen to want, an official favor within the authority of that employee or officer.

B. GIFTS TO EMPLOYEES

It is unethical for any ATUT employee to accept or give a gift that is meant to sway a decision in favor of the gift-giver. Employees may not:

1. Solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, or any other thing of monetary value, from a person who has, or is seeking to obtain, contractual or other business or financial relations with ATUT.
2. Solicit a contribution from another employee for a gift to an official superior, make a donation as a gift to an official superior, or accept a gift from an employee receiving less pay than the employee. However, this paragraph does not prohibit a voluntary gift of nominal value or donation in a nominal amount made on a special occasion such as marriage, illness, or retirement.
3. Any such gift or gratuity, the receipt of which is prohibited by this policy, shall be returned to the donor with a written explanation as to why the return is necessary.

C. GIFTS TO OFFICERS

Officers or other members of the governing body are prohibited from accepting any gift that would sway a decision in favor of the gift-giver.

1. Officers and members of the governing body must disclose a vendor's offer of gifts worth a value of \$250 or more to them or to any family member using the Conflict of Interest Form approved by the Texas Ethics Commission.
2. Local Government Code Chapter 176 requires that the officer or member of the governing body disclose this offer of a gift even if the offer is refused.
3. An officer or member of the governing body who knowingly violates the disclosure requirements and violates Local Government Code Chapter 176 commits a Class C misdemeanor.

D. GIFTS TO STATE EMPLOYEES

State employees are legally and ethically prohibited from accepting gifts and honoraria, except in very limited situations.

1. ATUT employees are prohibited from offering or conferring any benefit to a State employee in exchange for the recipient's decision, opinion, recommendation, vote or other exercise of discretion as a public servant that would benefit either ATUT or the employee.
2. "Benefit" is defined as anything reasonably regarded as financial gain or financial advantage, including a benefit to any other person in whose welfare the beneficiary has an interest. Benefit does not include an item with a value of less than \$50 or a small gift or other benefit conferred on account of kinship or an independent relationship.
3. ATUT employees may be held criminally liable for violation of this Policy.

E. ADMINISTRATION

The Manager and Administration Supervisor are responsible for administration and interpretation of this Policy and will investigate any report of wrongdoing.

THIS ETHICS MANUAL IS APPROVED FOR ADOPTION THIS
_____ DAY OF _____, 2014.

Chris Brown, Chair
Ark-Tex Urban Transit, Inc.

ATTEST:

Sharon Pipes, Vice-Chair
Ark-Tex Urban Transit, Inc.

VIII. CODE OF ETHICS

Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws, and ethical principles above private gain.

I. Serve the Public Interest

Serve the public, beyond serving oneself.

ATUT employees shall:

- a. Exercise discretionary authority to promote the public interest.
- b. Adhere to all laws and regulations that provide equal opportunity for all Americans, regardless of race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, or gender identity or expression.
- c. Recognize and support the public's right to know the public's business.
- d. Not engage in financial transactions using non-public government information or allow the improper use of such information to further any private interest.
- e. Not, except as permitted by regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or persons whose interests may be substantially affected by the performance or non-performance of the employee's duties.
- f. Not knowingly make unauthorized commitments or promises of any kind purporting to bind the government.
- g. Not use public office for private gain.
- h. Protect and conserve public property and shall not use it for other than authorized activities.
- i. Exercise compassion, benevolence, fairness and optimism.
- j. Respond to the public in ways that are complete, clear, and easy to understand.
- k. Assist citizens in their dealings with government.
- l. Be prepared to make decisions that may not be popular.

II. Respect the Constitution and the Law

Respect, support, and study government constitutions and laws that define responsibilities of public agencies, employees, and all citizens.

ATUT employees shall:

- a. Understand and apply legislation and regulations relevant to their professional role.
- b. Work to improve and change laws and policies that are counter-productive or obsolete.
- c. Eliminate unlawful discrimination.
- d. Prevent all forms of mismanagement of public funds by establishing and maintaining strong fiscal and management controls, and by supporting audits and investigative activities.
- e. Respect and protect privileged information.
- f. Encourage and facilitate legitimate dissent activities in government and protect the whistle-blowing rights of public employees.
- g. Promote constitutional principles of equality, fairness, representativeness, responsiveness and due process in protecting citizens' rights.

III. Demonstrate Personal Integrity

Demonstrate the highest standards in all activities to inspire public confidence and trust in public service.

ATUT employees shall:

- a. Maintain truthfulness and honesty and not compromise them for advancement, honor, or financial gain.
- b. Ensure that others receive credit for their work and contributions.
- c. Zealously guard against conflict of interest or its appearance: e.g., nepotism, improper outside employment, misuse of public resources or the acceptance of gifts.
- d. Respect superiors, subordinates, colleagues, and the public.
- e. Take responsibility for his/her own errors.
- f. Conduct official acts without partisanship.
- g. Act impartially and shall not give preferential treatment to any private organization or individual.
- h. Put forth honest effort in the performance of their duties.
- i. Endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in this part.

IV. Promote Ethical Organizations

Strengthen organizational capabilities to apply ethics, efficiency and effectiveness in serving the public.

ATUT employees shall:

- a. Enhance organizational capacity for open communication, creativity, and dedication.
- b. Subordinate institutional loyalties to the public good.
- c. Establish procedures that promote ethical behavior and hold individuals and organizations accountable for their conduct.
- d. Provide organization members with an administrative means for dissent, assurance of due process and safeguards against reprisal.
- e. Promote merit principles that protect against arbitrary and capricious actions.
- f. Promote organizational accountability through appropriate controls and procedures.
- g. Encourage organization to adopt, distribute, and periodically review a code of ethics as a living document.

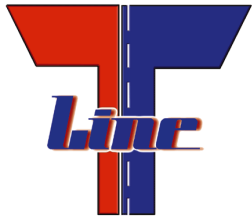
V. Strive for Professional Excellence

Strengthen individual capabilities and encourage the professional development of others.

ATUT employees shall:

- a. Provide support and encouragement to upgrade competence.
- b. Accept as a personal duty the responsibility to keep up to date on emerging issues and potential problems.
- c. Encourage others, throughout their careers, to participate in professional activities and associations.
- d. Allocate time to meet with students and provide a bridge between classroom studies and the realities of public service.

This Code of Ethics primarily mirrors the Code of Ethics published by the American Society for Public Administration and incorporates the fourteen general principles of ethical conduct set forth in Executive Order 12674.



ARK-TEX URBAN TRANSIT, INC.

Employee Personnel Policies

SEPTEMBER 2014

Table of Contents

EMPLOYMENT

- 1.01 Employment at Will
- 1.02 Verification of Eligibility to Work
- 1.03 Employee Relations
- 1.04 Equal Employment Opportunity/Affirmative Action
- 1.05 Hiring of Relatives
- 1.06 Employee Medical Examinations
- 1.07 Conflicts of Interest
- 1.08 Outside Employment
- 1.09 Non-Disclosure
- 1.10 Job Posting and Employee Referrals

EMPLOYMENT STATUS & RECORDS

- 2.01 Employment Categories
- 2.02 Access to Personnel Files
- 2.03 Employment Reference Checks
- 2.04 Personnel Data Changes
- 2.05 Introductory Period
- 2.06 Employment Applications
- 2.07 Performance Evaluations
- 2.08 Background & License Checks

EMPLOYEE BENEFIT PROGRAMS

- 3.01 Employee Benefits
- 3.02 Holidays
- 3.03 Floating Holidays (Personal Days)
- 3.04 Employee Injury Policy
- 3.05 Worker's Compensation
- 3.06 Health/Dental Insurance
- 3.07 Benefits Continuation (COBRA)

TIMEKEEPING/PAYROLL/HOURS

- 4.01 Timekeeping
- 4.02 Paydays
- 4.03 Employment Termination
- 4.04 Layoff & Recall
- 4.05 Administrative Pay Corrections
- 4.06 Pay Deductions
- 4.07 Attendance, Work Hours & Work Schedules
- 4.08 Overtime

WORK CONDITIONS

- 5.01 Safety
- 5.02 Inclement Weather
- 5.03 Use of Telephones and Mail System
- 5.04 Use of Electronic Data/Email
- 5.05 Use of Social Media
- 5.06 Use of Equipment and Vehicles
- 5.07 Smoking
- 5.08 Business Travel Expenses
- 5.09 Visitors in the Workplace
- 5.10 Workplace Monitoring
- 5.11 Workplace Violence Prevention

LEAVES

- 6.01 Vacation Leave
- 6.02 Sick Leave
- 6.03 Bereavement Leave
- 6.04 Civil Leave
- 6.05 Military Leave
- 6.06 Leave of Absence
- 6.07 Family & Medical Leave

EMPLOYEE CONDUCT & DISCIPLINARY ACTION

- 7.01 Employee Conduct and Work Rules
- 7.02 Harassment / Bullying
- 7.03 Whistleblower's Policy
- 7.04 Personal Appearance
- 7.05 Casual Days
- 7.06 Return of Property
- 7.07 Resignation
- 7.08 Solicitation
- 7.09 Discipline
- 7.10 Problem/Grievance Resolution
- 7.11 Rehire

MISCELLANEOUS

- 8.01 Life-Threatening Illnesses in the Workplace
- 8.02 Operations Policies
- 8.03 Ethics Policies
- 8.04 Drug and Alcohol Policies

SECTION 1
EMPLOYMENT

1 EMPLOYMENT

1.01 Employment-At-Will

Employment with ATUT is voluntarily entered into and is strictly at-will, meaning that the employee is free to resign at any time, with or without cause. Similarly, ATUT may terminate the employment relationship at will at any time, with or without notice and/or with or without lawful cause, as long as there is no violation of applicable federal or state law.

Policies set forth in this section are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between ATUT and any of its employees, either expressed or implied. No supervisor has the authority to make any promises about job security to any employee. At any time either the employee or ATUT may decide to terminate the employment relationship with or without notice or with or without lawful cause.

In order to retain necessary flexibility in the administration of policies and procedures, ATUT reserves the right to change, revise, or eliminate any of the policies and/or benefits described herein, except for its policy of employment-at-will. The only recognized deviations from the stated policies are those authorized and signed by the ATUT Board.

1.02 Verification of Eligibility to Work

In order to comply with the Immigration Reform and Control Act of 1986, each new ATUT employee is required to complete and sign a USCIS Form I-9 on the first day of employment. Each employee must provide proof of identity and employment eligibility with original, unexpired documents as shown on Form I-9 "Lists of Acceptable Documents." No employee will be hired nor any initial paperwork completed until such time the required documents are presented to the Human Resources Office.

1.03 Employee Relations

ATUT believes that the work conditions, wages, and benefits it offers to its employees are competitive with those offered by other employers in this area and in this industry. If employees have concerns about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisor.

Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that ATUT amply demonstrates its commitment to employees by responding effectively to employee concerns.

1.04 Equal Employment Opportunity/Affirmative Action

Ark-Tex Urban Transit, Inc. (ATUT) is an equal opportunity employer. It is ATUT's policy to promote and ensure equal employment opportunity to all applicants for employment and to all employees. This is in order to prohibit discrimination against any person in job structuring, recruitment, examination, selection, appointment, placement, training, promotion, demotion, discipline or any other aspect of personnel administration based on race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, gender identity or expression, or any other characteristic protected by law. Discrimination has no place at ATUT and will not be tolerated.

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at ATUT will be based only on merit, training, experience, qualifications, and skills and abilities to perform a specific job.

In addition to a commitment to provide equal employment opportunities to all qualified individuals, ATUT has established an affirmative action program to promote opportunities for individuals in certain protected classes throughout the organization. ATUT will fully comply with the Americans with Disabilities Act of 1990 (ADA) and the ADA Amendment Act of 2008 (ADAAA) to prohibit discrimination against a qualified individual with a disability because of the disability of such individual. ATUT will make reasonable accommodations for these qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training. All qualified applicants who meet the requirements of the position and are able to perform the essential functions of the position for which they apply with or without reasonable accommodation will be given the same consideration for employment.

ATUT will strictly adhere to the Genetic Information Nondiscrimination Act (GINA) as adopted in May 2008, which prohibits the use of genetic information in any employment decisions. Any genetic information obtained inadvertently or willfully conveyed by the employee to the employer will be kept confidential and must be kept apart from the personnel file, but will be kept in the medical information file.

It is the policy of ATUT to provide an employment environment free of harassment or bullying including, but not limited to, sexual, ethnic, racial or religious harassment, sexual exploitation, and intimidation or aggressive behavior. Employees are encouraged to report any improper activities described above, including any form of discrimination in the workplace. In turn, ATUT will protect employees from retaliation for making any such report in good faith.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor or the Human Resources Office. Any employee who believes they have been retaliated against for making any such report, or "whistleblowing," may file a complaint with the Human Resources Office. Employees have the right to raise concerns and make reports without fear of

reprisal.

Anyone found to be engaging in any type of unlawful discrimination, harassment/bullying, and/or retaliation, will be subject to disciplinary action, up to and including termination of employment.

Refer to **Section 7.10 Problem Resolution** for more details.

1.05 Hiring of Relatives

The employment of relatives in the same area of an organization may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried into day-to-day working relationships.

