

AGREEMENT

between

NEW JERSEY TRANSIT RAIL OPERATIONS, INC.

AND

THE TRANSPORT WORKERS UNION OF AMERICA

BROTHERHOOD RAILWAY CARMEN

AND

DIVISION OF

TRANSPORTATION COMMUNICATIONS

INTERNATIONAL UNION

BRC/TWU INDEX

<u>Subject</u>	<u>Rule No.</u>	<u>Page No.</u>
Abolishments	3-C-1	13
Absent Without Permission	13-A-1	55
Advertisements	2-A-1	7
Appeals	7-A-1	37
Appointed Positions	12-A-1	54
Attending Court	4-L-1	25
Basic Day	4-A-1	17
Bereavement Leave	4-C-4	21
Calls	4-E-1	22
Capital Project Gang	14-A-1	55
Claims - Procedure for Handling	4-P-1	28
Classification of Work	Rule 1	1
Clothing Allowance	17-A-1	56
Contract Work Out	Rule 2	4
Daylight Savings Time	5-C-1	33
Designated Positions	2-A-4	11
Disabled Employees	3-E-1	16
Discipline	6-A-1	34
Discrimination	8-H-1(a)(b)	49
Employment	1-A-1	6
Entry Level Rates & Wage Progression	Rule 2	58
Exercise of Seniority - Bumping	3-C-3	13
Expungement of Discipline	15-A-1	58
Eye Care Package	Rule 9	66
Failing to Qualify	2-A-3	9
Force Reduction	3-C-1	13
Foreman Performing Craft Work	5-F-1	34
Furloughed Employees	3-C-6	15
Grades of Work (A)(B)(C)	Rule 2	64
Handling of Employees	5-A-1	30
Health Insurance	Rule 4	63
Holiday Pay	4-C-2	18
Incidental Work	Rule 2	5
Joint Submission	7-B-3	41
Jury Duty	4-L-1(d)	26
Leave of Absence	8-I-1	50
Legislative Action	11-A-1	54
Lunch Period	4-F-1(b-f)	22
Miscellaneous Regulations	Rule 8	45
Mutual Agreement	9-A-1	53

<u>Subject</u>	<u>Rule No.</u>	<u>Page No.</u>
New Positions-Rates	1-A-3	6
Off Track Vehicle Insurance	Rule 5	63
Overtime Pay	4-C-1	17
Pay - Service Interruption	4-N-1	28
Payment for Attending Company Hearings	4-M-1	27
Payment for Service Continuous With and After Bulletin Hours	4-D-1-2	22
Pension	Rule 10	67
Personal Days	Rule 8	66
Physical Examinations	8-J-1(c)	52
Rates of Pay	Rule 1	56
Representative Attending Monthly Meetings or Investigations	8-H-1(c)	50
Ridership Passes	Rule 6	63
Road Work	4-H-1	23
Roster Protest	3-D-2	15
Roster Seniority	3-D-1	15
Seniority	3-A-1	12
Seniority District	3-B-1	13
Seniority Retention	12-A-1	54
Sick Leave	Rule 7	63
Special Adjustment Board	7-B-6	42
Starting Time of Assignment	4-F-1	22
Tool Allowance	16-A-1	56
Vacation	Rule 3	59
Validity	10-A-1	54

Appendices

- I. Implementing Agreement Between NJT Rail and the Union of October 14, 1982.
- II. The National Union Shop Agreement of August 29, 1952.
- III. Dues Deduction Agreement between the Consolidated Rail Corporation and the Union dated July 8, 1977, including any amendments authorizing deductions for voluntary contributions to COPE.
- IV. Letter to Robert C. Shoemaker and Albert A. Terriego setting forth the understanding with respect to the allocation of work at the Kearny Meadows Shop.
- V. Letter from Martin E. Robins of December 31, 1982 setting forth the understanding concerning intermingling of cleaning and laborer functions.
- VI. Letter from Martin E. Robins concerning the scope of work classification rules of BRC/TWU and IBF&O.
- VII. Family Leave Act

New Jersey Transit Rail Operations, Inc. ("NJT Rail") hereby enters into this agreement with the Transport Workers Union of America and the Brotherhood Railway Carmen of the United States and Canada (the "Unions"), containing the following provisions with respect to rules and working conditions, and with respect to rates of pay and other economic terms, in order to give recognition both to historical rights and privileges of rail employees, to achieve needed improvements in efficiency and productivity in commuter rail service, and to provide a financially secure foundation for the service.

I. WORK SCOPE

RULE NO. I-CLASSIFICATION OF WORK

(A) It is the general intent of NJT Rail that all work set forth in this work classification rule performed by members of the craft for Consolidated Rail Corporation on behalf of New Jersey Transit after August 13, 1982, or performed by members of the craft at NJT Rail after January 1, 1983 which can reasonably and practicably be performed by the employees covered by this Agreement shall be assigned to such employees rather than to any contractor or subcontractor.

Carmen's work shall consist of maintaining, repairing, dismantling, assembling, upholstering all passenger cars, including cabin cars, and multi-level cars, and car parts (when in connection with Carmen's work), made of wood, metal or other materials. All inspection of passenger cars and equipment for defect and repairs, maintenance of safety appliances, and compliance with rules governing the interchange of cars. Inspecting and measuring cars for clearance. Inspecting passenger trains, including multiple unit cars.

Planning mill, cabinet and bench carpenter work, pattern and flask making and all other carpenter work of the Carmen craft in Maintenance of Equipment Department Shops and repair yards. Carmen's work in repairing track motor car bodies, lever cars, hand cars, building, repairing, removing and applying locomotive cabs made of wood, or its substitutes, other than metal, wooden pilots and pilot camper beams, wooden running boards, footboards, and headlight boards, wood locomotive cab flooring.

Bleeding air when performed in connection with the carmen's work, coupling and uncoupling air hoses, steam heat connectors, and electric jumpers between cars, chaining cars, testing cars, testing air brakes, pipe work in connection with air brakes, and work of the Carmen Craft in connection with periodic brake attention to car equipment.

Applying metal roofing on cars; ACI labels on cars; padding and insulation on cars, trucks, cranes and locomotives and cisterns; making stencils and templates other than metal; all other incidental painter's work of the Carmen Craft.

Removal, repairing, replacing of all glass and weather stripping, repairing and replacing all cement, wood, linoleum, monolith, carpeting and other types of floor covering. Applying, removing, replacing and repairing seats and seat assemblies, brackets and arm rests, windshield wipers and blades, hand rails on cars, ladder rests, safety and door locks on cars and locomotives, buffer plate assemblies on cars and locomotives, door and door locks, vestibule diaphragm assemblies, steps, step irons, treads, grab irons, toe boards, and splash boards, couplers and coupler rigging and appliances, windshield and clear vision windows, cushions, awnings, window shades and diaphragm curtains except padding, packing and sewing on cars and locomotives.

Tapping or drilling in connection with modification on cars. Applying high voltage safety signs to car equipment. Laying out in connection with work of the Carmen Craft except laying out material when templates are used. Time setting and time studying in connection with work of the Carmen craft.

Roughing out patterns, operating pattern making machines, power press, and automatic punches in car shops. Operating locomotive cranes and wreck derricks, pantograph, radiograph punch and shears in shaping and forming, driving rivets, in connection with carmen's work.

Polishing, grinding, buffing and lacquering for electric plating when done on passenger cars, including multiple unit cars. Repairing pattern and core boxes. Operating Single Car Test devices in connection with air brake tests.

Dismantling, including all or any part of passenger cabin or work cars, or trucks of any description for scrap; dismantling car or car parts of cars for repairs.

Operating bolt threading machine, drill press, nut tapper, nut backing-off machine, bolt pointing machine, and punch and shears and all work on passenger cars, including multiple unit cars, assigned to such machines.