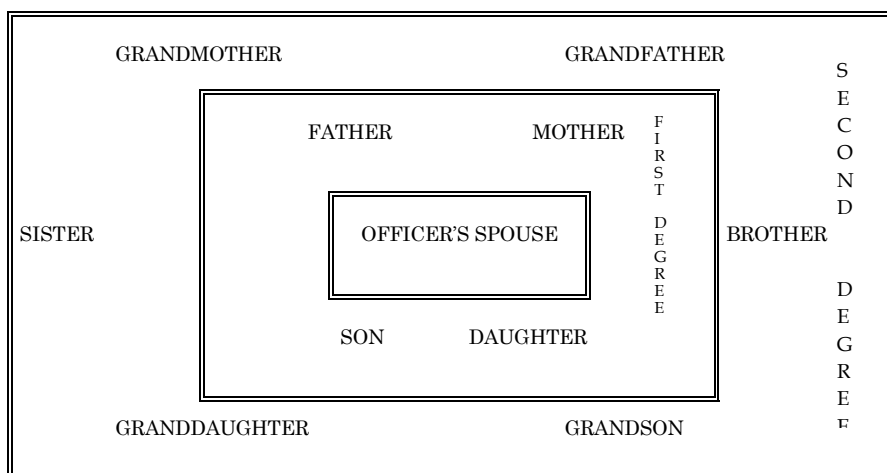
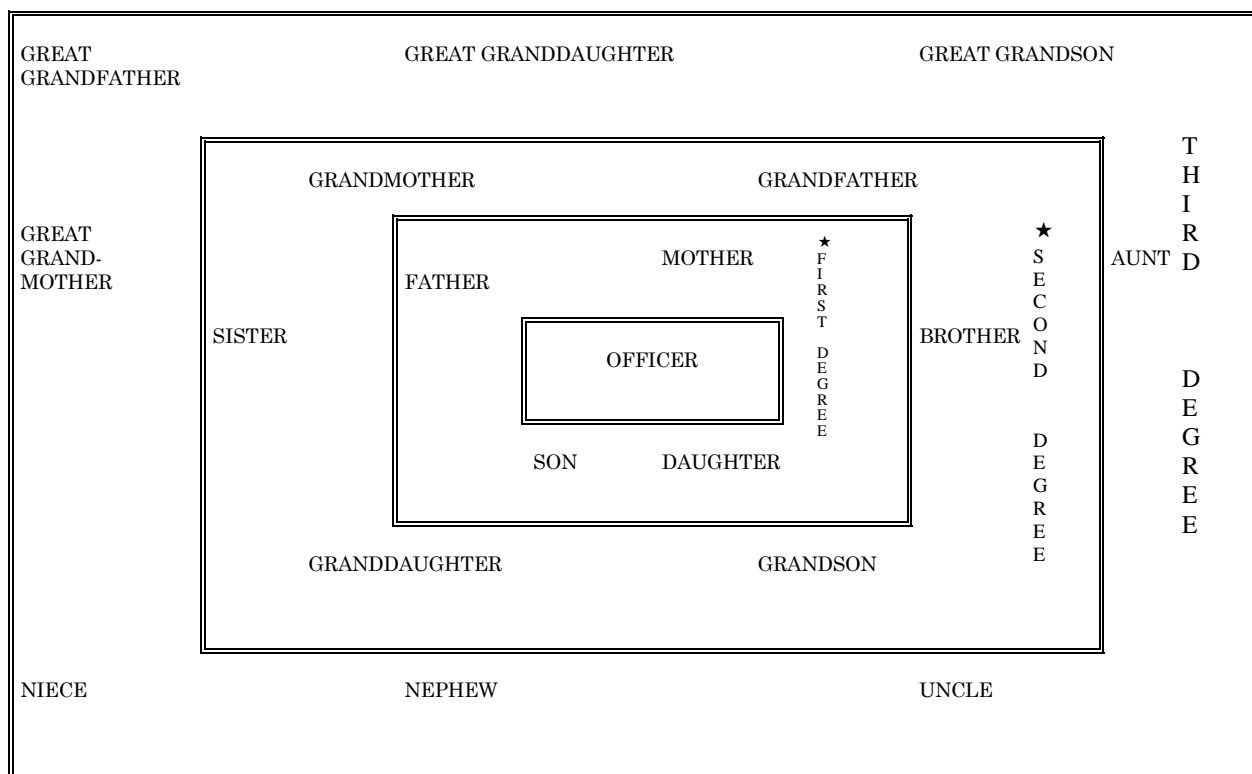
Relatives of persons currently employed by ATUT may be hired only if they will not be working directly for or supervising a relative or will not occupy a position in the same line of authority within the organization. This policy applies to any relative, higher or lower in the organization, who has the authority to review employment decisions. ATUT employees cannot be transferred into such a reporting relationship. Prohibited degrees of relationship are shown in below chart.

In cases where a conflict or the potential for conflict arises, even if there is no supervisory relationship, the parties may be separated by reassignment or termination from employment.

For the purposes of this policy, relatives are defined as spouse, child, parent, sibling, grandparent, grandchild, or same by relation of marriage. This policy shall also apply to those persons who are living in the same household.

See Nepotism Chart on Next Page.

NEPOTISM CHARTS



«Spouses of relatives within the first or second degree of consanguinity (i.e., son-in-law, mother-in-law, brother-in-law, sister-in-law, etc.) are also included in the prohibition.
(Legal Reference: V.T.C.S. Article 5196h.)

1.06 Employee Medical Examinations

Operators and those employees who hold a CDL are required to pass a Department of Transportation (DOT) physical exam.

After an offer has been made to an applicant entering a designated job category, a medical examination will be performed at ATUT's expense by a health professional of ATUT's choice. The offer of employment and assignment to duties is contingent upon satisfactory completion of the exam.

Current employees may be required to take medical examinations to determine fitness for duty. Such examinations will be scheduled at reasonable times and intervals and performed at ATUT's expense by a health professional of ATUT's choice.

Information on an employee's medical condition or history will be kept separate from other employee information and maintained confidentially. Records are the property of ATUT and access to this information will be limited.

1.07 Conflicts of Interest

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which ATUT wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the Human Resources Office for more information or questions about conflicts of interest.

Transactions with outside firms must be conducted within a framework established and controlled by the Executive Director of ATUT. Business dealings with outside firms should not result in unusual gains. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit either the employer, the employee, or both.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of ATUT's business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage, as defined in Section 1.04.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to an officer of ATUT as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which ATUT does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving ATUT.

ATUT is funded through federal, state, and local monies; it is in the best interest of the company for all employees to refrain from entering political races and elections. This policy is to pertain to all elections, all levels, partisan or non-partisan. Employees who choose to run for a public office must resign immediately after public announcement of their candidacy.

1.08 Outside Employment

Employees may hold outside jobs as long as they meet the performance standards of their job with ATUT. All employees will be judged by the performance standards specific to their position and will be subject to ATUT's scheduling demands, regardless of any existing outside work requirements.

If ATUT determines that an employee's outside work interferes with performance or the ability to meet the requirements of ATUT as they are modified from time to time or restricts the operators from having at least eight consecutive hours off in a twenty-four hour period, the employee may be asked to terminate the outside employment if he or she wishes to remain with ATUT.

Outside employment that constitutes a conflict of interest is prohibited. Employees may not receive any income or material gain from individuals outside ATUT for materials produced or services rendered while performing their jobs.

An employee must have written approval by his or her supervisor and the Executive Director to engage in any outside employment, including self-employment.

1.09 Non-Disclosure

The protection of confidential business information is important to the interests and the success of ATUT. Such confidential information includes, but is not limited to, the following examples:

- * Personnel/medical files
- * Specifications
- * Proposals for vehicles, equipment, supplies, etc.
- * Compensation data
- * Computer programs and codes
- * Financial information

Employees who are exposed to confidential information may be required to sign a non-disclosure agreement as a condition of employment. Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination, even if they do not actually benefit from the disclosed information.

1.10 Job Posting and Employee Referrals

ATUT provides employees an opportunity to indicate their interest in open positions and advance within the organization according to their skills and experience. In general, notices of all regular, full-time job openings are posted with an Announcement Number, although ATUT reserves its discretionary right not to post a particular opening. The position of T-Line Driver will not have an Announcement Number. Rather, a job opening for T-Line Driver will remain posted at all times, and applications for this position will be taken on a continuous basis. All applications for T-Line Driver will be maintained in the Human Resources Office for use when a vacancy occurs. After a period of 12 months, these applications will be destroyed unless the applicant has contacted the Human Resources Coordinator to express continued interest in the position.

Job openings for all other ATUT positions will be posted on the employee bulletin board and normally remain open for at least 7 days. Each job posting notice will include the dates of the posting period, job title, department, location, grade level, job summary, essential duties, and qualifications (required skills and abilities).

To apply for any open position, employees should submit an ATUT application as requested in the posting, listing job-related skills and accomplishments. It should also describe how their current experience with ATUT and prior work experience and/or education qualifies them for the position.

ATUT recognizes the benefit of developmental experiences and encourages employees to talk with their supervisor about their career plans. Supervisors are encouraged to support employees' efforts to gain experience and advance within the organization.

An applicant's supervisor may be contacted to verify performance, skills, and attendance. Any staffing limitations or other circumstances that might affect a prospective transfer may also be discussed.

Job posting is a way to inform employees of openings and to identify qualified and interested applicants who might not otherwise be known to the hiring manager. Other recruiting sources may also be used to fill open positions in the best interest of the organization.

ATUT also encourages employees to identify friends or acquaintances that are interested in employment opportunities and refer qualified outside applicants for the position of T-Line Driver or for other posted jobs. Employees should obtain permission from the individual before making a referral and share their knowledge of the organization, but should never make commitments or verbal promises of employment.

(Revised 3/19/2015)

SECTION 2
EMPLOYMENT STATUS & RECORDS

2 EMPLOYMENT STATUS & RECORDS

2.01 Employment Categories

This policy is to define employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and ATUT.

Each employee is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour laws. NONEXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wage and hour laws; they may be required to work more than a forty-hour workweek without any monetary compensation above their normal salary. An employee's classification may be changed only upon written notification by ATUT management and only if the classification change is warranted according to the laws governing NONEXEMPT and EXEMPT employees.

In addition to the above categories, each employee receives benefits such as Social Security and workers' compensation insurance and will belong to either a full-time or part-time employment category.

FULL-TIME employees are those who are not in a temporary or introductory status and who are regularly scheduled to work at least 30 hours per week. Generally, they are eligible for ATUT's benefit package, subject to the terms, conditions, and limitations of each benefit program.

PART-TIME employees are those who are not assigned to a temporary or introductory status and who average less than 30 hours per week.

INTRODUCTORY employees are those whose performance is being evaluated to determine whether further employment in a specific position or with ATUT is appropriate. All employees will begin their employment with ATUT as an introductory employee for a period of sixty (60) days. Employees who satisfactorily complete the introductory period will be notified of their new employment classification. Operators begin the sixty (60) day introductory period after their initial training period.

INACTIVE employees are those employees who are not working due to extended absence because of illness or injury, military service or approved Leave of Absence. (See Leave of Absence Section 6.06)

Change of Classification: When a vacancy is left by a full-time operator, the Part-Time operator with the most seniority may move into the full-time position, provided he/she has demonstrated satisfactory job performance.

Change of Positions: When a vacancy exists in another department, an employee may apply for the posted position. The ultimate decision will be made by the supervisor with the vacancy.

2.02 Access to Personnel Files

ATUT maintains a personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals or disciplinary actions, and other employment records.

Personnel files are the property of ATUT and access to the information they contain is restricted. Generally, only supervisors and management personnel of ATUT who have a legitimate reason to review information in a file are allowed to do so. Employees who wish to review their own file should contact the Human Resources Office. With reasonable advance notice, employees may review their own personnel files in ATUT's offices and in the presence of an individual appointed by ATUT to maintain the files.

While employees, supervisors and management are allowed to review the personnel file with approval, authorization will not be given to remove a personnel file from the Human Resource Office. Additionally, under no circumstances will any party remove any part of the personnel file.

Information regarding employee's medical history or conditions, including genetic information, will be kept in a separate file.

2.03 Employment Background/Reference Checks

To ensure that individuals who join ATUT are well qualified and have a strong potential to be productive and successful, it is the policy of ATUT for the Human Resources Office to conduct a driver's record check and a criminal background check on all perspective employees. In addition, ATUT will check the employment references of all applicants once a determination has been made to make an offer of employment.

(Revised 6/22/2017)

The Human Resources Office will respond to all inquiries regarding ATUT employees. Responses to such inquiries will confirm only dates of employment and position(s) held. Wage and earnings data will be released with a written authorization and release signed by the individual who is the subject of the inquiry.

2.04 Personnel Data Changes

It is the responsibility of each employee to promptly notify ATUT of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishment, and other such status reports should be accurate

and current at all times. If any personnel data has changed, notify the Human Resources Office within 3 days of the change.

Telephone numbers are required as primary phone numbers. Pager numbers are unacceptable, either as a primary or secondary phone number.

2.05 Introductory Period

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. ATUT uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or ATUT may end the employment relationship **at will** at any time during or after the introductory period, with or without lawful cause or advance notice.

All new employees work on an introductory basis for the first 60 calendar days after their date of hire. Employees who are promoted or transferred within ATUT must complete a secondary introductory period of the same length with each reassignment to a new position. Any significant absence will automatically extend an introductory period by the length of the absence. If ATUT determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended for a specified period.

In cases of promotions or transfers within ATUT, an employee who, in the sole judgment of management, is not successful in the new position can be removed from that position at any time during the secondary introductory period. If this occurs, the employee may be allowed to return to his or her former job or to a comparable job for which the employee is qualified, depending on the availability of such positions and ATUT's needs.

Upon satisfactory completion of the initial introductory period, employees enter the "regular" employment classification and also become eligible for benefits. Satisfactory completion is based on a performance evaluation with at least the rating of "meets standards."

2.06 Employment Applications

ATUT relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

In processing employment applications on perspective employees, ATUT may obtain a consumer credit report for employment purposes only concerning credit worthiness, credit standing, and credit capacity. If ATUT takes an adverse employment action based in whole or in part on the consumer credit report, a

copy of the report and a summary of your rights under the Fair Credit Reporting Act will be provided, as well as any other documents required by law.

(Revised 6/22/2017)

2.07 Performance Evaluations

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Formal performance evaluations are conducted at the end of an employee's initial period in any new position. This period, known as the introductory period, allows the supervisor and the employee to discuss the job responsibilities, standards, and performance requirements of the new position. Additional formal performance evaluations are conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

Performance evaluations will be conducted at the end of all introductory periods, both initial employment periods, transfer/promotion introductory periods and all disciplinary periods. Performance evaluations will be conducted by the employee's immediate supervisor and signed by both the employee and the supervisor.

If an employee "Does Not Meet Standards" on his or her performance evaluation, that employee will be placed on a 90-day Performance Improvement Plan. Throughout and at the end of the 90-day Performance Improvement Plan, the employee will be evaluated again in order to determine the employee's ability to perform the essential job functions of that position.

In addition, any employee who is being recommended for a merit pay increase must have a performance evaluation completed by the supervisor in justification of the proposed salary increase. No merit increase will be granted to any employee without the proper justification on the performance evaluation.

2.08 Background and License Checks

ATUT reserves the right to obtain criminal, consumer and motor vehicle reports in connection with background and license checks to evaluate ongoing job performance and insurability. These checks may be done on a random basis or based upon reasonable suspicion.

The checks may be procured by ATUT or ATUT's insurance company representative(s) and may include personal information regarding criminal history, driving record, an assessment of insurability for the insurance program, or other consumer reports.

Continued employment will be based on the satisfactory results of these checks.

SECTION 3
EMPLOYEE BENEFIT PROGRAMS

3 EMPLOYEE BENEFIT PROGRAMS

3.01 Employee Benefits

The following is an explanation of those insurance and retirement options included in the ATUT benefit package. General eligibility and premium information is listed below. Please see the Administration Supervisor or Human Resources for additional information on plan allowances and exemptions.

***Health & Dental Insurance:** Full-time employees will become eligible for medical and dental coverage after 60 days of employment. ATUT shall pay a major portion of the employee's medical and dental insurance premiums each month. Employees shall be responsible for the premium balance and all costs associated with coverage for dependents. Insurance premium costs borne by employees will be handled through payroll deductions.

***Life and Accidental Death & Dismemberment Insurance:** Full-time employees will become eligible for basic life and accidental death & dismemberment insurance coverage after 60 days of employment. ATUT provides this insurance at no cost to the employee.

***Retirement:** ATUT has established a Profit Sharing Pension Plan for the benefit of all regular full-time employees and regular part-time employees working a minimum of 30 hours per week. Such employees are eligible to participate in the profit sharing plan upon initial hire. ATUT will contribute up to three (3) percent of the employee's gross wages quarterly to the retirement plan; however, employees designate the percentage of the ATUT-contributed amounts to the fund groups they choose. Employees become 100% vested after 6 years of employment, with gradual vesting starting at 20% after 2 years, 40% after 3 years, 60% after 4 years, and 80% after 5 years. Once an employee ceases employment, regardless of the reason, he then becomes eligible to withdraw 100% of the **vested** portion of funds in his account. The Master Plan documents are available for inspection in the Human Resources Office. Early withdrawal of funds may be subject to IRS penalties.

3.02 Holidays

A holiday is a day of exemption from work granted to full-time employees as if they had actually worked. The following are recognized as paid holidays:

- a. New Year's Day
- b. Memorial Day
- c. Independence Day
- d. Labor Day
- e. Thanksgiving Day
- f. Christmas Day

Holidays shall be paid at the rate of eight hours pay for full-time employees who would have regularly worked eight hours and ten hours for full-time employees who would have regularly worked ten hours. If a holiday falls on an eligible employee's regular day off, the employee will be paid eight hours holiday pay. Holidays that fall on Saturday will be observed the preceding day and holidays that fall on Sunday will be observed the next following day. Holiday pay will not be considered in overtime calculations.

When any holiday falls within the period of an employee's paid vacation, holiday pay shall be added to the vacation period as time worked. Vacation leave will not be charged for the holiday.

An employee who is absent from scheduled work on the workday immediately preceding or following the holiday shall not receive holiday pay. The exceptions shall be as follows:

- a. The employee is on vacation;
- b. The employee has made prior arrangements, in writing, to be absent from work for medical reasons; or
- c. The employee is absent due to an illness confirmed with a doctor's note.

3.03 Floating Holidays (Personal Days)

In addition to the recognized holidays previously listed, full-time employees will receive two (2) additional floating paid holidays (8-hour days) each fiscal year. A floating holiday, or personal day, must be taken in its entirety and not split up (8 hour increments). To be eligible for floating holidays, employees must have worked for ATUT for at least 6 months.

The intent of the floating holiday is to provide employees extra days out of the year to be used for sick or personal leave as situations arise. Floating holidays cannot be used to substitute for a "miss-out." If an employee finds he or she is not feeling well and decides to use a floating holiday as a sick day, the employee must give his or her supervisor and/or dispatch two-hour notice prior to his or her report time. If an employee is to report to work at the same time dispatch opens, the employee must make every reasonable attempt to call the moment the office or dispatch opens or leave a message prior to that time.

3.04 Employee Injury Policy

Employees must report every on-the-job health or safety accident, no matter how minor, to his or her supervisor or the Operations Supervisor immediately. The supervisor is responsible for filing a written accident report with the Human Resources Office. Failure to report an on-the-job injury or illness, no matter how minor, is grounds for disciplinary action.

(Revised 9/17/2015)

3.05 Worker's Compensation

To provide for payment of medical expenses and for partial salary continuation in the event of a work-related accident or illness, employees are covered by worker's compensation insurance. The amount of benefits payable and the duration of payment depend on the nature of the injury or illness. In general, however, all medical expenses incurred in connection with an injury or illness are paid in full, and partial salary payments are provided beginning with the eight consecutive day of the employee's absence from work.

If an injury or job-related illness occurs on the job, the employee must immediately, but no later than three (3) days, report such injury or illness to the Operations Supervisor or the Human Resources Office. A worker's compensation insurance claim form must be completed for all reported on-the-job injuries/illnesses. This ensures that ATUT can assist employees in obtaining appropriate medical treatment. Failure to follow this procedure may result in the appropriate worker's compensation report not being filed in accordance with the law, which may consequently jeopardize an employee's right to benefits in connection with the injury or illness.

In addition to immediately reporting the injury or illness, employees must also do the following:

1. Complete the employee injury report with the Human Resources Office unless the injury/illness requires immediate emergency care. If urgent care is required, notify the Human Resources Office immediately upon release from the Emergency Room.
2. The Human Resources Office will assist employees in locating an Alliance health care provider whether or not the employee has already been seen in the Emergency Room. If an employee chooses a provider for non-emergency care that is not in the Alliance, the injured/ill worker runs the risk of responsibility for bills incurred.
3. All safety sensitive employees must submit to drug and alcohol testing by the doctor at the time of primary medical treatment.
4. Notify the Operations Supervisor of the expected recovery time immediately after receiving primary medical treatment and after each succeeding appointment with a doctor.
5. Follow fully and completely the instructions, advice and course of medical treatment prescribed by the doctor and keep all scheduled appointments to fulfill the prescribed medical treatment plan.
6. Employees who are released by the doctor to return to work must immediately report to the Operations Supervisor and bring the release from the doctor.

An employee receiving worker's compensation payments does not accrue vacation or sick leave and is not entitled to receive holiday pay. In addition, when an employee is on injury leave and no longer receiving regular pay, any dependent medical/dental/life insurances will continue as long as the employee pays the premiums on a timely basis.

Violation of worker's compensation laws is considered fraud and punishable by fines and imprisonment.

3.06 Health/Dental Insurance

ATUT's insurance plans provide employees and their dependents access to medical and dental benefits. Employees in the regular full-time employment classifications are eligible to participate in the insurance plans on the first of the month following sixty days of employment. Eligible employees may participate in the health/dental insurance plans subject to all terms and conditions of the agreement between ATUT and the insurance carriers.

A change in employment classification that would result in loss of eligibility to participate in the insurance plans may qualify an employee for health benefits continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Refer to the COBRA policy below for additional information.

Changes in status for an employee or an employee's family must be reported to the Supervisor within one week of the change (i.e., birth, death, marriage, divorce, adoption, etc.) so that the appropriate paperwork can be completed.

Details of the health/dental insurance plans and information on costs of coverage will be provided in advance of enrollment to eligible employees. Employees can make changes to their insurances or will have the opportunity to enroll annually during the open enrollment period. Contact the Supervisor or Human Resources Office for more information about health or dental insurance benefits.

3.07 Benefits Continuation (COBRA)

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under ATUT's health plan when a "qualifying event" would normally result in the loss of eligibility. COBRA applies to employers with 20 or more employees. **COBRA will only apply to ATUT when the number of employees reaches 20 or more.** Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary would pay the full cost of coverage of ATUT's group rates plus an administration fee. ATUT would provide each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for continuation of coverage under the ATUT's health insurance plan. The notice should contain important information about the employee's rights and obligations.

SECTION 4
TIMEKEEPING/PAYROLL/HOURS

4 TIMEKEEPING/PAYROLL/HOURS

4.01 Timekeeping

Accurately recording time worked is the responsibility of every nonexempt employee. Federal and state laws require ATUT to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

Nonexempt employees should accurately record the time they begin and end their work. They should also record the beginning and ending time of any split shift or departure from work for personal reasons. Overtime work must always be approved before it is performed.

Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination of employment.

It is the employees' responsibility to sign their time records to certify the accuracy of all time recorded. The supervisor will review and then initial the time record before submitting it for payroll processing.

4.02 Paydays

Pay periods for all employees shall be 14 days, beginning on alternate Sundays. The payroll periods end on Saturday and wages are paid the following Friday by direct deposit to an account established by the employee. Direct deposit is required for **all** employees upon employment, but wages will be paid by ATUT check only to a new employee when confirmation for direct deposit has not been received from the bank. Payroll advances are prohibited.

Mandatory payroll deductions include federal and (if applicable) state withholding taxes, social security tax (FICA), Medicare, and wage garnishments. Voluntary deductions include insurance premiums and pension contributions.

Any changes affecting payroll and deductions, including an employee's name, tax withholdings as identified on the W-4 form, or the addition of a new dependent for insurance purposes must be submitted to the Supervisor no later than three working days prior to the end of the pay period.

Each employee shall be provided with an itemized statement of earnings and all deductions for each pay period. All employees must maintain a factual record of their actual time worked during the pay period. Records must include time worked, overtime hours, sick leave, and vacation or holiday hours. Timecards and/or the daily Operator Assignment and Exception Sheet must be signed by both the employee and his/her supervisor and submitted to the Supervisor the following business day.

Any employee found guilty of falsifying time records will be subject to dismissal.

Consistent with the Fair Labor Standards Act, ATUT will compensate non-exempt employees for overtime worked at the rate of one and one-half (1½) times their regular hourly rate for all overtime hours.

4.03 Employment Termination

Employees may be terminated or separated from employment with ATUT through the following conditions:

- a. Resignation - voluntary employment termination initiated by an employee.
- b. Discharge - involuntary employment termination initiated by the employer.
- c. Layoff - involuntary employment termination initiated by the employer for non-disciplinary reasons, i.e. reduction in force due to lack of funding.
- d. Retirement - voluntary employment termination initiated by the employee meeting age, length of service, and any other criteria for retirement from the organization.
- e. Death – involuntary employment termination initiated by an unexpected death.

The date of termination shall be the last day the employee worked. Upon termination of employment, the company shall issue final pay for hours worked in the final pay period and for any unused vacation hours to which the employee is entitled. The company shall deduct and withhold from the final paycheck any amount owed the company for health/dental insurance premiums, unreturned or damaged uniforms or equipment, employee manuals, or any other indebtedness to the company.

Paychecks for employees terminating because of discharge or layoff shall be released not more than six days from the date of termination in accordance with the Texas Payday Law. Paychecks for employees terminating because of resignation or retirement shall be processed through regular channels and will be available on the next regular payday. If a terminating employee makes a written request for earlier payment, all wages then due must be paid within 48 hours, excluding weekends or holidays.

4.04 Layoff and Recall

In the event of a reduction in force (RIF), ATUT will determine which employees within the classification being reduced shall be the first to be laid off or displaced. This will be determined based on work performance and needs of ATUT.

If additional funding is received at a later date, an employee who lost his or her position due to the RIF may be offered employment again if the employee is eligible for rehire.

4.05 Administrative Pay Corrections

ATUT takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday.

In the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the Accounting Department so that corrections can be made as quickly as possible. Failure to report a discrepancy could result in disciplinary action, up to and including termination of employment.

4.06 Pay Deductions

The law requires that ATUT make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes, as well as court-ordered child support payments if applicable. ATUT also must deduct Social Security taxes on each employee's earnings up to a specified limit that is called the Social Security "wage base." ATUT matches the amount of Social Security taxes paid by each employee.

ATUT offers programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions from their paychecks to cover the costs of participation in these programs.

If you have questions concerning why deductions were made from your pay check or how they were calculated, please see the Accounting Department for assistance.

4.07 Attendance, Work Hours & Work Schedules

ATUT fixed-route service operates Monday through Saturday. Special movements may be scheduled in addition to regular hours of operation. Maintenance crews are scheduled to cover most hours of operation.

The ATUT workweek begins on Sunday and ends on Saturday, with normal business hours for the ATUT office being 8:00 a.m. to 5:00 p.m., Monday through Friday. Work schedules for employees vary throughout the agency depending upon the employment category and classification, as well as staffing needs and operational demands. This may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week. Employees should check their individual work schedules or check with the supervisor to determine the times to work. Management will set the schedule for all administrative employees.

All employees are expected to report to work at their scheduled time. Absenteeism and tardiness place a burden on other employees and on ATUT. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor at least two hours in advance of the anticipated tardiness or absence.

Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment. In addition, failure to notify one's supervisor or the Manager of an expected absence or tardiness may lead to disciplinary action, up to and including termination of employment.

Operators have additional specific attendance rules. Please refer to the Employee Operations Policy for more information.

4.08 Overtime

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. All overtime work must receive the supervisor's prior authorization. Overtime assignments will be distributed as equitably as practical to all employees qualified to perform the required work.

Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage and hour restrictions. Overtime pay is based on actual hours worked. Time off due to sick leave, vacation leave, or any leave of absence will not be considered hours worked for purposes of performing overtime calculations.

SECTION 5
WORK CONDITIONS

5 WORK CONDITIONS

5.01 Safety

To assist in providing a safe and healthful work environment for employees, customers, and visitors, ATUT has established a workplace safety program. This program is a top priority for ATUT. Representatives from Maintenance and Operations have the responsibility for implementing, administering, monitoring, and evaluating the safety program for their respective departments. Its success depends on the alertness and personal commitment of all.

ATUT provides information to employees about workplace safety and health issues through regular internal communication channels such as supervisor-employee meetings, bulletin board postings, memos, newsletters, or other written communications.

Employees and supervisors receive periodic workplace safety training. The training covers potential safety and health hazards and safe work practices and procedures to eliminate or minimize hazards.

Some of the best safety improvement ideas come from employees. Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with their supervisor, or with another supervisor or the Manager. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes. All reports can be made without fear of reprisal or retaliation.

In the event accidents result in injury, regardless of how insignificant the injury may appear, employees must immediately notify their supervisor or dispatch.

The procedure to follow in the event of accident, injury or incident:

1. Report the matter immediately to the appropriate supervisor.
2. Complete a written accident report in detail.
3. If an employee is injured, a "First Report of Injury" must be completed by the Human Resources Office in order to be covered by Workers' Comp.
4. If it is necessary for an injured worker to go to the doctor, appropriate paperwork must be filled out with the Supervisor.
5. The injured worker must go to the agency-designated doctor or hospital (Alliance doctor) per referral by the Human Resources Office.
6. Return all paperwork from the doctor to the Supervisor, who must fax a copy to the Human Resources Office.
7. Follow all recommendations of the health care provider until fully released by the doctor, at which time a "Return to Work" statement must be received in the Human Resources Office.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate,

remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

5.02 Inclement Weather

In the event of severe inclement weather, the Executive Director will make a determination as soon as possible about whether or not to close or delay the operating hours of the ATUT offices. The Executive Director or a designee will contact the Manager of Public Transportation who, in turn, will notify the Operations Supervisor of canceled or delayed routes. All bus operators should contact the Operations Supervisor if road conditions are questionable and they have not been notified of any closures, always putting priority on their own safety and that of their passengers.

5.03 Use of Telephones and Mail System

ATUT provides office phones for business use. Personal use of the telephone for long-distance and toll-free calls is not permitted. Cell phones may be used as needed, but may not be used in excess so as to disrupt the work environment.

To ensure effective telephone communications, employees should always identify themselves when called and speak in a courteous, professional manner. Phone calls should be returned in a timely manner. Please confirm information received from the caller, and hang up only after the caller has done so.

The use of ATUT-paid postage for personal correspondence is not permitted.

Abuses of this policy will result in disciplinary action up to and including termination of employment, and the employee may be required to reimburse ATUT for any charges resulting from their personal use of the equipment.

5.04 Use of Electronic Data/Email

Desktops, laptops, tablets, smartphones, software, storage media, and network accounts providing electronic mail (email) and internet access are property of ATUT. These systems are to be used for business purposes in serving the interests of the agency, and of our clients and customers in the course of normal operations. However, incidental personal use is permitted such that it does not interfere with the conduct of business or disrupt the work place. ATUT may monitor these systems without prior notice, though is not required to monitor these systems. Employees shall have no expectation of privacy in anything they store, send or receive using these systems. The information contained within all of these systems constitutes official records under the Public Information Act and may be available to the public upon request. For further information about the Public Information Act, please refer to [Texas Government Code, Chapter 552](#).