Work of the Carmen Craft involving operation of pneumatic and hard cutting tools and holding on rivets; all work in connection with these operations.

Erecting and taking down scaffolds used in connection with car and locomotive work.

Attending tool room in car shop, including issuing, cleaning and caring for all tools, grinding drills and edge tools.

Car oiling and packing of boxes, renewing journal bearings, wedges, and applying journal box lids. Cleaning of lubrication devices when done in Car Shops. Cleaning journals, applying and removing protective coating.

Wreck work, including the manning of wreck trucks and wreck trains; derrick engineers; manning highway car repair trucks.

All gas and electric cutting that may be assigned. All sewing and stitching work by hand or machines, making flags and similar work, and all stuffing, and padding. All operation in connection with scrubbing, dyeing and drying seat cushions.

Cutting yoke from coupler butt with power machines and similar work. Operating heating torches. All work in connection with straightening metal parts of cars with backing hammers, sledges or air presses or forges, either cold or requiring heating.

Operating shop tractors, forklifts trucks, mobile crane cars, and cranes other than overhead cranes.

Interior and exterior painting, and all welding work in connection with carmen's work.

Interior and exterior cleaning of commuter rail passenger cars and coaches.

Effective March 9, 2001 (applies to BRC only) this serves to confirm our understanding regarding the consolidation of the job classifications above the Grade A rate of pay. As agreed, the parties will establish the following classifications:

Lead Technician: Lead employees in the Technician classification.

Lead Carman: Lead employees in Grade A, Grade B, or Grade C

Technician: Must meet all criteria of a technician and must be a qualified certified welder II.

There shall be the following three (3) grades of Carmen Craft work, the rates of pay for such work are set forth in Rule 1 of Part III of this Agreement. There shall be a separate seniority roster for Grade C Carmen work. (Modified see Letter No. 2)

Grade A: Troubleshooting, welding, millwright and upholstery work, as well as other highly skilled tasks as designated by NJT Rail.

Grade B: General repair and other carmen craft work.

Grade C-1: Heavy duty passenger car and car appearance maintaining. Employees assigned to E-cleaning (extra cleaning) at program locations.

Grade C-2: Passenger car and car appearance maintaining.

(B) Notwithstanding paragraph A of this Rule, NJT Rail may contract with an outside concern to perform work covered by paragraph A of this Rule, unless the Union demonstrates:

- (1) Its members possess the necessary skills, and essential facilities and equipment are available to perform the work on NJT Rail property; and
- (2) Managerial and technical skills are available on NJT Rail; and
- (3) The work can be performed on NJT Rail property within the time specified for the project by NJT Rail; and
- (4) The work can be performed on NJT Rail property without adversely affecting NJT Rail's equipment, normal routine and scheduling requirements; and

- (5) The work can be performed without resort to overtime pay; and
- (6) The work can be performed by its members on NJT Rail property at a cost less than the estimate by NJT Rail of the cost of subcontracting the work.

Before NJT Rail may contract with a person not a party to this Agreement with respect to the work subject to this rule, NJT Rail shall furnish to the designated representative of the Union a notice of a proposed contract. The designated representative must notify NJT Rail within five (5) days of any intention to confer concerning the matter and will be given a reasonable opportunity to do so. Upon request, NJT Rail will provide reasons and supply supporting data. If the parties are unable to reach an agreement at the conference, NJT Rail may nonetheless contract out the work and the union may file a time claim and process the matter as a grievance under this Agreement. If the designated representative fails to notify and confer within the time required, all rights to protest a subcontract shall be waived. This rule shall not apply to minor transactions.

RULE NO. 2 - INCIDENTAL WORK RULE

At all locations, including the maintenance shops as well as at running repair work locations, where a craft or crafts are performing a work assignment, the completion of which calls for the performance of “incidental work” (as hereinafter defined) covered by the classification of work rules of another craft or crafts, such craft or crafts may be required so far as they are capable, to perform such incidental work provided it does not comprise a preponderant part of the total amount of the work involved in the assignment.

Work shall be regarded as “incidental” when it involves the removal, replacing, loosening or the disconnecting and connecting of parts and appliances such as electrical wires, piping, covers, shielding and other appurtenances during the course of the main work assignment in order to accomplish that assignment. Incidental work shall be considered to comprise a preponderant part of the assignment when the time normally required to accomplish it exceeds the time normally required to accomplish the main work assignment.

If there is a dispute as to whether or not work comprises a “preponderant part” of the work assignment, NJT Rail may nevertheless assign the work as it

feels it should be assigned and proceed with the work and assignment in question; however, the Shop Committee may require that the assignment be timed by the parties to determine whether or not the time required to perform the incidental work exceeds the time required to perform the main work assignment.

II. WORK RULES AND WORKING CONDITIONS

REGULATION NO. 1 - EMPLOYMENT AND PROMOTION

1-A-1. (a) Applicants for employment shall be required to answer questions necessary to determine whether or not they are qualified to become satisfactory employees and shall undergo a physical examination to determine their fitness for the work required and to protect the health and safety of employees.

(b) The application of new employees for employment, shall be approved or disapproved within 120 days after applicants begin work. An employee who has been accepted for employment, who has furnished incorrect information in connection with an application for employment or who has withheld information therefrom, may be terminated within one (1) year from date of hire, if the information involved was of such a nature that the employee would not have been hired if the Company had timely knowledge of it.

1-A-2. Employees shall be classified by craft or class and be compensated for the work so performed as provided for in Rule 1 of Part III of this Agreement.

1-A-3. When a new position is established for which no work precedent or comparison to existing types of work has been established prior to the effective date of this Agreement, the Company shall establish the rate to be paid for such position and shall notify, in writing, the local committee affected of the establishment of such position and the rate to be paid.

The interested local committee may within thirty (30) calendar days from the date of such written notification request reconsideration of such established rate, and the matter shall be a subject for handling between the Senior Director-Labor Relations and the designated representative of the unions. Any adjustment made in the rate of pay as the result of such handling shall be effective, at the location involved, as of the date the position was established.

1-A-4. Effective upon ratification of this Agreement, car appearance maintainers may be examined for promotion to carman anytime after the completion of their first 100 days of actual work as a car appearance maintainer when carman vacancies are available. Examinations will be arranged as soon as possible.

REGULATION NO. 2 - SELECTION OF POSITIONS

2-A-1. (a) When new positions are created or vacancies occur, the senior employees shall, if sufficient ability is shown by trial, be given preference in filling such new positions or vacancies that may be desirable to them. Where a position involves air brake work, welding, wreck crane operation, reflecto scope, magnaflux, radiograph, a non-written examination or test may be required as a prerequisite to assignment to the position of an employee who has not previously been qualified on such work by performance or otherwise; and employee bidding for or seeking to displace on such a position shall upon request be promptly given an opportunity to take such examination or test.

(b) New positions and all vacancies will be advertised within fourteen (14) calendar days from the date they occur for a period of seven (7) calendar days. Advertisements will be bulletined on Wednesday and will designate the position number, location, tour of duty, rest days, rate of pay and major duty to be performed; vacancies will also indicate the name of the last incumbent. (Note: if Wednesday is a holiday the bulletin will be issued on the following day.)

An advertisement may be canceled at any time prior to award being made. In the event an advertisement is canceled, notice to that effect, and the reason therefor, will be posted on bulletin boards on which the advertisement appeared and the interested local committee will be furnished a copy.

Award will be made and bulletin announcing the name of the successful applicant will be posted within ten (10) calendar days after the close of the advertisement. This regulation will not be construed to require the placing of employees on their awarded positions, when properly qualified employees are not available to fill their places, but such transfers must be made within twelve (12) calendar days from effective date of award.

When an employee is awarded a position, he will be compensated at the rate of the position he is awarded from the effective date of the award. Copy of the bulletin and award will be furnished the interested local committee.

(c) Advertised positions may be filled temporarily pending an assignment.