Electronic mail shall not be used for the creation or distribution of any abusive, harassing, bigoted, obscene, or profane messages, as well as copyrighted material or material protected by trade secrets. Violations of these terms may result in legal liability for both the individual and ATUT. Use of the electronic mail

for subscriptions to services that are not business related is not allowed. Distribution of personal messages to all ATUT personnel, including chain letters or advertisements, is not permitted. Employees must use extreme caution when opening electronic mail attachments received from unknown senders, which may contain malware or viruses. When sending electronic mail, do not include sensitive information such as account numbers or social security numbers. Employees are required to assume responsibility for the content and dissemination of their messages.

Use of the internet for non-business purposes is allowed on a limited basis during lunch or other breaks, and during limited periods before and after the employee's scheduled work hours (see "Use of Social Media" below). Internet traffic is monitored at all times, recording the source, date, time, protocol and the destination site or server. Internet websites and protocols that are deemed inappropriate are filtered, blocked, and logged. Access to the Internet is a privilege that may be revoked at any time for inappropriate use or conduct. This includes, but is not limited to, use of the Internet for unlawful or malicious activities and/or sending, receiving or accessing pornographic materials. Activities that cause congestion and disruption of the network systems are prohibited, such as streamed media from the internet, i.e., radio and video.

Circumventing systems using programs/scripts/commands with intent to interfere with or disable network systems is strictly prohibited. Files and applications from outside sources such as the Internet or storage media are subject to security requirements and may not be downloaded and installed on local computers or networks without prior authorization.

Employees are responsible for selecting and securing their passwords to computer systems, electronic mail, or any other form of access that supports or requires a password.

For policies pertaining to the computer equipment (hardware/software), see Section 5.05 Use of Equipment and Vehicles.

Any employee found to have violated the terms of this policy may be subject to disciplinary action, up to and including termination.

5.05 Use of Social Media

Since ATUT computers, related equipment and Internet connectivity are intended to support official agency business, social networking during business hours is strictly prohibited. Social networking includes, but is not limited to, Facebook, Twitter, or other means of communication primarily used to chat. (NOTE: The only exception is if the communication deals exclusively with work.)

Because there is no additional cost to ATUT for personal use of the Internet, employees are allowed to engage in social networking before work hours, during their lunch break, and after work hours. However, social media activities by employees could potentially result in lawsuits for ATUT. Therefore, all employee obligations within ATUT's Equal Opportunity Employer/anti-discrimination policies extend to social media.

1. Employees are not allowed to post comments that would reflect poorly on ATUT as an agency.
2. Employees are not allowed to post personal employee information or anything of a confidential nature pertaining to work.
3. Employees are prohibited from engaging in behavior on social media sites that is prohibited at work. General and/or sexual harassment, discrimination, retaliation, or other unacceptable actions will not be tolerated.
4. Employees are responsible for any and all posts on their personal profile whether posted by the employee or someone else. Regardless of privacy settings, anything posted on a social site can be made public by a "friend."

At all times employees will be held accountable for their social media activities even when using personal time for such activities. Violations of this policy may result in disciplinary action, up to and including termination.

5.06 Use of Equipment and Vehicles

Equipment, computers and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Employees are required to notify their direct supervisor immediately if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

Employees who are assigned information system resources, including personal computers and peripheral devices, are responsible for them and their proper use and maintenance. ATUT information system resources may only be used for official purposes and not for personal or political use.

Proper care should be taken to secure property both in and out of the office. Employees will be responsible for the replacement cost of any lost or stolen item. The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles can result in disciplinary action, up to and including termination of employment. Unsafe use includes, but is not limited to, an employee's lack of possessing a valid Texas or Arkansas driver license.

The use of the staff car or any other ATUT vehicle for any personal use is strictly prohibited. No ATUT vehicle may be taken home overnight.

5.07 Smoking

ATUT has been designated as a smoke-free workplace. At all times smoking, including E-Cigarettes, is prohibited within all offices and on all premises, including the administrative, maintenance, and operations departments, as well as on buses and in all other company vehicles.

Smoking, to include E-Cigarettes, is only allowed off property. During layovers, bus operators are not allowed to smoke near the open doors of their vehicle or anywhere on ATUT properties. At all times, smokers are to properly dispose of cigarette butts.

5.08 Business Travel Expenses

ATUT follows the purchasing guidelines of Ark-Tex Council of Governments (ATCOG), a copy of which is available from the Finance Manager. An ATCOG expense report should be completed for all business travel expenses.

5.09 Visitors in the Workplace

To provide for the safety and security of employees and the facilities at ATUT, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

All visitors and guests of employees should enter ATUT at the main entrance during normal business hours. For safety and security reasons, no visitors or guests of employees will be allowed in the building after normal office hours and on Saturdays. Authorized visitors will receive directions or be escorted to their destination. Employees are responsible for the conduct and safety of their guests. Visitors and guests will be allowed in the shop area only when escorted by an authorized ATUT employee. Personal guests are not allowed in company vehicles.

If an unauthorized individual is observed on ATUT premises, employees should immediately notify their supervisor or, if necessary, direct the individual to the main entrance.

5.10 Workplace Monitoring

Workplace monitoring may be conducted by ATUT to ensure quality control, employee safety, security, and customer satisfaction.

Computers furnished to employees are the property of ATUT. As such, computer usage and files may be monitored or accessed. Other monitoring may include, but is not limited to, office areas, paper files, customer interactions, vehicles, lockers, desks, and telephone usage.

Because ATUT is sensitive to the legitimate privacy rights of employees, every effort will be made to guarantee that workplace monitoring is done in an ethical and respectful manner.

5.11 Workplace Violence Prevention

ATUT is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in society in general, ATUT has adopted the following guidelines to deal with intimidation, harassment, or other threats of or actual violence that may occur during business hours or on its premises.

All employees, customers, vendors or other visitors should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Firearms, weapons and other dangerous or hazardous devices or substances are prohibited from the ATUT buildings or vehicles. However, according to Texas law, employees who possess a lawful Concealed Handgun License (CHL) are permitted to keep those firearms in their personal vehicles while parked on ATUT premises.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public, while on ATUT property or while conducting ATUT business or while otherwise representing ATUT, will not be tolerated at any time. This prohibition includes all acts of harassment, including harassment that is based on an individual's race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, gender identity or expression, or any characteristic protected by federal, state, or local law, and all acts of bullying.

All threats of or actual violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of management. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible.

All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your workstation, do not try to intercede or see what is happening. If necessary, call 911 and then notify a supervisor or management as soon as possible.

ATUT will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical, as well as the identity of the person against whom the report is filed until the investigation is complete. In order to maintain workplace safety and the integrity of its investigation, ATUT may suspend employees, either with or without pay, pending results of an investigation.

Anyone determined to be responsible for threats of or actual violence or other

conduct that is in violation of these guidelines will be subject to prompt disciplinary action, up to and including termination of employment.

ATUT encourages employees to bring their disputes or differences with others in the workplace to the attention of their supervisors or Executive Director before the situation escalates into potential violence. ATUT is eager to assist in the resolution of employee disputes and will not discipline employees for raising such concerns. Further, employees are protected from retaliation for any report of improper activity in the workplace that is made in good faith, even if the investigation reveals that no wrongdoing has occurred.

SECTION 6
LEAVES

6 LEAVES

6.01 Vacation Leave

Vacation time off with pay is available to eligible employees to provide opportunities for rest, relaxation, and personal pursuits. Regular full-time employees are eligible to earn and use vacation time as described in this policy:

Once employees enter an eligible employment classification, they begin to accrue paid vacation time. An employee's benefit year may be extended for any significant leave of absence except military leave of absence. Military leave has no effect on this calculation. (See individual Leave of Absence policies for more information.) The amount of paid vacation time employees receive each year increases with the length of their employment as shown in the following schedule:

- During service years one through six (1 – 6), employees accrue 10 days of vacation leave per year at the rate of 3.08 hours per pay period. **No vacation leave is available to use until the employee has completed six months of eligible service. Likewise, if an employee terminates during the first six months of eligible service, that employee will not be compensated for any accrued vacation hours.**
- After the completion of six (6) full years of eligible service the employee is entitled to 11 vacation days each year, with leave accrued at the rate of 3.38 hours per pay period.
- **Each year of eligible service after 7 years increases the vacation leave benefit by one day per year up to 16 years. Once an employee reaches 16 years of eligible service, vacation leave accrual will be 20 days per year at a rate of 6.16 hours per pay period. The maximum amount of vacation any employee may accrue is 20 days per year regardless of length of service.**

Full-time employees will be allowed to carry over vacation leave into the next fiscal year up to the maximum of 160 hours. Full-time employees can accrue over 160 hours during the fiscal year, but can only carry over 160 hours into the next fiscal year.

Approved vacation leave shall be paid for the number of hours an employee is scheduled to work and will not be considered in overtime calculations.

An employee may take any number of currently earned vacation days up to two (2) weeks, provided a written request is turned into the immediate supervisor at least ten (10) days in advance and provided that adequate staffing is available for coverage of the leave.

(Revised 9/17/2015)

Vacation sign-up time will be the first two weeks of January, if possible. The vacation will be scheduled and approved by an employee's supervisor in order of receipt of request, provided the employee has sufficient vacation hours available at the time of the request. There may be times that two (2) or more employees may be on vacation leave concurrently provided there is adequate staffing available to cover leave. If two requests for leave are received simultaneously for the same vacation period and coverage is not adequate to accommodate both requests, leave will be granted to the person with the most seniority.

Vacation leave not scheduled during the normal vacation sign-in time shall be given on a first come, first serve basis with supervisor's approval. Requests for vacation leave by operators must be turned in at least 10 days in advance for full-time employees, due to scheduling requirements. Vacation requests of employees of other departments may be approved by their supervisors with less notice provided the vacation does not disrupt company operations. Although every effort will be made to approve vacation requests, a request may be denied by a supervisor, regardless of advance notice, due to factors beyond the supervisor's control, i.e., cases where other employees are out on sick leave, special events, etc.

Full-time employees retiring or terminating service shall be compensated for their unused vacation hours at their current hourly rate of pay.

6.02 Sick Leave

ATUT provides paid sick leave benefits to all full-time employees for periods of temporary absence due to illnesses or injuries.

Exempt employees will accrue sick leave benefits at the rate of 4 hours or a half-day per month, accrued at a rate of 1.85 hours per pay period. Non-exempt employees will accrue sick leave benefits at a rate of 1.54 hours per period. Employees may use sick leave benefits for an absence due to their own illness or injury or that of a family member who relies on the employee for care. (See Section 1.05 for Definition of Family Relationship)

Employees who are unable to report to work due to illness or injury should notify their direct supervisor before the scheduled start of their workday, if possible. The ill employee should be the individual who phones his or her direct supervisor, but a family member may phone if the employee is incapacitated or hospitalized. The direct supervisor must also be contacted on each additional day of absence by the employee or a family member. If an employee is absent for three or more consecutive days due to illness or injury, a physician's statement must be provided verifying the disability and its beginning and expected ending dates. In all cases, it is a requirement that a written medical note be presented upon return to work when any employee has been on sick leave as a result of hospitalization, surgery or a contagious illness.

Sick leave benefits will be calculated based on the employee's base pay rate at the time of absence.

(Revised 9/17/2015)

Sick leave is a benefit that should be used wisely and not abused. Sick leave benefits are intended solely to provide income protection in the event of illness or injury and may not be used for any other absence. Unused sick leave is canceled upon termination of employment without compensation to the employee.

6.03 Bereavement Leave

The purpose of bereavement or “funeral” leave is to allow the employee to be with his/her family and to care for necessary arrangements around the time of the funeral. It is also intended to assure an employee does not lose regular wages for time off work during the bereavement period. Funeral leave shall not be used simply to extend time off from work or to benefit the employee financially. Generally, in the event of the death of a **spouse or child, mother, father, brother or sister of the employee or the employee's spouse**, the employee will be given three days leave of absence with pay for the purpose of attending the funeral and to take care of any other business. Generally, in the event of the death of a **grandparent, aunt, uncle, niece or nephew of the employee or the employee's spouse**, the employee will be given only a one-day leave of absence with pay for the purpose of attending the funeral. (NOTE: an employee may possibly be granted bereavement leave at the death of any human individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship above. This will be evaluated on a case-by-case basis.)

The three days must be consecutive and include the date of the funeral. (For example, if the funeral is on Wednesday, the employee may take Monday-Wednesday, Tuesday-Thursday, or Wednesday-Friday as funeral leave.) Employees will not be paid for regularly scheduled days off, even if they fall within the three-day period.

Sundays will not be considered in funeral leave calculations. (For example, if the funeral is on Saturday, the employee may take Thursday-Saturday, Friday-Monday, or Saturday-Tuesday as funeral leave.)

Bereavement pay is calculated based on the base pay rate at the time of absence. Unpaid bereavement leave may be provided to employees not eligible for paid bereavement leave.

In all cases, an obituary must accompany the request for funeral leave.

All bereavement leave will be granted at the discretion of the Supervisor on a case-by-case basis. Employees, with management approval, may use any available paid leave for additional time off as necessary.

6.04 Civil Leave

Jury Duty: Full-time employees called on to serve jury duty will be paid normal wages for the days of service. Following jury duty, the employee must provide the Supervisor with a copy of the receipt of service.

Employees must show the jury duty summons to their supervisor as soon as it is received so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits. When an employee is required to report for jury duty and is released for all or part of a day, he/she shall report to his/her supervisor for work for the day or balance of the day.

ATUT will continue to provide health/dental insurance benefits for the full term of the jury duty absence, as long as the employee contributions are maintained.

Witness Duty: ATUT encourages employees to appear in court for witness duty when subpoenaed to do so. If employees have been subpoenaed or otherwise requested to testify as witnesses by ATUT, they will receive paid time off for the entire period of witness duty.

Employees will be granted unpaid time off to appear in court as a witness when requested by a party other than ATUT. Employees are free to use any available paid leave benefit (such as vacation leave) to receive compensation for the period of this absence.

The subpoena should be shown to the employee's supervisor immediately after it is received so that operating requirements can be adjusted, where necessary, to accommodate the employee's absence. The employee is expected to report for work whenever the court schedule permits.

6.05 Military Leave

A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable. The Operations Supervisor must be notified of any leave of greater than 3 days in order to classify the leave, and then the Manager must approve the leave.

The leave will be unpaid. However, employees may use any available paid time off for the absence.

Continuation of insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible. The employee's portion of the premium(s) is due upon return from military duty. Additionally, safety-sensitive employees must submit to drug and alcohol testing before returning to a safety-sensitive job function.

Benefit accruals, such as vacation, sick leave, or holiday benefits, will continue during the leave.

Employees on military leave for up to 30 days are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Employees returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service.

Contact the Operations Supervisor or Manager for more information or questions about military leave.