(d) An employee transferred from a position on one shift to a position on another shift, by award, shall receive an additional eight (8) hours pay at the straight time rate of the position he was awarded for each day he is required to work on his former position subsequent to twelve (12) calendar days from effective date of award.

An employee transferring from one position to another position on the same shift, by award, shall receive an additional three (3) hours pay at the straight time rate of the position he was awarded for each day he is required to work on his former position subsequent to twelve (12) calendar days from effective date of award.

An employee who changes from one shift to another as the result of displacement through reduction in force will be paid overtime rates for the first shift of such change.

(e) A furloughed employee will be considered as having bid for any vacancy headquartered within fifty (50) miles of his home or last previous work site. If entitled to the position or vacancy, it will be awarded to him and he will be recalled from furlough.

(f) An employee working in the craft covered by this Agreement who acquires seniority in any other craft shall forfeit seniority in the craft in which he was working.

(g) An employee who desires to withdraw his bid or application for an advertised position must file his request, in writing, with the official whose name appears on the bulletin and with copy to the interested local committee prior to the time and date on which the bulletin is closed.

(h) An employee shall be considered as furloughed when he is unable to obtain any position in the craft within fifty (50) miles from his home or last previous work site.

(i) Effective date of ratification, employees will be limited to two (2) voluntary bid awards per calendar year. Awards resulting from abolishments and displacements, promotions (or retirement), or higher rated positions will not be considered a voluntary bid under this rule.

The company's right to limit employees to two bids per year shall terminate if repeated proven violations of the limitations contained in this section occur and continue to occur following written notice of such violations delivered to the General Manager of the Company.

(1) Should an employee be displaced by a senior employee in a position he/she bid to prior to thirty (30) days on the position or the position is abolished prior to thirty (30) days on the position, the bid to this position shall not be considered as being voluntary.

(k) It is understood that this provision will take effect only after the Carrier and the BRC have entered into a ratified agreement which contains a similar provision.

2-A-2. An employee who bids for, and is awarded, an advertised position, cannot bid for the position he has just vacated until same has been advertised a second time, unless, for any reason, such employee has been displaced from the position he has been awarded or unless no bids are received for the position he has just vacated. In either of these events, his bid for the position he has just vacated shall be considered.

2-A-3. (a) (1) Employees awarded advertised positions for which they bid or applied or acquiring positions through displacement of junior employees, will be given full cooperation from supervisory forces and others in their efforts to qualify.

(2) An employee failing to qualify for the position selected within 15 days (working on the position), after having been given a fair opportunity to demonstrate his qualifications,

will retain all prior seniority and will, within five (5) working days, return to his former position unless it has been abolished or permanently filled by a senior employee, in which event he may exercise seniority in accordance with Regulation 3-C-3. The employee may be removed from the position at any time during the fifteen (15) day qualifying period if it becomes apparent that he does not possess the necessary ability and fitness to permit him to qualify.

- (3) Other employees displaced in the application of this regulation may exercise seniority in accordance with Regulation 3-C-3.
- (b)
- (1) When the installation of a basically improved type of new machinery or new work methods requiring new or additional skills necessitates the creation of a new position under the Agreement, the position shall be advertised and filled in accordance with the provisions of Regulation 2-A-1. When there is a large scale installation of new machinery or large installation of new work methods requiring new or additional skills which may involve a substantial loss of work as mechanics to senior employees, representatives of the Company and of the employees shall agree upon a training program.
 - (2) If the senior bidder or applicant for such position is not qualified therefore, he shall be assigned as a trainee, and shall be paid the hourly rate of his former position during the training period.
 - (3) Except as may otherwise be agreed upon, such as in the case of large scale installations, the terms "new machinery" and "new work methods" shall be considered as applicable only during the first year of operation at the point involved.
 - (4) The time, specified in Regulation 2-A-1, within which to award and fill advertised positions will be extended by the length of time an employee or employees are in training for the position.

- (5) The employee who qualifies for the position shall be awarded the position and assigned to it and thereafter shall be paid the rate of the position. The proper officer of the Company after consultation with the employees representative shall determine (subject to appeal) the period of time an employee shall be paid for learning such position, and the employee representative shall be advised, in writing, the period of time determined upon.
- (6) A trainee who qualified before the end of the specified training period will be awarded and assigned to the position as soon as he is qualified.
- (7) An employee who fails to qualify for the position shall retain seniority and shall within five (5) working days, return to his former position unless it has been abolished or permanently filled by a senior employee, in which event he may exercise seniority. Other employees displaced in application of this paragraph (b) may exercise seniority in accordance with Regulation 3-C-3.

2-A-4. (a) A number of the total positions in each class, on each trick at any location, not to exceed that indicated below, may, under Regulation 2-A-1 (a), be designated to fill vacancies or perform extra work at such location as needed:

<u>Total Positions</u>	<u>Designated Positions</u>
6 and under	1
7 through 13	2
14 through 20	3
21 through 26	4
27 through 33	5
34 through 40	6
41 through 46	7
47 through 59	8
60 through 69	9
70 through 70	10

For every additional ten (10) positions, one (1) additional position may be designated.

The number of such designated positions requiring welding or air brake qualifications, in addition to the bulletined major duty, in relation to the total welders or air brake positions respectively, shall not exceed the appropriate ratio.

(b) Workers will normally work their assigned positions, except a junior qualified employee may be assigned to perform work not comprehended in his regular assignments. When an employee is assigned to perform work not contemplated in his regular work assignment, in other than an emergency such as flood, snow storm, wreck, fire, etc., and there is a more junior qualified employee available to perform such work, the employee assigned to perform the work shall be allowed additional straight time pay equal to the time so assigned with a maximum of one (1) hour pay.

REGULATION NO. 3 - SENIORITY

3-A-1. (a) Seniority of carmen begins at the time they are employed as such provided they qualify on such positions; except, at the expiration of their apprenticeship, the seniority of apprentices retained in the service will date from the first day employed as apprentices.

(b) Carmen performing grade C carmen work acquiring positions performing grade A and B work will forfeit the right to voluntarily exercise grade C carmen seniority. However, carmen performing grade C carmen work acquiring positions performing grade A and B work will retain and continue to accumulate grade C carmen seniority but will only be permitted to exercise such seniority when displaced and unable to obtain positions performing grade A and B carmen work.

(c) The term "acquiring advertised position" as used in this regulation contemplates that the employee qualifies and physically takes over the position.

(d) If two (2) or more employees start to work at the same time and on the same day, their seniority rank on the roster will be in the order of their date of birth.

(e) If two (2) or more employees on the same roster acquire seniority in a higher class on the same day, their relative rank in the higher class shall be the same as the class from which promoted.

3-B-1. The NJT Rail operating territory shall constitute a single seniority district for the carmen craft.

3-B-2. No change will be made in existing seniority districts except by agreement between the Senior Director-Labor Relations and the designated representative of the unions.

3-C-1. (a) Notice of force reduction or abolishment of position at any point or in any department shall be posted or given as soon as possible and not less than (5) five working days in advance, except no advance notice to employees shall be required before temporarily abolishing positions or making temporary force reductions under emergency conditions, such as flood, snow storm, hurricane, tornado, earthquake, fire or labor dispute other than as covered in paragraph (b) below, provided that such conditions result in suspension of the Company's operations in whole or in part. It is understood and agreed that such temporary force reductions will be confined solely to those work locations directly affected by any suspension of operations. It is further understood and agreed that notwithstanding the foregoing, any employee who is affected by an emergency force reduction and reports for work for his position without having been previously notified not to report, shall receive four (4) hours pay at the applicable rate for his position.

(b) No advance notice shall be required before positions are temporarily abolished or forces are temporarily reduced where a suspension of the Company's operation in whole or in part is due a labor dispute between the Company and any of its employees.