6.06 Leave of Absence

ATUT provides leaves of absence (LOA) without pay to eligible employees who wish to take time off from work duties to fulfill personal obligations. Eligible employees may request personal leave when they have worked at ATUT for at least 6 months. Any employee desiring leave of absence without pay shall fill out the Request for Leave of Absence Form and secure approval from management. Leave of absences shall be granted by management for legitimate reasons, such as emergency or hardship, and not simply for personal convenience. The determination as to the number of persons who may be granted a leave of absence at any one time is vested solely with the company.

The maximum leave of absence shall be for 30 days and may be extended for a like period. For no reason may a leave extend past 60 days. Those requesting permission for extensions must fill out another Request for Leave of Absence Form and secure approval from management. Employees who fail to return to work and are not approved for an extension to their leave of absence shall be subject to termination.

During a leave of absence, employees shall not engage in gainful employment without prior written permission. Permission shall be granted only in unusual and warranted cases. Failure to secure permission shall result in dismissal of the employee involved.

Subject to the terms, conditions, and limitations of the applicable plans, health/dental insurance benefits will continue during the leave. Benefit accruals, such as vacation, sick leave, holiday benefits, and seniority will be suspended during the leave and will resume upon return to active employment.

During the maximum 60-day LOA, ATUT will continue to pay the employer portion of an employee's medical and dental insurance premiums. However, the employee will be responsible for paying the employee's portion of monthly premiums. Should an employee fail to pay premiums by the date established by the company or make arrangements for payment, coverage will be discontinued.

Employees returning from a personal leave for a personal medical condition must submit a health care provider's verification of their fitness to return to work, and individuals holding a commercial driver license must pass a DOT physical. When a personal leave ends, every reasonable effort will be made to return the employee to the same position, if it is available, or to a similar available position for which the employee is qualified. However, ATUT cannot guarantee reinstatement.

Under no circumstances will an employee be eligible for leave without pay until all accrued vacation hours and paid floating holidays (personal days) have been used. In the case of leave without pay to cover a personal medical condition, all accrued sick leave, vacation leave, and personal days must be used prior to the employee starting leave without pay.

(Revised 6/22/2017)

If an employee fails to report to work promptly at the expiration of the approved leave period, ATUT will assume the employee has resigned.

6.07 Family Medical Leave Act (FMLA) Leave

ATUT is currently not subject to the requirements of the Family Medical Leave Act.

SECTION 7
EMPLOYEE CONDUCT & DISCIPLINARY ACTION

7 EMPLOYEE CONDUCT & DISCIPLINARY ACTION

7.01 Employee Conduct and Work Rules

To ensure orderly operations and provide the best possible work environment, ATUT expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization. ATUT will comply with all applicable laws and regulations and expects its employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

1. ATUT employees will abide by the Code of Ethics published by the American Society for Public Administration that incorporates the fourteen general principles of ethical conduct set forth in Executive Order 12674 (Code of Ethics is located in the ATUT Employee Ethics Policies).
2. ATUT utilizes an *Employee Ethics Policies* manual that was approved by the ATUT Board of Directors in September 2014, with amendments as necessary. These policies reinforce ethical standards expected of all staff and provide information on the compliance program used to detect and report any violations. All employees review and are given the Ethics Policies on date of hire. In addition, ethics and compliance training is conducted for all ATUT staff on a yearly basis.
3. The ATUT Board of Directors is required to renew the *Employee Ethics Policies* manual in June of each year, at which time members of the Board are trained on ethical and compliance standards expected of them and all staff.
4. In order to protect ATUT's financial and material resources, all financials are audited by an external, independent auditing firm yearly. These audits are performed not only to ensure ATUT employees are abiding by the various state and/or federal agencies' financial and grant requirements, but also to ensure ethical standards are exhibited by the staff performing those duties.

(Revised 6/22/2017)

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with the Operations Supervisor or the Manager. It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment without prior warning:

- * Theft
- * Inappropriate removal or possession of property
- * Misappropriations or misuse of ATUT assets
- * Falsification of timekeeping records

- * Working under the influence of alcohol or illegal drugs
- * Unsafe actions or violations of safety rules
- * Criminal acts or other violations of the law
- * Fighting, threatening violence in the workplace or violation of the Violence in the Workplace policy
- * Boisterous or disruptive activity in the workplace
- * Negligence or improper conduct leading to property damage or a safety concern
- * Insubordination or other disrespectful conduct
- * Violation of safety or health rules
- * Smoking in prohibited areas
- * Sexual or other unlawful or unwelcome harassment or discrimination
- * Possession of dangerous or unauthorized materials, such as explosives, firearms, or other weapons in the workplace
- * Excessive tardiness or absenteeism or any absence without notice
- * Unauthorized absence from work area during the workday
- * Unauthorized use of telephones, mail system, or other employer-owned property
- * Unauthorized disclosure of business secrets or confidential information
- * Violation of personnel policies
- * Unsatisfactory job performance or conduct in the workplace, to include, but not limited to, sexual or other inappropriate relationships with managers or subordinates
- * Making false accusations or claims
- * Violation of Drug and Alcohol policies

- * Failure to cooperate or providing false information during an internal investigation, or failure to maintain confidentiality during the course of an internal investigation or other disciplinary action.
- * Retaliation against someone making an allegation.

Employment with ATUT is at the mutual consent of ATUT and the employee, and either party may terminate that relationship at any time, with or without lawful cause, and with or without advance notice. ATUT reserves the right to discipline, up to and including termination, any employee for conduct which it finds inappropriate or unacceptable when it bears on the reputation of the agency, its employees and its Board members.

7.02 Harassment/Bullying

ATUT is committed to providing a work environment that is free of discrimination and any type of unlawful harassment or bullying including, but not limited to, sexual, ethnic, racial or religious harassment, sexual exploitation, and intimidation or aggressive behavior. Anyone engaging in unlawful harassment or bullying will be subject to termination of employment

1. GENERAL HARASSMENT: Any and all forms of general harassment are strictly prohibited. Slurs, jokes, innuendoes, or other negative verbal or physical conduct intended to demean an applicant, employee or client's race, color, religion, age, sex, national origin, disability status, genetics, protected veteran

status, sexual orientation, or gender identity or expression shall constitute harassment when it has the purpose or effect of creating an intimidating, hostile, or offensive working environment; or has the purpose or effect of interfering with an employee's work performance; or has an adverse employment effect on an applicant or employee; or has an adverse effect on services provided to a client or program participant. However, this policy is not intended to prohibit the employer from constraining the practice and/or promotion of certain religious acts, creeds, ceremonies, displays, or the attempt at imposing views or attitudes regarding such on others. These actions may in themselves be considered forms of harassment.

2. SEXUAL HARASSMENT: Any and all forms of sexual harassment are strictly prohibited. Sexual harassment (both overt and subtle) is a form of employee misconduct that is demeaning to another person and undermines the integrity of the employment relationship. Sexual harassment is defined as any unwelcome sexual advance, requests for sexual favors or other verbal or physical conduct of a sexual nature where any one of three criteria exists:

- a. Submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment or continued employment;
- b. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or,
- c. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

3. BULLYING: Any and all forms of bullying are strictly prohibited. Bullying is defined as any form of intimidation or aggressive behavior in which someone intentionally and repeatedly causes another person injury or discomfort. Bullying can take the form of physical contact, words or more subtle actions or attacks.

Any incident of harassment or bullying should be promptly reported to a supervisor. If the supervisor is unavailable or the employee believes it would be inappropriate to contact that person, the employee should immediately contact the Manager or Human Resources Office. Employees can raise concerns and make reports without fear of reprisal (Refer to section 7.03, Whistleblowers Policy, below for more details).

Any supervisor or manager who becomes aware of possible unlawful harassment or bullying should promptly contact the Manager who, in coordination with the Human Resources Office, will handle the matter in a timely and confidential manner.

It shall be the responsibility of the Executive Director to immediately respond to and investigate all reported first-hand complaints of any form of general or sexual

harassment or bullying and to take decisive disciplinary action, up to and including termination, against the offending party.

7.03 Whistleblower's Policy

ATUT encourages its employees to report improper activities in the workplace and will protect employees from retaliation for making any such report in good faith.

1. **EMPLOYEE RIGHTS:** Employees have the right to report, without suffering retaliation, any activity by ATUT or an employee of ATUT that the reporting employee reasonably believes: a) violates any state or federal law; b) violates or amounts to noncompliance with a state or federal rule or regulation; or c) violates fiduciary responsibilities to its employees.

In addition, employees can refuse to participate in an activity that would result in a violation of state or federal statutes, or a violation or noncompliance with a state or federal rule or regulation.

Employees are also protected from retaliation for having exercised any of these rights in any former employment.

The whistleblower protection laws do not entitle employees to violate a confidential privilege of ATUT (such as the attorney-client privilege) or improperly disclose trade-secret information.

2. **WHERE TO REPORT:** Employees have the duty to comply with all applicable laws and to assist ATUT to ensure legal compliance. An employee who suspects a problem with legal compliance is required to report the situation(s) to the Operations Supervisor or Manager, or if need be to the Executive Director.

3. **PROTECTION FROM RETALIATION:** Any employee who believes they have been retaliated against for whistleblowing may file a complaint with ATUT's Equal Employment Opportunity (EEO) Officer. The EEO Officer, designated by the Executive Director, shall be responsible for receipt, documentation, investigation and report of all such complaints in accordance with established procedures.

7.04 Personal Appearance

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image ATUT presents to customers and visitors.

During business hours, employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions. Employees who appear for work inappropriately dressed or improperly groomed will be sent home and directed to return to work in proper attire. Under such circumstances, employees will not be compensated for the time away from work.

Appropriate office dress for administrative staff is designated, as a minimum, business casual attire. For meetings with the public, business professional wear is required.

Business casual attire includes slacks, blazers or sport coats, sweaters, knit polo style shirts, ATUT logo shirts, skirts, casual dresses, and appropriate shoes. Business professional attire includes traditional suits/dress shirt/tie or slacks with a sports coat/dress shirt/tie for men, and business dresses, skirts/blouses, or pantsuits for women. Dress shoes or boots are required for both men and women.

Examples of inappropriate dress include, but are not limited to:

1. An employee who is required to wear a uniform that is found to be out-of-uniform.
2. Jewelry other than traditional earrings, rings, and bracelets. This prohibition includes but is not limited to, nose rings, eyebrow rings, lip rings, tongue piercing, and similar visible body jewelry.
3. Inappropriate "Casual Day" dress (See Section 7.05).

Reasonable accommodations will be made for employees' religious beliefs consistent with the business necessity to present a conservative, professional appearance to the public. Supervisors and managers are responsible for interpreting and enforcing the dress code in their areas of responsibility. This includes counseling employees who are inappropriately dressed. Questions or complaints that cannot be handled to the employee's satisfaction by his or her supervisor shall be directed to the Manager or Human Resources.

Bus Operators and maintenance personnel should consult their appropriate Employee Handbook for specific uniform and dress information.

7.05 Casual Days

The following information is intended to serve as a guide to help define appropriate casual wear for all employees who are not required to wear a uniform during designated casual days at ATUT. Our primary objective is to have employees project a professional image while taking advantage of more casual and relaxed fashions.

Each Friday will be a designated casual day. Any day there is snow on the ground employees may also report to work in casual attire. Also, between Memorial Day and Labor Day employees may dress in casual attire.

Not all-casual clothing is appropriate for the office. Casual wear means clean and neat clothing. It is never appropriate to wear stained, wrinkled, frayed, or revealing clothing to the workplace. If you are considering wearing something and you are not sure if it is acceptable, choose something else or inquire first.

Listed below is a general overview of acceptable casual wear, as well as a listing

of some of the more common items that are not appropriate for the office. Obviously, neither group is intended to be all-inclusive. Rather, these items should help set the general parameters for proper casual wear and allow you to make intelligent judgments about items that are not specifically addressed.

Examples of acceptable casual wear include:

- * Clean jeans or slacks
- * Casual dresses and skirts
- * Casual shirts and blouses
- * Golf or polo style shirts
- * Turtlenecks
- * Sweaters
- * Loafers, deck shoes, boots, flats, dress sandals, or polished tennis shoes

Examples of inappropriate clothing items that should not be worn on casual days include:

- * Items that are excessively worn or faded
- * Sweatpants or sweatshirts
- * Warm-up or jogging suits and pants
- * Shorts, skorts or skirts more than 6 inches above the knee
- * T-shirts, tank tops, halter tops
- * Clothing with offensive messages or images
- * Floppy shoes or thongs
- * Visible undergarments
- * Sundresses or leggings unless worn under a dress no more than 6 inches above the knee.

For some, traditional business attire may simply remain a more favored option on casual days. The choice will be yours. If an employee has a meeting with the public on Casual Day, appropriate business professional attire should be worn.

7.06 Return of Property

Employees are responsible for all ATUT property, materials, or written information issued to them or in their possession or control. Employees must return all ATUT property immediately upon request or upon termination of employment. Where permitted by applicable laws, ATUT may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. ATUT may also take all action deemed appropriate to recover or protect its property.

7.07 Resignation

Resignation is a voluntary act initiated by the employee to terminate employment with ATUT. Although advance notice is not required, ATUT requests at least 2 weeks written resignation notice from non-exempt employees and 6 weeks written notice from exempt employees. The paycheck for an employee who resigns will be prepared the next scheduled payday.

Prior to an employee's departure, an exit interview will be scheduled to discuss the reasons for resignation and the effect of the resignation on benefits.

7.08 Solicitation

In an effort to ensure a productive and harmonious work environment, persons not employed by ATUT may not solicit or distribute literature in the workplace at any time for any purpose.

ATUT recognizes that employees may have interests in events and organizations outside the workplace. However, employees may not solicit or distribute literature concerning these activities during working time. Working time does not include lunch periods, work breaks, or any other periods in which employees are not on duty. Outside solicitation is prohibited.

Posting of written solicitations on company bulletin boards is restricted. These bulletin boards display important information, and employees should consult them frequently for:

- * Employee announcements
- * Internal memoranda
- * Job openings
- * Organization announcements
- * Payday notice
- * Workers' compensation insurance information
- * Unemployment insurance information

If employees have a message of interest to the workplace, they may submit it to the Administration Supervisor for approval. The Administration Supervisor or his designee will post all approved messages.

7.09 Discipline

The purpose of this policy is to state ATUT's position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace. ATUT's own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future. By using various types of discipline, we hope that most employee problems can be corrected at an early stage, benefiting both the employee and ATUT.

Disciplinary action may include **a verbal or written warning, a written reprimand, an improvement plan, a suspension without pay, or involuntary termination of employment, as follows:**

Warning: A warning should clearly address a minor offense and serve as a distinct signal to the employee. A warning should always be in written form in order to have a record of the incident. Repeat of a minor offense for which a

warning has been given is sufficient cause for a more serious form of discipline.

Reprimand: A reprimand is a formal written notification that a violation has occurred and, if not corrected, will lead to further disciplinary action including suspension or termination of employment. An employee is required to sign the written reprimand and is allowed the opportunity to write comments regarding the reprimand. This signature signifies receipt of the reprimand, not necessarily agreement. *Any employee who refuses or in any way fails to sign the written reprimand will automatically be placed on suspension without pay for three days, or until the time when a signature is provided. If after the three-day period the employee still refuses to sign, the employee will be terminated.*

Performance Improvement Plan: When an employee does not meet standards on a performance evaluation or if minor infractions of policy continue to occur, a Performance Improvement Plan may be used. The plan will specifically outline what an employee needs to accomplish and define a timeframe to improve his or her job performance. Failure to meet the standards of a Performance Improvement Plan could result in termination of employment.