3-C-2. When forces are reduced, seniority in accordance with Regulations 3-A-1, 3-B-1 and 3-C-3 will govern.

3-C-3. (a) Employees whose positions are abolished may, within three (3) working days after being notified that their positions are abolished, exercise their seniority.

Other employees affected by such exercise of seniority may, within three (3) working days after being notified that they will be displaced, exercise their seniority.

(b) An employee reporting for duty after leave of absence, vacation, sickness, disability or suspension, must return to his former position if not abolished or filled by another employee in the exercise of seniority and may, within three (3) working days exercise seniority to any position bulletined during his absence. If, during his absence, his regular position has been abolished, or filled by another employee in the exercise of seniority, he may, within three (3) working days after reporting for duty, exercise seniority.

(c) Employees failing to exercise seniority within fifty (50) miles from their home or current work site will forfeit seniority.

(d) An employee exercising seniority under the provisions of this regulation to a position occupied by a junior employee must give notice to the Local Official prior to the termination of the preceding tour of duty of the position to which he is exercising seniority that he will take over the assignment at the start of the next tour of duty. Provided, however, that when an employee's position is abolished or permanently filled by a senior employee during his absence on consecutive rest days, vacation, suspension, leave of absence, sickness or disability, he shall be afforded a day's work on the day of his return to duty under the following circumstances:

- (1) When returning from consecutive rest days and his position has been abolished effective the day of his return, and he was not notified by written notice or posted bulletin of such abolishment at least four (4) hours prior to the end of his tour of duty on the work day preceding such rest days.
- (2) When returning from vacation or suspension and he was not notified personally, more than 48 hours prior to his return to duty, that his position has been abolished or permanently filled by a senior employee, or if he was so notified and indicated at the time of personal notification that he intends to return to work at the termination of his scheduled vacation or suspension.

- (3) When returning from leave of absence, sickness, or disability and he notifies his immediate supervisor of his intended return more than 48 hours before he reports for duty and has not been notified that his position has been abolished or permanently filled by a senior employee.

When entitled to a day's work under any of the foregoing provisions, compensation therefore shall be at not less than the grade rate of his former position, and assignment to work under such circumstances will not constitute a violation of any temporary upgrading rule.

3-C-4. When conditions develop so that an employee cannot satisfactorily perform the assigned work, he will be permitted to exercise seniority under Regulation 3-C-3, subject to agreement between the Company and the local committee.

Employees will be given full cooperation of supervisory forces and others in their effort to qualify.

3-C-5. In the restoration of forces, seniority will govern in accordance with Regulations 3-A-1, 3-B-1, employees to take the rate of position to which assigned.

3-C-6. Employees furloughed must keep their employing officer advised of any change in their current address. Employees failing to report for duty for positions expected to be of more than 60 days duration or positions for which they have been recalled pursuant to Regulation 2-A-1(f), within ten (10) calendar days after a Certified U.S. Mail notice is mailed to the last recorded address, will forfeit all seniority.

3-D-1. Seniority rosters shall be prepared for each class, showing the names, seniority dates, and relative standing of all employees.

3-D-2. Rosters shall be posted, on bulletin boards provided for that exclusive purpose, in places accessible to all employees affected and shall be revised as of January 1 and posted in January of each year (except in 1983, when such roster shall be posted March 1 or as promptly thereafter as practicable, but no later than May 1). An employee shall have forty-five (45) calendar days from date his

name first appears on the roster to appeal his roster date or relative standing thereon, except in 1983 when an employee shall have ninety (90) days, except that in case of an employee off on leave of absence, vacation, sickness, disability, suspension or furlough, at the time roster is posted, this time limit shall apply from the date employee returns to duty. If no appeal is taken within the forty-five (45) calendar day period, future appeals will not be entertained unless the employee's roster date or his relative standing is changed from that first posted. A note shall be placed on each roster stating the time limit of appeal.

Copies of the rosters shall be furnished to the local committee, the General Chairman and Director-Railroad Division.

3-D-3. No change in seniority standing of any employee shall be made on the part of the Company without conference and agreement with the local committee.

When such a change is made, the employee, whose seniority standing was the subject of the conference and agreement, shall be notified in writing, of the change.

3-E-1. (a) Subject to agreement, in writing, between the proper official of the Company and the interested local committee, a disabled employee covered by this Agreement may be placed in a new position or vacancy which has been advertised, a position or vacancy that is under advertisement but not yet filled, or in a position occupied by a junior employee covered by this Agreement, provided such employee is capable of performing the duties required. An employee who is so placed shall be compensated at the rate of the position in which he has been placed.

(b) An employee who has been placed in a position as set forth in paragraph (a) hereof shall forfeit his right to retain the protection afforded by this regulation if he thereafter bids for other advertised positions or vacancies, and the position on which he was placed shall thereupon be advertised. In such case, if the disabled employee is not awarded the advertised position or vacancy for which he has bid, he may exercise seniority within five (5) working days to a position the duties of which he is capable of performing and may bid for the position on which he was placed if in the future it is advertised again.

(c) A position of carmen, in which a disabled employee has been placed by agreement under paragraph (a) hereof, shall not, except as provided in paragraph (b) hereof, be subject to the seniority or advertising provisions of this

Agreement, but a disabled employee so assigned may be displaced by a senior qualified carmen holding seniority in the craft to which a disabled employee has been assigned, provided that there is no other position as carmen in the craft for which such senior employee is qualified.

(d) A position of coach cleaner in which a disabled employee has been placed by agreement under paragraph (a) hereof, shall not, except as provided in paragraph (b) hereof, be subject to the seniority or advertising provisions of this Agreement, but a disabled employee so assigned may be displaced by a senior qualified employee if there is no other coach cleaner position covered by this Agreement to which such senior employee can exercise seniority.

(e) Employees displaced in the application of this regulation may exercise seniority in accordance with Regulation 3-C-3.

REGULATION NO. 4 - TIME ALLOWANCES

4-A-1. Eight (8) consecutive hours work, exclusive of the meal period, shall constitute a day, except as provided in Regulation 4-B-1.

4-B-1. Where service is intermittent, eight (8) hours actual time on duty within a spread of ten (10) hours shall constitute a day's work. Employees filling such positions shall be paid overtime for all time actually on duty or held for duty in excess of eight (8) hours from the time required to report for duty to time of release within ten (10) consecutive hours, and also for all time in excess of ten (10) consecutive hours computed continuously from the time first required to report until final release. Time shall be counted as continuous service in all cases where the interval of release from duty does not exceed one (1) hour.

4-C-1. (a) Time worked by an employee in excess of eight (8) hours in any 24 hour period, computed from the starting time of the employees regular shift will be considered as overtime and paid for at the rate of time and one-half, except that double time will be paid for time worked in excess of sixteen (16) hours in such 24-hour period.

(b) A relief employee who performs relief work in two (2) or more positions within a 24-hour period will be paid straight time for the first eight (8) hours worked in each position. For time worked in excess of eight (8) hours on

any of the positions as relieved, he will be paid time and one-half.

(c) Time worked in excess of forty (40) straight time hours in any work week shall be paid for at one and one-half times the applicable straight time rate of pay, except where such work is performed by an employee due to moving from one assignment to another, or where days off are being accumulated in accordance with the provisions of Regulation 5-A-1 (i)(3).

Employees worked more than five (5) days in a work week shall be paid one and one-half times the basic straight time rate for work on the sixth and seventh days of their work weeks, except where such work is performed by an employee moving from one assignment to another, or where days off are being accumulated under the provisions of Regulation 5-A-1 (i)(3).

(d) There shall be no overtime on overtime; neither shall overtime hours paid for, other than hours not in excess of eight (8) paid for at overtime rates on holidays, be utilized in computing the 40 hours per week, nor shall time paid for in the nature of arbitraries or special allowances such as attending court, deadheading, travel time, etc., be utilized for this purpose, except when such payments apply during assigned working hours in lieu of pay for such hours, or where such time is now included under existing rules in computation leading to overtime.