Suspension: A suspension is a temporary lay-off without pay, used for a severe warning or pending an investigation of an alleged violation or preventable accident.

Involuntary Termination: Involuntary termination of employment is the discharge of an individual as an employee of ATUT.

Although employment with ATUT is based on mutual consent and both the employee and ATUT have the right to terminate employment at will, with or without lawful cause or advance notice, ATUT may use the various types of discipline at its discretion. The type of discipline used depends on the severity of the problem and the number of occurrences; however, some offenses are serious enough to justify immediate suspension or termination of employment, without any prior warning or any prior disciplinary measures, at the discretion of the Executive Director. While it is impossible to list every type of behavior that may be deemed a serious offense, the **Employee Conduct and Work Rules** policy (7.01) includes examples of problems that may result in immediate suspension or termination of employment.

7.10 Problem/Grievance Resolution

ATUT is committed to providing the best possible working conditions for its employees. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from ATUT supervisors and management.

ATUT strives to ensure fair and honest treatment of all employees. Supervisors, managers, and employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism.

If an employee believes harassment or discrimination has occurred or there is a disagreement with established rules of conduct, policies, or practices, the

employee can express their concern through the problem resolution procedure. No employee will be penalized, formally or informally, for voicing a complaint with ATUT in a reasonable, business-like manner, or for using the problem resolution procedure.

If a situation occurs when an employee believes that a condition of employment or a decision affecting them is unjust or inequitable, they are encouraged to make use of the following steps. The employee may discontinue the procedure at any step.

Step 1. Employee presents problem to immediate supervisor as soon as possible, but not to exceed 14 calendar days, after incident occurs. If employee believes it would be inappropriate to contact that person, employee may present problem to the Operations Supervisor.

Step 2. Supervisor or Operations Supervisor responds to problem during discussion or within 48 hours, after consulting with appropriate management, when necessary. Supervisor or Operations Supervisor documents discussion.

Step 3. If the problem is still unresolved, an employee may present the problem to the Manager within 5 working days. The Manager counsels and advises employee, assists in putting problem in writing, visits with employee's supervisor, and if necessary, directs employee to the Executive Director for review of problem.

Step 4. The employee may then present the problem to the Executive Director in writing. The Executive Director will review and consider the problem and inform employee of decision within 5 working days. A written disposition will be forwarded to and retained by the Transit Coordinator. The Executive Director has full authority to make any adjustment deemed appropriate to resolve the problem.

Step 5. In the event an employee disagrees with the decision of the Executive Director, the employee has the right to appeal the decision. All grievances are to be made in writing to the following:

ATUT Board of Directors
4808 Elizabeth Street
Texarkana, TX 75503

Step 6. A final decision will be made in writing within 10 working days. The decision made by the ATUT Board will be final and binding to all those parties concerned.

While not every problem can be resolved to everyone's total satisfaction, a sincere effort will be made by management to resolve the situation promptly within the timeframes prescribed and with courtesy and professionalism. Every attempt will be made to maintain confidentiality, and retaliation against any employee will not be tolerated. ATUT believes that effective communication can result in understanding, problem resolution, and the development of confidence between employees and management.

7.11 Rehire

ATUT has a limited rehire policy. Anyone leaving ATUT employment will not be eligible for rehire in any position, regardless of the position they held prior to leaving ATUT employment, unless one of the following criteria is met. It is at the Operations Supervisor's discretion to rehire only the following:

1. Persons who left ATUT to accept employment with another transit property and wish to return to ATUT, with the stipulation that ATUT wishes to rehire.
2. Retirees who retired from ATUT after 15 years of service or are of retirement age and are in good standing.
3. Persons who resigned in good standing and who can meet all criteria for the position for which they have applied.

SECTION 8
MISCELLANEOUS

8 MISCELLANEOUS

8.01 Life-Threatening Illnesses in the Workplace

Employees with life-threatening illnesses, such as cancer, heart disease, and AIDS, often wish to continue their normal pursuits, including work, to the extent allowed by their condition. ATUT supports these endeavors as long as employees are able to meet acceptable performance standards. As in the case of other disabilities, ATUT will make reasonable accommodations in accordance with all legal requirements to allow qualified employees with life-threatening illnesses to perform the essential functions of their jobs.

Medical information on individual employees is treated confidentially. ATUT will take reasonable precautions to protect such information from inappropriate disclosure. Managers and other employees have a responsibility to respect and maintain the confidentiality of employee medical information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment.

Employees with questions or concerns about life-threatening illnesses are encouraged to contact the Administration Supervisor or Human Resources Office for information and referral to appropriate services and resources.

8.02 Operations Policies

This policy provides guidelines to ensure continued daily operations of ATUT and the T-Line bus system. It includes procedures for passenger safety and conduct, employee accidents/injuries, bus operations 40020 and information on uniforms and disciplinary actions for infractions. A copy of the Operations Policy can be found in this Employee Handbook.

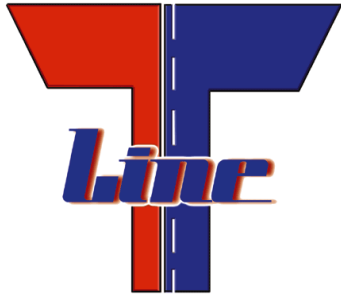
8.03 Ethics Policies

This policy has been designed to describe the standards of ethical conduct for all employees and outline behavior expected of ATUT employees at all times. In addition, it provides information on the compliance program used to detect and report any violations of the Ethics Policies. A copy of the Ethics Policy can be found in this Employee Handbook, receipt of which is required by the Texas Transportation Commission/Texas Department of Transportation.

(Revised 6/22/2017)

8.04 Drug and Alcohol Policies

This policy outlines the substance abuse testing program to ensure ATUT employees are not impaired in their ability to perform assigned duties in a safe, productive and healthy manner. A copy of the Drug and Alcohol Policy is given to employees and an acknowledgment of receipt of such policy is signed upon hire. A copy of the Drug and Alcohol Policy can be found in this Employee Handbook.



ARK-TEX URBAN TRANSIT, INC.

Employee Operations Policies

SEPTEMBER 2014

TABLE OF CONTENT

- 1.0 General Policies**
 - 1.01 Purpose**
 - 1.02 Bus Operator Requirements**
 - 1.03 Transportation Supervision**
 - 1.04 Reporting**
 - 1.05 Bus Operator Uniforms and Accessories**
 - 1.06 Incident/Accidents and Injuries**
 - 1.07 Emergency Management Steps**
 - 1.08 Unauthorized Drivers**
- 2.00 Rules Regulations and Procedures**
 - 2.01 Schedules**
 - 2.02 Boarding**
 - 2.03 Fare and Fare Collection**
 - 2.04 Refusing Transportation/Problem Passengers**
 - 2.05 Passenger Conduct**
 - 2.06 Enforcing Passenger Rules**
 - 2.07 Passenger Rights**
 - 2.08 Transferring Passengers**
 - 2.09 Reporting Vehicle Malfunction**
 - 2.10 Leaving the Bus Temporarily**
 - 2.11 Use of the Two-Way Radio**
 - 2.12 Use of Cellular/Mobil Telephones or Headsets**
- 3.00 Bus Operations**
 - 3.01 Courteous Behavior**
 - 3.02 Internal Security Measures**
 - 3.03 Starting and Stopping**
 - 3.04 Proper Wheelchair Securement**
 - 3.05 Street Operations**
 - 3.06 Backing Vehicle**
 - 3.07 Changing Lanes and Turning Corners**
 - 3.08 Parking Brakes**
 - 3.09 Brake Usage**
 - 3.10 Care of Tires**
 - 3.11 Sounding Horn**
 - 3.12 Approach of an Emergency Vehicle**
 - 3.13 Approaching School Buses**
 - 3.14 ADA Announcements**
 - 3.15 Post Operation/Returning to the Garage**
 - 3.16 Lost and Found**
- 4.00 Disciplinary Guidelines**

SECTION 1
GENERAL POLICIES

1.00 General Policies

1.01 PURPOSE

It is the policy of ATUT to provide safe, clean, and efficient transportation to the riding public within the Texarkana service area and to encourage the use of public transportation. All employees of ATUT will conduct themselves in a courteous and professional manner at all times while on duty.

All ATUT employees will strictly adhere to all rules and regulations. It is important not only for the individual, but for all employees to be thoroughly versed on all rules, memoranda, and special instructions.

Management will be responsible for informing all employees of any changes in ATUT policy through the policy manual, memoranda, meetings, newsletters and/or bulletin board postings. After one week of the policy change, ignorance of any policy change will not be accepted as an excuse.

In the event an employee has a question regarding a rule or policy that has not been addressed, the employee is encouraged to bring it to his or her supervisor's attention. The situation will be addressed as soon as possible.

1.02 BUS OPERATOR REQUIREMENTS

All ATUT employees are required to possess at all times either a valid Texas or Arkansas driver's license. ATUT bus operators must possess a valid Texas or Arkansas Commercial Driver's License (CDL) with passenger endorsement. All bus servicer's must possess a valid Texas or Arkansas CDL. In addition, CDL holders are required to carry a valid DOT medical card. In the event any bus operator does not have the above items when operating the ATUT vehicle, employment will be suspended pending investigation. Disciplinary action, including termination, will be determined upon the investigation's findings.

Any employee who holds a valid CDL and drives ATUT vehicles must notify a supervisor immediately of any traffic violation, whether received on or off duty. Bus operators who have their license suspended, revoked, or cancelled by any state, or who lose or are denied the privilege of driving a commercial motor vehicle in any state for any period, shall notify a supervisor of the fact before the end of the business day following the day they receive notice of the fact.

Licenses shall be renewed prior to expiration date. Any ATUT employee who works with an expired CDL shall be subject to disciplinary action. Bus operators who fail to provide such notification of the above listed driving infractions in a timely manner shall be subject to disciplinary action up to and including termination.

1.03 TRANSPORTATION SUPERVISION

The Operations Supervisor has the authority to instruct and advise all bus operators regarding any ATUT operating procedure and is available to assist bus operators as

needed. It is the duty of all supervisors to call to inform the bus operator of any violation of the rules, regulations or procedures.

The Operations Supervisor has the authority to regulate the service and to issue orders and instructions to bus operators, to administer discipline to employees within the parameters of the policies, to suspend a bus operator and refer the employee to management in any case of insubordination or other serious violations.

1.04 REPORTING

Every bus operator must be fully aware of his or her route assignments prior to assuming duties. It will be the bus operator's responsibility to check for the next days assigned work schedule. All bus operators, to include relief bus operators, must report for duty with the Route Supervisor prior to their assigned time and initial the sign-out sheet. Relief bus operators must report to the Route Supervisor and be at their relief point at their scheduled time. Bus operators are to be on their busses at :29 after the hour while at the Transfer Plaza and be ready to leave at :30 after the hour when the 10-76 is called. Failure to be on time will result in disciplinary action.

Prior to leaving the station, bus operators must have all equipment and supplies, including, but not limited to, pens, trip sheets (if applicable), transfers, accident reporting forms and courtesy cards, watches, pre-trip cards, DOT medical cards, a valid commercial driver's license, and route schedule (if applicable). All items, other than transfers, shall remain on the bus for the entire time it is off the lot. Transfers must remain in the bus operators possession at all times.

Prior to leaving the station, bus operators must complete a through pre-trip and internal security inspection of their vehicle. The bus operator will be held accountable for any damage not reported to maintenance or a supervisor and for moving a vehicle after damage is discovered.

The official time is the time that is set forth from the dispatch office. All bus operators' watches are to be set to dispatch time daily.

Upon completion of a route, the pre-trip card is to be turned in with the trip summary sheet and all transfers.

Any bus operator who does not report to dispatch by one minute after his or her assigned report time will receive a miss-out and may lose his/her trip. A miss-out by definition occurs when a bus operator fails to report within one minute of his or her scheduled report time and failed to call in at least 2 hours prior to the scheduled time. Similarly, relief bus operators must be at their relief point at their scheduled time. The bus operator must check with a supervisor who will determine if the bus operator will be assigned work or sent home. See section 3 of this manual for further guidance on miss-outs.

Bus operators who are too ill to report to work shall call in at least two hours prior to their report time. Leaving a message on the company phone recorder is not acceptable; the supervisor must talk with the bus operator or family member. Failure to call in at least two hours prior to their report time shall be considered a miss-out. After 3 days of

absenteeism a doctor's excuse will be required to return to work. After 3 days of absenteeism without communication with a supervisor, ATUT will assume the bus operator has resigned and their termination will be processed citing job abandonment.

There is no acceptable excuse for being late. Bus operators are expected to anticipate any potential problems they might have getting to work and still be at work on time.

If a bus operator has a valid reason (i.e. extreme illness) for not completing an assignment, the bus operator must make arrangements with dispatch to be relieved on the route at the first available opportunity. The bus operator must remain on duty until relief is sent. The partial day absence policy will apply under such circumstances. Supervisors have the authority, at all times, to assign other runs or duties during a bus operator's regularly scheduled work hours. All bus operators will be consulted before having their work schedule altered after it is posted on the daily schedule. However, in extreme circumstances, beyond the control of a supervisor, bus operators may be required to work as directed.

Requests for a personal day off must be made by filling out the appropriate paperwork at least 10 days before the requested day (if applicable). It is the bus operator's responsibility to ensure that a supervisor has approved the request before the bus operator takes a day off.

1.05 BUS OPERATOR UNIFORMS AND ACCESSORIES

It is the policy of ATUT to supply bus operators with quality uniforms that establish an organizational identity, while projecting a professional appearance for a variety of events, weather conditions, and occasions.

The bus operator uniform consists of:

- Long or short sleeve ATUT issued collared shirts
- ATUT issued pants or other pants with management approval.
- ATUT issued shorts or other shorts with management approval. Pants and/or shorts must be:
 - Dress or casual dress (slacks)
 - Black, navy or khaki in color
 - Cotton, cotton blend, or polyester fabric
- Solid black or brown belt
- Brown or black shoes that can be polished (no open-toed footwear is acceptable)
- ATUT issued jacket, budget permitting, or other jacket with management approval
- Brown, black or navy blue hosiery
- ATUT cap approved by management (optional).
- Watch or other time piece (cannot be on a cell phone or communication device)

Uniform shirts must be tucked in to pants or shorts. Short sleeves may not be rolled to the shoulder. Shorts may be worn between the months of May 1st and September 30th and may not be shorter than 2" above the knee. Supervisors have the authority to inform a bus operator of improper uniform due to the uniform not being clean, pressed, in good

condition, or non-presentable as determined by said supervisor. Bus operators and maintenance personnel shall not allow any other person to wear regulation uniforms provided by ATUT.