(e) The term "work week" for regularly assigned employees shall mean a week beginning on the first day on which the assignment is bulletined to work, and for unassigned employees shall mean a period of seven (7) consecutive days, starting with Monday.

4-C-2. (a) Work performed on the following legal holidays, namely:

New Year's Eve Day	Fourth of July
New Year's Day	Labor Day
Martin Luther King Day	Thanksgiving
Washington's Birthday	Day after Thanksgiving
Good Friday	Christmas Eve Day
Decoration Day	Christmas

or the day observed will be paid for at the time and one-half rate with a minimum of three (3) hours.

(Christmas Eve Day will be the day before Christmas is observed and New Years Eve Day will be the day before New Year's Day is observed).

When any of the above holidays falls on a Saturday or Sunday, the day observed by the State, Nation or by proclamation shall be considered the holiday.

(b) Work performed by an employee on his assigned rest day, or days, shall be paid for at the overtime rate subject to Regulations 4-C-1 and 4-E-I, except that service performed by a regularly assigned employee on the second rest day of his assignment shall be paid at double the basic straight time rate provided he has worked all the hours of his assignment in that work week and has worked on the first rest day of his work week, except that emergency work paid for under the call regulations will not be counted as qualifying service under this paragraph nor will it be paid for under the provisions hereof.

Where agreement has been reached, as provided for in Regulation 5-A-1 (i)(3) for the accumulation of rest days, compensation for time worked on his rest days shall be at straight time rate.

(c) Work performed on an assignment starting in advance of midnight on any day will be considered as work performed on the day the assignment began.

Work performed on an assignment starting at 12:00 midnight will be considered as work performed on the following day.

(d) No employee shall have a demand right to work on his assigned rest day nor in excess of five (5) days in any work week.

In the assignment of employees to work on their rest days or on holidays on which they are not scheduled to work, due consideration shall be given to:

- (1) Their qualifications.
- (2) Local Agreements covering the distribution of overtime.

4-C-3. (a) Subject to the qualifying requirements applicable to regularly assigned employees contained in paragraph (b) hereof, each regularly assigned employee shall receive eight (8) hours pay at the straight time rate of the position to which assigned for each of the holidays enumerated in Regulation 4-C-2.

(b) A regularly assigned employee shall qualify for the holiday pay provided in paragraph (a) hereof if compensation paid him by the Company is credited for four (4) hours more of his/her assignment on the workday immediately preceding and following such holiday. If the holiday falls on the last day of a regularly assigned employee's work week, the first workday following the rest days shall be considered the workday immediately following the holiday. If the holiday falls, on the first workday of his workweek, the last workday of the preceding workweek shall be considered the workday immediately preceding the holiday.

The fact that no compensation paid by the Company is credited to the workday immediately preceding or following the holiday shall not disqualify an employee for holiday pay to which he would have been otherwise entitled (1) if the employee is a duly accredited union representative, and, as such, attends a regularly scheduled meeting with the Company, or is required to attend a meeting at the Company's request, on the workday immediately preceding or following the holiday, or (2) if the employee is absent from work on the workday immediately preceding or following the holiday because of death in the employee's family occurring within three (3) calendar days of the day of such absence. "Family" as used in this regulation means the employee's spouse, child, parent, parent-in-law, brother or sister.

(c) When any of the holidays enumerated in Regulation 4-C-2, or the date observed falls during an employee's vacation period, he shall, in addition to his vacation compensation, receive the holiday pay provided for in paragraph (a) of this regulation provided he meets the qualification requirements specified. The "workdays" and "days" immediately preceding and following the vacation period shall be considered the "workdays and "days" preceding and following the holiday for such qualification purposes. An employee's vacation period will not be extended by reason of any of the twelve (12) recognized holidays, or the day observed.

(d) Special qualifying provision for employees qualifying for both the Christmas Eve and Christmas Day holiday, the Thanksgiving Day and Day after

holiday, and the New Year's Eve and New Year's Day holiday:

An employee who meets all other qualifying requirements will qualify for holiday pay for both Christmas Eve and Christmas Day, Thanksgiving Day and the day after, or New Year's Eve and New Year's Day, if on the "workday" or the "day", as the case may be, immediately preceding the Christmas Eve, or Thanksgiving, or New Year's Eve holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" before the holiday and on the "workday" or the "day", as the case may be immediately following the Christmas Day, or day after Thanksgiving, or New Year's Day holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" after the holiday.

An employee who does not qualify for holiday pay for both Christmas Eve and Christmas Day, or Thanksgiving Day and the day after, or New Year's Eve and New Year's Day may qualify for holiday pay for one of the two days in each pair under the provisions applicable to holidays generally.

(e) Under no circumstances will an employee be allowed more than one (1) overtime payment for service performed by him on a holiday which is also a work day, a rest day and/or a vacation day.

4-C-4. Bereavement leave, not in excess of three (3) consecutive working days not to include rest days, following the date of death will be allowed in case of death of an employee's brother, sister, parent, child, spouse, or spouse's parent. In such cases, a minimum basic day's pay at the rate of the last service rendered will be allowed for the number of working days lost during bereavement leave. Employees involved will make provision for taking leave with their supervising official in the usual manner. Any restrictions against blanking jobs or realigning forces will not be applicable when an employee is absent under this provision.

In order to qualify for benefits under this Rule, the employee must first submit satisfactory evidence of the death in his immediate family either by form prepared by NJT Rail or in the form of an attested certificate attesting to such death. NJT Rail's monetary liability shall be limited to actual wage loss at the basic day's pay at straight time and shall not include pay for loss of overtime or other increments to the employee's position while the employee is absent. The benefits of this Regulation shall not be coupled or used in conjunction with benefits provided by other regulations currently in effect between the parties such

as sick leave, vacation, holidays, etc., for which the employee is being paid for time not worked.

4-D-1. For service continuous with and after bulletined hours employees shall be paid the overtime rate.

4-D-2. For service continuous with and before bulletined hours, employees shall be paid at the overtime rate on the actual minute basis with a minimum of one (1) hour.

4-E-1. Employees called, who report for work, shall be given not less than three (3) hours work and paid as provided for in Regulation 4-C-1.

4-F-1. (a) There may be one, two or three shifts employed. The starting time of any shift shall be arranged by mutual understanding between the local officer and the local union representative based on actual service requirements; otherwise the provisions of Regulation 5-B-1 will apply.

(b) The time and length of the lunch period shall be subject to mutual agreement and shall be between the 4th and 5th hour.

(c) Where two (2) shifts are employed, the spread of the second shift shall consist of eight (8) consecutive hours, including an allowance of twenty (20) minutes for lunch.

(d) Where three (3) shifts are employed, the spread of each shift shall consist of eight (8) consecutive hours, including an allowance of twenty (20) minutes for lunch.

(e) Employees required to work during the lunch period shall receive actual time at straight time rate for the period so worked, and shall be allowed a reasonable time, without loss of pay, in which to eat. This does not apply where employees are allowed the twenty (20) minutes for lunch without deduction therefore.

(f) Employees required to work more than three (3) hours beyond their bulletined working hours will be allowed reasonable time off, with pay, for a meal which will be provided at the expense of the Company. Subsequent meal periods, with meals provided at the expense of the Company, will be allowed at

five (5) hour intervals following the termination of the preceding meal period. Employees required to work more than three (3) hours before the start of their regular bulletin hours will be allowed reasonable time off with pay for a meal period which will be provided at the expense of the Company.

(g) Effective January 1997, employees will receive renumeration in lieu of each meal provided for under this rule in accordance with the following schedule:

- (1) In lieu of each meal, which the Carrier is required to provide under existing agreement, employees will receive a ten (\$10.00) dollar taxable allowance.
- (2) At Carriers discretion, any required meal may be provided by the Carrier, in which case meal allowances will not be payable to affected employees.

4-G-1. Employees changed from one shift to another shall, when practicable, be relieved from necessary rest.

Except as provided in Regulation 4-C-1 (b) employees so changed will, if required to work more than their bulletined hours in any twenty-four (24) hour period, be paid at the time and one-half rate.

The provisions of this regulation are not applicable when employees change shifts in the exercise of seniority, except as provided in Regulation 2-A-1 (d), third paragraph.

4-H-1. Employees sent out on the road for service shall be paid from time reporting at designated point at the home station until they return to home station, as follows:

- (a) For other than wrecking service: On assigned working days:

For all time traveling or waiting at the straight time rate. For time worked at the point to which sent-at straight time and overtime rates in accordance with Regulation 4-C-1.

On rest days and the recognized holidays:

For all time waiting or traveling in excess of the employee's home station bulletined hours at the time and one-half rate.

(b) For wrecking service: See Regulation 8-F-1(d)

(c) If during the time on the road including wrecking service, an employee is given opportunity to rest five (5) or more hours, he will not be paid for such relief time. When necessary to travel to and from another point to secure lodging, such travel and/or waiting time will be paid for in accordance with sections (a) and/or (b) of this regulation.

(d) Employees shall not be paid less for this service than their bulletined hours at the home station at their hourly rate.

(e) When meals and lodging are not provided, actual reasonable expenses shall be allowed.

(f) No payments will be allowed to an employee for "travel time" to or from work locations included in his relief assignment, within his seniority district.

4-I-1. Employees sent to an outlying point to fill temporary vacancies, or for temporary duty, shall receive time from the time reporting at the designated point at home station to time reporting at the outlying point, and similarly for the return trip, at straight time rates. Time worked at the outlying point in accordance with the bulletined hours of said point shall be paid as provided for in Regulation 4-C-1 or 4-C-2.

Employees shall not be paid less for this service than their bulletined hours at home station.

When meals and lodging are not provided, actual reasonable expenses shall be allowed.

4-J-1. When an employee is required to fill the place of another employee receiving a higher rate of pay, he shall receive the higher rate for his entire tour of duty.

An employee required to fill temporarily the place of another employee

receiving a lower rate, shall not have his own rate changed.

4-J-2. (a) When an employee is assigned temporarily for part of his assigned tour of duty to the inspecting and testing of locomotives, tenders, and locomotive boilers, including the preparation of and certification to reports required by the Federal Locomotive Inspection Laws, he shall be paid 6 cents per hour in addition to his regular rate, for the hours of his assigned tour of duty which he works that day.

(b) When an employee is assigned temporarily for part of his assigned tour of duty to perform work (not covered by Regulation 4-J-1 nor the preceding paragraph) for which the Rate Schedule specifies a rate in excess of his regular rate, he shall be paid the higher rate for the actual time so engaged; if the time so engaged exceeds four (4) hours, he shall be paid the higher rate for the entire tour of duty.

(c) Carmen engaged in car foaming shall be paid a 12 cent per hour differential for the actual time so engaged; if the time so engaged exceeds four (4) hours he shall be paid the higher rate for the entire tour of duty.

4-K-1. An employee assigned temporarily to fill a supervisory position shall, for the tour of duty, be paid the rate of the position filled.

4-L-1. (a) The following allowances will be made for time spent incident to attending court as a witness for the Company:

- (1) On a day or days the employee is assigned to work, compensation equal to what would have been earned had such interruption not taken place.
- (2) On a day or days the employee is not assigned to work (including rest days and holidays), compensation equal to what would have been earned had such interruption not taken place but not less than eight (8) hours pay at his regular straight time rate.

(3) On holidays, straight time holiday pay for which an employee is qualified will be paid in addition to the allowance provided in paragraph 2 above.

(b) While away from headquarters incident to attending court as a witness for the Company an employee shall also be allowed necessary actual expense.

(c) All fees and mileage accruing to an employee required to attend court as a witness for the Company will be assigned to the Company.

(d) When a regularly assigned employee is summoned for jury duty and is required to lose time from his assignment as a result thereof, he shall be paid for actual time lost with a maximum of a basic day's pay at the straight time rate of his/her position for each day lost subject to the following qualification requirements and limitations:

- (1) An employee must furnish the company with a statement from the court of jury allowances paid and the days on which jury duty was performed.
- (2) An employee shall notify his supervisor promptly upon receipt, but not later than 48 hours prior to the start of service, of the receipt of jury summons and the days involved.
- (3) No jury duty will be allowed for any day as to which the employee is entitled to vacation or holiday pay.
- (4) When an employee is excused from railroad service account of jury duty the company shall have the option of determining whether or not the employee's regular position shall be blanked, notwithstanding the provisions of any other rules.
- (5) Except as provided in paragraph (6), an employee will not be required to work on his assignment on days which jury duty:

- (i) ends within four hours of the start of his assignment; or
 - (ii) is scheduled to begin during the hours of his assignment or within four hours of the beginning or ending of his assignment.
- (6) On any day that an employee is released from jury duty and four or more hours of his work assignment remain, he will immediately inform his supervisor and report for work if advised to do so.

4-M-1. (a) Where practicable, investigations and trials will be held during assigned working hours.

(b) When attending an investigation or trial by direction of an officer of the Company, during his working hours, either regular or overtime, an employee shall not suffer any loss of compensation.

(c) An employee required by the Company to attend an investigation or trial immediately after having finished, or just prior to reporting for work, and continuous therewith, shall be compensated at the time and one-half rate for the time spent in attending such investigation or trial outside of his working hours.

(d) When attending an investigation or trial by direction of the Company on an assigned rest day an employee shall be compensated for the time so spent with a minimum of four (4) hours at the straight time rate of his position. If such employee would have been entitled to work on such day, he will be allowed compensation at the time and one-half rate for the number of hours he would have worked had such interruption not taken place and at the straight time rate for any additional time attending the investigation or trial.

(e) When attending an investigation or trial by direction of the Company on a holiday which falls on a day an employee is normally assigned to work, such employee will be compensated for the time so spent as though he had worked.

(f) For attending an investigation or trial by direction of an officer of the Company at any time other than those mentioned above, an employee shall be

compensated for the time so spent, with a minimum of three (3) hours at the straight time rate of the position.

(g) The above provisions do not apply to the time spent attending a trial outside his assigned hours for an employee who is found guilty.

4-N-1. (a) Employees whose work is interrupted while on duty, for reasons mentioned in Regulation 3-C-1, and who are released from duty, shall be paid for time actually worked with a minimum of four (4) hours pay at the straight time rate.

(b) Employees who have not been notified before leaving home that their services are not required, and who report for work and are unable to start to work at their regular starting time, or whose work is interrupted for reasons mentioned in paragraph (a) above, may be temporarily assigned to other work. If so assigned, they will be allowed to complete their full tour of duty and shall be paid as provided in the Rate Schedule and Regulation 4-C-1.

4-O-1. Employees will check in and out on Company time.

4-P-1. (a) A claim for compensation alleged to be due may be made only by an employee or, on his behalf, by a duly accredited union representative, and must be presented, in writing, to his General Foreman within thirty (30) calendar days from the date of the occurrence on which the claim is based, except:

- (1) Time off duty on account of sickness, leave of absence, vacation, suspension, or reduction in force, shall extend the time limit specified in paragraph (a).
- (2) When a claim for compensation alleged to be due is based on an occurrence during a period employee was out of active service due to sickness, leave of absence, vacation, suspension, or reduction in force, it must be made, in writing, within thirty (30) calendar days from the date employee resumes duty.

(b) If a claim is not made within the time limit specified in the foregoing paragraph (a), including exceptions 1 and 2, it shall not be entertained nor allowed.