Bus operators and maintenance personnel must report to work in proper uniforms; reporting to work out of uniform, with an overall unacceptable appearance, or presenting other major uniform infractions is cause for disciplinary action.

The ATUT employee is responsible for reporting any lost accessory, and the employee will assume financial responsibility for replacing any lost accessory. All employees must return all portions of their uniform and other such equipment and accessories upon termination of employment with ATUT. ATUT reserves the right to withhold all monies from any funds due to the employee which are owed to ATUT for said items upon termination of employment.

1.06 INCIDENTS/ACCIDENTS AND INJURIES

In case of an accident/incident involving personal injury or another vehicle, a supervisor must be notified immediately, and the bus operator should request an ambulance if needed. Every bus operator is required to carry an ample supply of courtesy cards. The bus operator will obtain necessary information called for on this card, including names and addresses of all persons involved in the accident and all other facts required on the card. In the event of an accident, all bus operators must adhere to the following procedures:

1. The bus operator should pass out courtesy cards to all witnesses, both those who saw the accident/incident and those involved.
2. After the witnesses have completed and turned in their cards, the bus operator may not discuss the incident with any person or witness. Conversation is to be limited to the police and ATUT supervisors or managers.
3. It is the bus operator's responsibility to see that accident/incident information is relayed directly to the supervisor and that an accident/incident report is thoroughly filled out and given to a supervisor on the day of the accident/incident. This report should include the following:
 - Date and time of the accident or incident
 - The driver's printed name
 - The vehicle number
 - The number of passengers and courtesy card information from passengers and other witnesses
 - The name of the responding supervisor
 - A description of the other vehicle(s) involved
 - A description of the events
 - A description of the resulting damage and/or injuries
 - If no injuries or damages resulted, a statement of that fact
 - Whether medical attention was offered and accepted or refused
 - Weather, street or other conditions that could have had an impact
 - The driver's signature

4. After the accident/incident has been cleared, the bus operator is not to resume a route unless a supervisor has released the bus operator to do so.
5. Failure to report an accident/incident immediately, or any attempt to conceal or misrepresent the facts of said accident/incident shall be cause for immediate termination.

1.07 EMERGENCY MANAGEMENT STEPS WHEN AN ACCIDENT/INCIDENT OCCURS.

1. Remain Calm –Accidents/Incidents/Injuries can be upsetting, so remain calm and in control.
2. Assess the Situation – Determine if there are injuries and check for fire and other dangers.
3. Protect the Customers, Yourself and Property – Make sure you are out of harm's way and evacuate passengers if needed and it is safe to do so
4. Obtain Help – Notify supervisor of name, location, bus number, type of incident, and if emergency services are needed.
5. Reassure & Assist Customers – Inform passengers of the delay and assist anyone with injuries.
6. Secure the Scene – Account for passengers.
7. Gather Information – Pass out courtesy cards to passengers, and get thorough information from police for your accident report.
8. Bus operators will avoid all unnecessary conversation regarding and accident. Bus operators will not discuss accidents with anyone other than the Manger, Operations Supervisor, their supervisor, and police officers.

1.08 Unauthorized Drivers

No ATUT employee shall at any time allow an unauthorized person or persons to operate an ATUT vehicle. This action will result in immediate termination.

SECTION 2
RULES, REGULATIONS & PROCEDURES

2.00 GENERAL RULES, REGULATIONS & PROCEDURES

2.01 Schedules

Bus operators should have an accurate knowledge of the scheduled running times, time points and routes they operate and must be knowledgeable of all routes and schedules for providing passenger information.

It is never permissible to be ahead of schedule, and every reasonable and safe effort should be made to stay within the schedule. A bus operator is considered to be within schedule if he/she arrives at a bus stop zero to five minutes after the posted time.

Bus operators are required to arrive at their first time point on time. Failure to arrive punctually at the first scheduled time point for the shift (including the 2nd half of a split shift) is grounds for disciplinary action. Any delay that would prevent timely arrival at the first scheduled time point should be reported to dispatch immediately.

Under no circumstance is a bus operator to make an unauthorized detour from the prescribed route. Route detours may only be made due to route blockage, and then only after notifying the supervisor by radio of the reason, as well as the detour route. In the event the detour will be necessary on future trips, the supervisor may pick the route which misses the fewest number of passenger stops.

Bus operators are not to make unauthorized stops along the route to take breaks in addition to those provided. Urgent restroom breaks are permitted as long as the bus can be safely parked out of traffic and passengers are not kept waiting long. If a stop other than a restroom break is required, the supervisor **MUST** be notified.

Cutting trips and routes and unauthorized stops are never permissible without approval from a supervisor.

2.02 Boarding and De-boarding Passengers

Passenger stops are typically only to be made at locations indicated by bus stop signs. It is the responsibility of all bus operators to know where bus stops are located.

There is always a danger in making a bus stop to load or unload passengers at other than regularly posted stops. For this reason, such stops are generally prohibited. However, never pass up a passenger unless there is a clear safety hazard. After picking up the passenger at some place other than a regularly established stop, the bus operator should politely inform the passenger of the location of the nearest posted bus stop. Bus operators should bring it to the attention of the Operations Supervisor when passengers continually catch the bus at the wrong location.

If, for any reason, a passenger is carried past his/her stop, the bus operator should apologize and stop the bus as soon as it can be done safely. A bus operator shall never argue the point of whether or not the chime was sounded in time for the stop.

Bus operators must stop the bus approximately six (6) inches from the curb. If that is not

possible, the bus should be stopped approximately three (3) feet from the curb to allow for stepping area between the curb and the bus. The bus door must be positioned where the landing area is in good condition and where no obstructions or hazards exist that would impair the safety of the customers or cause damage to the bus.

Bus operators shall be ready to assist elderly and/or disabled passengers to board or alight from the bus. Bus operators should ask the individual if they require assistance before providing such assistance. The bus operator shall place the transmission in “park”, apply the parking brake, and turn on the four-way flashers before leaving the bus operators seat to assist a passenger. The bus operator will make every effort to work with and assist the public and passengers in a safe and courteous manner.

The bus operator should not move the vehicle until the passenger has been seated. (Exceptions to this rule will be made in the event of standing-room-only loads.)

2.03 Fare and Fare Collection

Before beginning their run, the bus operator must check the fare-box to ensure that it is in working order before departing the station. If there is a problem with the fare-box at any point along the route, the bus operator is to report the problem immediately to a supervisor. A supervisor will decide whether a replacement vehicle should be sent out. Bus operators must observe the operation of the fare-box closely and make every effort to avoid accepting a “short fare”. It is also imperative that at the beginning of the bus operator’s shift, the passenger counter be ‘zeroed’ out. All bus operators bringing buses to the garage at the end of a run must report discrepancies. After a passenger has boarded the vehicle, the fare must be promptly deposited in the fare-box. The bus operator is strictly forbidden to deposit the fare for any passenger except in the situation that a passenger has a disability that prohibits him from depositing his own money. The bus operator should deposit the fare in a manner that is witnessed by the passenger and other passengers.

Elderly or disabled riders who pay with a cash fare must show a valid I.D. card that verifies they are qualified for a reduced fare. Visitors from other cities may use I.D. cards from their local transit systems or Medicare cards as proof of eligibility to receive a reduced fare on ATUT buses.

Should a passenger insert the incorrect fare, it is the duty of the bus operator to inform the passenger what the correct fare is. Exact change cannot be given, nor should a bus operator attempt to break any bills from his/her personal money. In the event the passenger cannot get change from fellow passengers, the bus operator should ask the passenger to deposit the bill in the slot provided on the fare-box. If a passenger refuses to pay, the bus operator should quietly ask the passenger to leave the bus. If in the event a passenger refuses to pay and therefore will not depart the bus, the bus operator is to continue the route after contacting a supervisor of the situation.

Mishandling fares, neglecting to collect fares or tampering with a fare-box will result in disciplinary action up to and including termination. All bus operators are required to verify the dates of passes and transfers. Any bus operator caught allowing expired passes will be subject to termination.

2.04. Refusing Transportation or Problem Passengers

It is at the discretion of the supervisor to refuse service or to have a passenger removed from the bus. All courtesy should be exercised when refusing service to a passenger. If the passenger refuses to pay after being asked, a supervisor should be notified. At that time, a police officer will be notified of the circumstance if need be.

A passenger who displays inappropriate public behavior (i.e. threatening, intimidating, fighting, profane language, or vandalism) must be dismissed from the vehicle by appropriate authorities. All bus operators must report any problems with dispatch and make sure that witness cards are completed, along with an incident report. Disciplinary action will be issued to any bus operator refusing service without the consent of the supervisor, or for a non-threatening reason.

2.05 Passenger Conduct

Bus operators are responsible for enforcing passenger rules that are designed for passenger safety, comfort, and convenience:

- a. Smoking or using tobacco products is prohibited on city buses.
- b. Passengers must pay proper fares.
- c. Federal regulations prohibit the operation of any bus with passengers standing in front of the standee line.
- d. No passenger may be allowed to disturb other passengers.
- e. Passengers must refrain from excessive noise, constantly changing seats, throwing objects, fighting, sticking head or arms out the windows, lewd behavior and speech.
- f. Service animals, when properly harnessed and accompanied by a passenger with a disability, are permitted on buses and shall ride in the aisle. No other animals shall be carried unless confined in a pet carrier, box, or other secure container. Special permits are never issued to carry animals.
- g. Articles which, because of their size or the nature of their contents, may cause discomfort or be dangerous or offensive to passengers will not be carried on the buses at any time. Their owners may take ordinary hand baggage, and small packages and articles that can be carried without inconvenience to other passengers, inside the bus. Such articles shall not be permitted to remain where they will interfere with the entrance, exit, or the free use of the aisle or mechanisms of the bus.
- h. Passengers boarding the bus with a child in a stroller must take the child out of the stroller, fold the stroller, and stow it out of the aisle while the vehicle is in motion.
- i. Flammable or hazardous materials (e.g. batteries, empty or filled gasoline cans) are not permitted on the bus at any time.
- j. Firearms and other weapons are not permitted on the bus at any time.
- k. Bus Operators are not permitted to accept for transportation any package, baggage, or letters.
- l. Passengers may not place any advertisements on either the inside or outside of the bus, bus stop shelters or on any property at the transfer plaza.
- m. Passengers may not remove or deface advertisements placed on the buses by authorized representatives of the company.
- n. Passengers may not solicit, sale or panhandle on the bus or ATUT property.
- o. Whenever possible, bus operators should keep passengers behind the white or yellow line located on the floor behind the driver. Exit stairwells shall also be kept clear at all times.

2.06 Enforcing Passenger Rules

Most situations of enforcing passenger rules can be handled with a firm, polite request. If this fails and the situation warrants action, the bus operator should:

- a. Politely inform the passenger that his/her behavior is an infraction of ATUT rules and ask the person to stop immediately.
- b. If the passenger persists, quietly tell the passenger to leave the vehicle.
- c. If the passenger refuses to leave, call the supervisor and ask for help. Wait at the specified location for the police or supervisor to come and remove the passenger.
- d. Never use physical force in attempting to remove the passenger.
- e. In all cases, report the ejection to the supervisor immediately after the person leaves the bus.
- f. Complete the incident report.

Bus operators should obtain witnesses' names, phone numbers, or addresses any time a situation seems unusual in nature in order to protect personal and ATUT interests. A report should then be filed with the supervisor in the event that a situation arises that involves obtaining witnesses' names.

Bus operators should provide as much information as possible when relating transfer, route, or fare related questions. It is also imperative that policies should be supported and explained when dealing with a passenger. Avoid arguments at all costs, and if a bus operator or passenger does not agree with a company policy, he/she should discuss it with a supervisor, not with passengers. Doing so will result in disciplinary action.

2.07 Passenger Rights

Passengers have the right to file complaints and/or compliments with management regarding the behavior, or perceived behavior, of a bus operator. It shall be management's responsibility to investigate in the event of a complaint and to determine appropriate disciplinary actions, if necessary. At no time shall a bus operator confront the complainant about the report or the allegations therein.

2.08 Transferring Passengers

Transfers are to be used at the Transfer Plaza only. Bus operators should issue a transfer free to any paying passenger who must take more than one bus in order to reach his/her destination. Transfers are issued to enable the completion of a trip in one direction only. Transfers may NOT be used on the same bus they were issued, or to get back to the original starting point. Passengers who get off the bus must pay another fare when they board the bus again. Once the correct fare has been paid, ask the passenger if they are

transferring to another route at the Transfer Plaza. If so, at that time, give the passenger a transfer.

Bus operators shall check all transfers for appropriate date and time, and should never accept an expired transfer (one that was issued more than ½ hour prior to the time of boarding) unless instructed to do so by the supervisor. If a transfer is presented that is out-of-date or expired, the bus operator shall courteously tell the passenger the transfer is invalid. The bus operator shall, at all times, use good judgment and common sense, but should be alert for patterns of transfer abuse. When any systematic abuse is seen, it should be reported to the supervisor.

2.09 Reporting Vehicle Malfunctions/Breakdown

All instances of mechanical malfunction or breakdowns must be reported to a supervisor by radio as required, and all must be written up on the inspection form. However, minor problems which are not safety related, should not delay the schedule. The defect should be written up on the inspection form. A bus operator relieving on the line should be advised of the problem. Problems that are safety related or which pose extreme inconvenience to the passengers should be reported to the dispatcher and or supervisor immediately. A supervisor will be dispatched to meet the bus en route either to fix the problem or change out the bus. Should a passenger not be able to be transported, the supervisor should be notified of the location and name of the passenger who was unable to board as a result of vehicle malfunction. The Supervisor shall provide instructions to the bus operator as to whether the bus operator is to continue on the route or to wait for mechanical assistance and whether or not the vehicle will be replaced.

Fare-box jams should be reported immediately. A supervisor may be dispatched to dislodge any jammed items in the fare-box.

2.10 Leaving the Bus Temporarily

Bus operators should not leave passengers unattended on the bus. However, when a bus operator must momentarily exit the vehicle certain precautions should be taken:

- a. Before leaving the vehicle, the emergency brake must be set and the gear selector placed in park. Bus operators must inform the supervisor prior to de-boarding.
- b. Transfers must be taken with you and kept in your possession anytime you leave the bus. (Transfer Plaza, 10-100's, etc.)
- c. When the bus operator must leave the bus temporarily, doors are to be kept open when not at the Transfer Plaza except in inclement weather when air from the door system should be evacuated and doors pushed partially closed to block of the wind or rain.
- d. Upon returning to the vehicle, operators must check in with the supervisor and do a visual inspection of the vehicle.

- e. When leaving the vehicle unattended at the Transfer Plaza, inform passengers that you are going to close the doors until you return. The reason for this is to prevent nonpaying passengers from boarding the bus in your absence.

2.11 Use of the Two-Way Radio

All radio communications are to be conducted in a professional manner at all times. The radio system is for transit related business only. Ten-codes shall be used as much as possible to limit the volume of radio traffic.