(c) When a claim for compensation alleged to be due has been presented in accordance with the foregoing paragraph (a), including exceptions 1 and 2, and is not allowed the employee or the duly accredited union representative, whoever filed the claim, shall be so notified in writing within thirty (30) days from the date the claim was presented. When not so notified, the claim will be allowed as presented.

(1) When a claim for compensation alleged to be due has been presented in accordance with the foregoing Paragraph (a), including exceptions 1 and 2, and is not allowed the employee or the duly accredited representative, whoever filed the claim, shall be so notified in writing within thirty (30) days from the date the claim was presented. When not so notified, the claim will be allowed as presented.

(d) A claim for compensation denied in accordance with the foregoing paragraph (c) of this regulation shall be considered invalid unless it is listed for discussion with the Manager Labor Relations, by the employee or by a duly accredited union representative, within thirty (30) calendar days after the date on which it was denied. When the request for listing with the Manger-Labor Relations is transmitted by United States mail the date of mailing as indicated by the postmark or other Post Office record will be considered the date which the claim was listed.

(e) When a claim for compensation alleged to be due has been listed for discussion with the Manager Labor Relations in accordance with paragraph (d) of this regulation and is not allowed the employee and the duly accredited union representative shall be notified to this effect, in writing, within thirty (30) calendar days from the date the claim was discussed with the Manager Labor Relations. When not so notified, claim shall be allowed. When the denial is transmitted by United States mail the date of mailing as indicated by the postmark or other Post Office record will be considered the date on which the claim was denied.

(f) A claim for compensation denied in accordance with paragraph (e) of this regulation shall be considered invalid unless a written request for a Joint Submission is made to the Manager Labor Relations by the employee or a duly accredited union representative within thirty (30) calendar days from the

date on which the claim was denied by the Manager Labor Relations. When the request for a Joint Submission is transmitted by United States mail, the date of mailing as indicated by the postmark or other Post Office record will be considered the date on which the Joint Submission was requested.

(g) When a claim for compensation alleged to be due has been listed for discussion with the Senior Director-Labor Relations in accordance with Regulations 7-B-2 and 7-B-3 and is not allowed, the duly accredited union representative shall be notified to this effect, in writing, within thirty (30) calendar days from the date the claim was discussed with the Senior Director-Labor Relations. When not so notified, claim shall be allowed. When the denial is transmitted by United States mail the date of mailing as indicated by the postmark or other Post Office record will be considered the date on which the claim was denied.

(h) When a claim for compensation is allowed, the employee presenting the claim and his duly accredited union representative shall be advised, in writing, the amount involved and the payroll upon which payment will be made.

REGULATION NO. 5 - HANDLING OF EMPLOYEES

5-A-1. (a) The Company will establish for all employees covered by this Agreement, subject to the exception contained in this regulation, a work week of forty (40) hours, consisting of five (5) days of eight (8) hours each, with two (2) consecutive days off in each seven (7); the work weeks may be staggered in accordance with the Company's operational requirements; so far as practicable the days off shall be Saturday and Sunday. The foregoing work week rule is subject to the provisions which follow:

(b) Normal working hours, which will be bulletined for all employees, will not be greater than eight (8) hours on any day, nor forty (40) hours in any week.

(c) The expressions "positions" and "work" as used herein refer to services, duties, or operations necessary to be performed the specified number of days per week, and not to the work week of individual employees.

(d) On positions the duties of which can reasonably be met in five (5) days, the days off will be Saturday and Sunday.

(e) When the nature of the work is such that employees will be needed six (6) days each week, the rest days will be either Saturday and Sunday, or Sunday and Monday.

(f) On positions which are filled seven (7) days per week any two (2) consecutive days may be the rest days, with the presumption in favor of Saturday and Sunday.

(g) All possible regular relief assignments with five (5) days of work and two (2) consecutive rest days will be established to do the work necessary on rest days of assignments in six (6) or seven (7) day service, or combinations thereof, or to perform relief work on certain days and such types of other work on other days as may be assigned.

Assignments for regular relief positions may, on different days, include different starting times, duties and work locations for employees of the same class, provided they take the starting time, duties and work locations of the employee or employees whom they are relieving.

(h) If, in positions or work extending over a period of five (5) days per week an operational problem arises which the Company contends cannot be met under the provisions of paragraph (d) of this regulation and requires that some of such employees work Tuesday to Saturday instead of Monday to Friday, and the employees content to the contrary, and if the parties fail to agree thereon, then if the Company nevertheless puts such assignments into effect, the dispute may be processed as a grievance or claim.

(i) The typical work week is to be one with two (2) consecutive days off, and it is the Company's obligation to grant this. Therefore, when an operating problem is met which may affect the consecutiveness of the rest days of positions or assignments covered by paragraph (e), (f) and (g) of this regulation, the following procedures shall be used:

- (1) All possible regular relief assignments shall be established pursuant to paragraph (g) of this regulation.

- (2) Possible use of rest days other than Saturday and Sunday by agreement between the proper officer of the Company and the authorized union representative, or in accordance with other provisions of this Agreement.
- (3) Possible accumulation of rest time, and granting of longer consecutive rest periods, by agreement between the proper officer of the Company and the authorized union representative.
- (4) Other suitable or practicable plans which may be suggested by either of the parties shall be considered and efforts made to come to an agreement thereon.
- (5) If the foregoing does not solve the problem, then some of the relief men may be given non-consecutive rest days.
- (6) If, after all the foregoing has been done, there still remains service which can only be performed by requiring employees to work in excess of five (5) days per week, the number of regular assignments necessary to avoid this may be made with two (2) non-consecutive days off.
- (7) The least desirable solution of the problem would be to work some regular employees on the sixth or seventh days at overtime rates and thus withhold work from additional relief men.
- (8) If the parties are in disagreement over the necessity of splitting the rest days on any such assignments, the Company may nevertheless put the assignment into effect subject to the right of the employees to process the dispute as a grievance or claim, and in such proceedings the burden will be on the Company to prove that its operational requirements would be impaired if it did not split the rest days in question, and that this could be avoided only by working certain employees in excess of five (5) days per week.

5-B-1. When one (1) shift is employed, the normal starting time shall not be earlier than 6:00 A.M. nor later than 8:00 A.M.

When two (2) shifts are employed, the second shift shall normally start immediately following the first shift.

When three (3) shifts are employed, the third shift shall normally start immediately following the second shift.

In establishing the starting and quitting time for the employees on the various shifts, the economy and efficiency of the service shall receive first consideration, and when starting any shift within the time limits specified in this regulation would necessitate the use of an otherwise unnecessary additional shift the normal starting time may be departed from. When requirements of the service necessitate, lapped shifts may be established but shall not be resorted to when other equally economical arrangements can be made.

5-C-1. Where the Uniform Time Act of 1966 is in effect, the assigned hours of the positions will be automatically adjusted to conform with the provisions of said Act.

5-D-1. When bulletined hours for all forces are eight (8) hours per day, and the second shift follows immediately after the first shift, it shall be the policy to make the starting time and quitting time for all employees on each shift the same at the perspective points. Where three (3) shifts are worked by a part of the force and one (1) or two (2) shifts by the rest, the quitting time of the first shift and the starting and quitting time of the second shift of the one or two shift forces shall be governed by the length of their lunch periods.

5-D-2. Exceptions to Regulation 5-D-1 shall be necessary when the normal starting times are varied from as indicated in Regulation 5-B-1.

5-E-1. (a) When it becomes necessary for employees to work overtime, they shall not be laid off during regular working hours to equalize the time.

(b) Overtime work shall be distributed in accordance with agreement between the proper officer of the Company and the local committee.

5-F-1. (a) Carmen may perform any work of their craft for which they are qualified.

(b) None but carmen regularly employed as such shall do work specified that to be assigned to fully qualified carmen.