- a. Radios are not to be used for personal messages, idle chatter or prolonged conversation.
- b. Passengers are not allowed to use the radio except in an emergency.
- c. Profane or obscene language will not be tolerated under any circumstances.
- d. Yelling or arguing over the air is not allowed at any time.
- e. “CB lingo” is not permitted.
- f. Do not use graphic language to describe any person or situation, especially at an accident scene.
- g. Remember that all transmissions can be heard by others, including management and all passengers on all other buses. The FCC (Federal Communications Commission) may also monitor radio communication.
- h. Call the Supervisor for general operational issues. For example, correct time, directions to a specific location, to report an accident or road closure, to request instructions for detours, or general policies and procedures specific situations.
- i. The bus operator may make every effort to safely answer all radio calls

2.12 Use of Cellular/Mobile Telephones or Headsets While Driving

The use of cellular telephones, headsets or any other hands-free device, whether associated with cellular telephones or other audio devices is strictly prohibited. Bus operators may use the supervisors’ cellular telephones during breaks at the Transfer Plaza. Bus operators should never use cellular or mobile telephones while onboard the vehicle. No radios and/or other electronic devices are to be used on any bus at any time, except for the two-way radio provided for communication purposes.

SECTION 3
BUS OPERATIONS

3.00 Bus Operations

3.01 Courteous Behavior

All bus operators should be considerate and courteous in their speech and manner. Pleasantries such as “thank you”, “please”, and “Sir” or “Ms.” should be used in conversation. A bus operator should promptly and courteously offer his or her name (First name, last initial) to any passenger who requests it.

3.02 Internal Security Measures

Due to increased security issues affecting this country’s transit systems, it is ATUT’s policy to take internal security very seriously. Bus operators will be required to do a visual inspection of the interior and exterior of their vehicle, checking the aisles and the underside of their bus for suspicious items, packages, envelopes, combustible tanks, etc. The bus operator should scan their bus when boarding and de-boarding at the beginning and the end of their shift.

3.03 Starting and Stopping

Bus operators should always be watchful for prospective passengers. All bus operators shall scan a 25 foot radius around each stop to ensure passengers are not missed due to them standing under trees or along the side of buildings or houses, especially in inclement weather. Care and discretion should always be exercised when the bus is required to stop at a point other than designated bus stops, and this practice should be discourage

Hazard lights should be used when a passenger boards and de-boards. The bus operator must start the vehicle smoothly without jerks or sudden changes in acceleration in order to avoid throwing or injuring passengers. If a person with special needs has boarded the vehicle, it should not be started until the passenger is seated. All of those passengers who are in a wheelchair must be securely fastened with 4 floor restraints before the driver may proceed with the route.

3.04 Proper Wheelchair Securement

Bus operators are required to fully and properly secure all passengers utilizing wheelchairs into available wheelchair securement locations. At a minimum, wheelchairs must be secured utilizing 4 floor restraints. Floor restraints should be securely fastened at 4 corners of the chair or mobility device, tightened, and checked for tension. Bus operators should utilize the available shoulder harness at the passenger’s request.

3.05 Street Operation

Continue to monitor telltale lights, air pressure, and voltmeters for proper operation. The bus operator must stay attuned to the bus in order to be aware of possible problems before they become serious. Contact a supervisor on the radio when vehicle difficulties arise. Bus operators should avoid driving the bus through deep water if at all possible. If it becomes necessary to drive through deep water, apply light pressure to the brake pedal to keep the brakes dry. Test the brakes after driving through deep water, while maintaining safe speed and following distance, to ensure that brake performance is normal.

3.06 Backing a Vehicle

Vehicles should never be backed unless there is absolutely no other alternative. Buses may not be backed until the bus operator has exited the vehicle to ensure the vehicle can be safely backed.

3.07 Changing Lanes and Turning Corners

Turn indicators must be used to signal all lane changes and turns. Right turns should be made from the traffic lane as near to the right-hand curb as possible.

3.08 Parking Brakes

The bus operator must not use the parking brake except to hold the vehicle in a parked position or for stopping the vehicle in an emergency when the brakes fail. Parking brakes must be completely released at all other times when the bus is in motion.

3.09. Brake Usage

Brakes on buses are applied by pressing the brake pedal gradually. Varying degrees of brake application are obtained by varying the distance the pedal is depressed. The best braking can be obtained by making the initial brake application gradually, to the extent of the brake required. The brake pressure remains in the brake chambers. DO NOT FAN the brake pedal. This practice causes poor brake performance, rough operation which is uncomfortable and unsafe for passengers, and adds excessive wear to the brakes. Fanning does not increase brake performance but decreases both the reservoir and brake pressure.

3.10 Care of Tires

The bus operator should be careful when pulling next to the curb or making turns in order to avoid striking the curb with the tires. The bus operator must not operate a vehicle when the tires are in poor condition. Tire costs are directly related to tire damage. Skilled operation will add miles to the tires. Upon detecting a flat or partially flat tire, the bus operator must stop the vehicle and radio supervisor.

3.11 Sounding the Horn

The horn should only be used in order to prevent other vehicles or pedestrians from getting into a possibly dangerous position. The horn should never be used out of aggravation or impatience. The bus operator may not use the horn in a non-emergency situation.

3.12 Approach of an Emergency Vehicle

As soon as the bus operator hears the approach of any emergency vehicle, the bus operator must pull to the right, keeping the street clear, and stop until the emergency vehicle has passed. The bus operator must not start again until certain that no more such vehicles are approaching.

3.13 Approaching School Buses

When approaching any school bus with red flashing lights and/or displayed stop sign, bus operator must stop their vehicle until ceased.

3.14 ADA Announcements

In order to comply with the Americans with Disabilities Act of 1990, bus operators must announce every required major intersection located along each route

3.15 Post Operation/Returning to the Garage

After entering the service lane or parking bay, activate the shift lever to “park”. Apply the parking brake and turn all switches to their “off” or normal position. Check the interior of the vehicle for lost articles. Report all damage on the bus on the post-trip inspection card.

3.16 Lost and Found

At the end of each route, a bus operator should check the vehicle for any items that were left on board. All items found must be reported to the supervisor and, at the end of the bus operator’s run, turned in to said supervisor.

SECTION 4
DISCIPLINARY GUIDELINES

4.00 DISCIPLINARY GUIDELINES WILL BE ADHERED TO AS FOLLOWS

4.01 Disciplinary Action

The purpose of this policy is to state ATUT's position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace. ATUT's own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future. By using various types of discipline, we hope that most employee problems can be corrected at an early stage, benefiting both the employee and ATUT.

Depending on the severity of the problem and the number of occurrences, there may be circumstances when one or more steps are bypassed. Disciplinary action may include a verbal or written warning, a written reprimand, an improvement plan, a suspension without pay, or involuntary termination of employment, as follows:

Warning: A warning should clearly address a minor offense and serve as a distinct signal to the employee. A warning should always be in written form in order to have a record of the incident. Repeat of a minor offense for which a warning has been given is sufficient cause for a more serious form of discipline.

Reprimand: A reprimand is a formal written notification that a violation has occurred and, if not corrected, will lead to further disciplinary action including suspension or termination of employment. An employee is required to sign the written reprimand and is allowed the opportunity to write comments regarding the reprimand. This signature signifies receipt of the reprimand, not necessarily agreement. Any employee who refuses or in any way fails to sign the written reprimand will automatically be placed on suspension without pay for three days, or until the time when a signature is provided. If after the three-day period the employee still refuses to sign, the employee will be terminated.

Performance Improvement Plan: When an employee does not meet standards on a performance evaluation or if minor infractions of policy continue to occur, a Performance Improvement Plan may be used. The plan will specifically outline what an employee needs to accomplish and define a timeframe to improve his or her job performance. Failure to meet the standards of a Performance Improvement Plan could result in termination of employment.

Suspension: A suspension is a temporary lay-off without pay, used for a severe warning or pending an investigation of an alleged violation or preventable accident.

Involuntary Termination: Involuntary termination of employment is the discharge of an individual as an employee of ATUT.

4.02 Failure to possess valid, non-expired driver's license/DOT card.

All bus operators are required to carry an ATUT-designated Department of Transportation physical examination card, in addition to a valid Texas or Arkansas driver's license. In the event any bus operator does not have the above items when operating the ATUT vehicle, employment will be suspended pending investigation. Disciplinary action, including termination, will be determined upon the investigation's findings.

4.03 Allowing unauthorized person(s) to operate an ATUT vehicle:

Immediate Termination

4.04 Mishandling fares, neglecting to collect fares or tampering with a fare-box:

Immediate Termination

4.05 Failure to remain calm and avoid all unnecessary conversation regarding an accident:

Bus operators will not discuss accidents with anyone other than the Manager, Operations Supervisor, their supervisor, or a police officer. Failure to conduct such conversations with tact could merit termination.

4.06 Making critical remarks about ATUT management, or employees to anyone:

Employees should address problems according to the problem resolution policy in the Employee Policy Manual.

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.07 Failure to Work with and Assist the Public and Passengers

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.08 Running a Red Light or Stop Sign, including school vehicles, or Reckless Driving:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.09 Exceeding the speed limit or traveling at unsafe speeds:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.10 Failure to Properly Secure Wheelchair Passengers:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.11 Cellular/Mobile Phones and or Headsets are prohibited:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.12 Cutting Trips and Routes without Permission:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.13 Conduct Unbecoming an ATUT Employee:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.14 Insubordination:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.15 Failing to Yield to an Emergency Vehicle:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.16 Driving ATUT Vehicle with Doors Open:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.17 Unsafe Backing:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.18 Failure to Immediately Report Ramp Malfunction:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.19 Improperly Lowering or Raising Wheelchair Ramps:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.20 Failure to Remain on Duty until Relief is Sent:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.21 Failure to Observe the Following Rules of Safe and Courteous Vehicle Operation:

Bring vehicle to complete stop before opening doors and curb the vehicle where possible before loading and unloading passengers.

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.22 Failure to Make Necessary Reports:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.23 Bus operators must treat all passengers, members of the public and ATUT employees with courtesy and respect. Bus operators must exercise self-control at all times:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.24 Unnecessary conversation with passengers and other employees while driving:

Bus operator should address any question about ATUT and its services. The bus operator's primary concern is the safety of the passengers, and all attention must be paid to driving.

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.25 Unauthorized guest of ATUT employees:

ATUT bus operators may not take personal guests on board or baby sit children while they are operating their route.

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.26 Intentionally Passing Up a Passenger:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.27 Leaving Vehicle Unattended with Engine Running Without Valid Reason:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.28 Failure to Complete a Thorough Pre-Trip/Internal Security Inspection:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.29 Interfering with a Funeral Procession:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.30 Running behind Schedule without Valid Reason:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.31 Running Ahead of Schedule without Valid Reason:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.32 Failure to Make ADA Announcements:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.33 Exchanging Work without Permission:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.34 Failure to Come to a Complete Stop at Active Railroad Crossings:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.35 Stopping in Traffic Lanes:

1 st Offense	Written Warning
2 nd Offense	Reprimand
3 rd Offense	Termination

4.36 Failing to Use Turn Indicators during Lane Changes or Turns:

1 st Offense	Verbal /Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.37 Misuse of Radio

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.38 Failure to Answer Vehicle Radio:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.39 Smoking or Use of other Tobacco Products is prohibited on buses or on ATUT property:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.40 Failure to properly complete Reports or other Paperwork:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.41 Failure to Take Assigned Bus:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.42 Failure to notify supervisor within 24 hours of a change in phone number and/or address:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.43 Unauthorized Tampering with the Bulletin Board:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.44 Failure to check the employee bulletin boards daily for operating memos and schedules:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.45 Bus operators must report to work in clean and neatly-pressed official uniforms:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.46 Failure to attend required ATUT meeting:

If a bus operator has a valid reason for not attending required ATUT meetings, they must notify their supervisor prior to the meeting. Failure to notify one's supervisor may result in disciplinary action to include:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.47 Failure to Carry Out Assignments:

No bus operator will be allowed to refuse work, any refusal to carry out assignments will result in:

1 ST Offense	Written Reprimand
2 nd Offense	Termination

4.48 Bus operators are to be on their buses at: 29 after the hour while at the Transfer Plaza. Bus operators are to be ready to leave the Transfer Plaza at: 40 after the hour when the 10-76 is called. Failure to be on time will result in disciplinary action as follows:

1 st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination

4.49 Having a Fare Box Audit over or under \$5.00

1 st Offense	Verbal/Written Warning
2 nd Offense	Written Warning
3 rd Offense	Written Reprimand
4 th Offense	Three day suspension without pay
5 th Offense	Termination

4.50 Miss-Outs

A miss-out occurs when a bus operator fails to report within one minute of his or her scheduled report time and failed to call in at least 2 hour in advance of the report time. Failure to make a relief is handled in the same manner. There is no acceptable excuse for being late. Bus operators are expected to anticipate any potential problems they might have getting to work and still be at work on time.

1st Miss-Out: A first miss-out within a period of ninety (90) consecutive days will result in the bus operator receiving a written warning.

2nd Miss-Out: A second miss-out within a period of ninety (90) consecutive days will result in the bus operator receiving a written warning.

3rd Miss-Out: A third miss-out within a period of ninety (90) consecutive days will result in the bus operator receiving one day of suspension without pay to be served within 10 days. The bus operator will receive a written reprimand stating that a fourth miss-out within a period of ninety consecutive days will result in termination.

4th Miss-Out: A fourth miss-out within a period of ninety (90) consecutive days will result in termination. A fourth miss-out within a period greater than ninety days but less than six months, will result in the bus operator receiving two days of suspension without pay to be served within 10 days and a written reprimand stating a fifth miss-out within a period of six months will result in termination.

5th Miss-Out: A fifth miss-out within a period of six (6) months will result in termination. A fifth miss-out within a period greater than 6 months but less than 12 months will result in the bus operator receiving two days of suspension without pay to be served within 10 days and a written reprimand stating that his or her job performance is below standard.

6th Miss-Out: A sixth miss-out within a one-year period will result in the bus operator receiving three days of suspension without pay to be served within 10 days and a written notice that a seventh miss-out within the twelve month period will result in termination.

7th Miss-Out: A seventh miss-out in a one-year period will result in termination.

If possible, the day of suspension will be served the same day of the miss-out or the following scheduled working day. Subsequent days of suspension will be scheduled consecutively if possible. The supervisor will have the discretion, based on business demands, to determine when the suspension will be served within the 10-day period. If the supervisor determines the bus operator is needed to report for other available work on the same day of the miss-out, the work will not reinstate any guarantee of time lost by reason of the miss-out. The bus operator must check with the supervisor to determine if he or she will be required to work on the day of the miss-out.

4.51 Patterns of Absenteeism

Demonstrating a *pattern* of absenteeism shall be grounds for disciplinary action, up to and including termination of employment. An identifiable pattern of absenteeism is not limited to but may include any of the following:

- a. A pattern of full or partial day absences or requests for relief following counseling or disciplinary action.
- b. pattern of absences following pay days
- c. A pattern of absences before or after scheduled holidays or vacation days
- d. A pattern of absences before, on, or after weekends
- e. A pattern of absences associated with assignment of specific runs or schedules

1st Offense	Written Warning
2 nd Offense	Written Reprimand
3 rd Offense	Termination