(c) Foremen may perform such part of carmen duties as are necessary at outlying points where qualified employees covered by this Agreement are not employed or are not immediately available. Carmen positions will not be abolished and Foreman positions established in lieu thereof or carmen's work assigned to Foremen, in order to evade this rule. The language "immediately available" is interpreted to mean that such employees can report to work within one (1) hour from time called.

5-F-2. At locations where there is not sufficient work to justify employing a craft on a full time basis the crafts employed at such locations will, so far as they are capable of doing so perform the work of any craft not employed at that location.

Any dispute as to whether or not there is sufficient work to justify employing a craft, the parties will undergo a joint check of the work done at that location. If the dispute is not resolved by agreement, it shall be handled as a grievance, and pending disposition of the dispute NJT Rail may proceed with or continue its designation.

5-F-3. When a machine or machines at a location is used to perform work of more than one craft, the Company may establish a position or positions to perform all work on such machine or machines, and assignment to such position or positions shall be based on the equities of the various crafts in the work performed by the machine or machines. If the assignment of the particular craft to such position is not satisfactory to the crafts involved, the matter may be handled in accordance with the procedure for disposition of jurisdictional disputes.

REGULATION NO. 6-DISCIPLINE

6-A-1. (a) Except as provided in Regulation 6-A-5 employees shall not be suspended nor dismissed from service without a fair and impartial trial, nor will

an unfavorable mark be placed upon their discipline record without written notice thereof to the employee and his union representative.

(b) When a major offense has been committed, an employee suspected by the Company to be guilty thereof may be held out of service pending trial and decision.

6-A-2. An employee who is required to make a statement prior to the trial in connection with any matter which may eventuate in the application of discipline to any employee, if he desires to be represented, may be represented by a union representative. A copy of the employee's statement, if reduced to writing and signed by him, shall be furnished him by the Company upon his request, and a copy shall be given to the union representative, if so requested.

6-A-3. (a) An employee who is accused of an offense shall be given reasonable prompt advance notice, in writing, of the exact offense for which he is to be tried. The trial shall be scheduled to begin within thirty (30) calendar days from the date the office of the employee's General Foreman had knowledge of the employee's involvement.

For a valid reason, a trial may be postponed for a reasonable period at the request of the Company, or the employee, or the employee's union representative.

(b) If he desires to be represented at such trial, he may be accompanied by a union representative. The accused employee or the said representative shall be permitted to question witnesses insofar as the interests of the accused employee are concerned. Such employee shall make his own arrangements for the presence of any witnesses appearing in his behalf, and no expense incident thereto shall be borne by the Company.

(c) A copy of the employee's statement, if reduced to writing, and signed by him, shall be furnished him by the Company upon his request, and a copy shall also be given to his union representative, if he is so represented.

6-A-4. (a) If discipline is to be imposed following trial and decision, the employee to be disciplined shall be given written notice thereof at least fifteen (15) working days prior to the date on which the discipline is to become effective, except that in cases involving dismissal such dismissal may be made

effective at any time after decision without advance notice. If so represented at the trial, his union representative shall be given a copy of the notice of discipline.

- (b) (1) If the discipline is suspension, the period of suspension shall be deferred as set forth in the schedule below: provided that following notice of discipline the accused employee does not commit another offense for which discipline is subsequently imposed. In the case of a major offense such deferral of the suspension shall not occur unless granted at the sole discretion by the designated NJT Rail official.

<u>SUSPENSION</u>	<u>PERIOD OF PROBATION</u>
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Five days.....	Three months
Ten days.....	Six months
Fifteen days and less than thirty days.....	Nine months
Thirty or more days.....	One year

- (b) (2) If, within the foregoing probation period, the employee commits one or more offenses for which discipline is subsequently imposed, the initial suspension shall be served and suspensions resulting from offenses committed during the probation period shall not be deferred. However, should the employee be disciplined by suspension for an offense committed subsequent to the probation period, the first such occurrence shall be the basis for the succeeding probation period referred to in paragraph (b)(1) of this regulation.
- (b) (3) If the discipline is suspension, the time the employee is held out of service shall be:
 - (i) Considered part of the period of suspension for the offense if the suspension is served.
 - (ii) Considered time lost without compensation if the suspension is not served.

6-A-5. (a) Employee may be disciplined by reprimand or suspension without a trial, when the involved employee, his union representative and the authorized official of the Company agree in writing to the responsibility of the employee and the discipline to be imposed.

(b) Discipline determined in accordance with paragraph (a) of this regulation will be subject to Regulation 6-A-4 (b) (1), (2) and (3).

(c) Discipline imposed in accordance with this regulation will be final with no right of appeal.

REGULATION NO. 7 - APPEALS AND GRIEVANCE PROCEDURE

The outline of the method in which controversial matters are to be handled as set forth below, is for the purpose of expeditious conclusive adjustment of matters presented, to the end that there may be a satisfied and cooperative spirit among the officers and employees. It is important, therefore, that if possible, decisions be rendered at the time of the meetings, and that such decisions be confirmed, in writing, as soon as possible.

This plan can be successful only by full and conscientious consideration and absolute fairness in their dealings on the part of both representatives of the Company and representatives of the employees.

7-A-1. (a) An employee who considers that an injustice has been done him in discipline matters and who has appealed his case, in writing, to the Manager Labor Relations within ten (10) calendar days after the employee has received notice of discipline to be imposed, shall be given a hearing. When the appeal is transmitted by United States mail, the date of mailing as indicated by the postmark or other Post Office record will be considered the date of appeal. The Manager Labor Relations will notify the employee and the union representative of the time and place of the hearing.

This appeal, when the discipline imposed is suspension, shall act as a stay (except in the case of a major offense) in imposing the suspension until after the employee has been given a hearing and a decision is rendered by the Manager Labor Relations.

The above provisions will not apply to cases involving dismissals from service, in which case, appeal may be made directly to the Director of Labor Relations within ten (10) calendar days after the employee has been notified of dismissal.

(b) At hearings on appeal an employee may, if he desires to be represented at such hearings, be accompanied by a union representative.

(c) After the appeal has been acted upon by the Manager Labor Relations the employee and the union representative shall be promptly advised, in writing, of his decision.

If the decision in case of suspension is to the effect that suspension shall be imposed, either in whole or for a reduced period, the stay referred to in paragraph (a) shall be lifted and the suspension imposed. If the case is not adjusted satisfactorily, it may then be handled by the employee, or by a union representative, with the Senior Director-Labor Relations. If the Senior Director-Labor Relations does not make a decision within thirty (30) calendar days of the date of discussion with him the case shall be considered denied.

(d) When an employee is held out of service on a charge and he is later exonerated, the charge shall be stricken from his record and he shall be compensated for difference between the amount he earned while out of service or while otherwise employed and the amount he would have earned on the basis of his assigned working hours actually lost during the period.

7-A-2. When it is considered that an injustice has been done with respect to any matter other than discipline, or claims for compensation alleged to be due, the employee affected or a union representative, may, within twenty (20) calendar days present the case in writing to the employee's General Foreman. If the decision of his General Foreman, which shall be in writing, is unsatisfactory, or if the General Foreman does not reply within fifteen (15) calendar days from the date the case was presented, the case may then be appealed in writing, within twenty (20) calendar days by the employee affected or by a union representative on his behalf, to the Manager Labor Relations. When the appeal is transmitted by United States mail, the date of mailing as indicated by the postmark or other Post Office record will be considered the date of appeal. Unless decision is received from the Manager Labor Relations within thirty (30) calendar days from date discussed it will be considered his decision is denial. If the case is not

adjusted satisfactorily it may then be handled by the employee or by a union representative with the Senior Director-Labor Relations. If the Senior Director-Labor Relations does not make a decision within thirty (30) calendar days of the date of discussion with him the case shall be considered denied.

When an employee lists a case with the Manager Labor Relations, or Senior Director-Labor Relations, the union representative will be furnished a copy of the letter, addressed to the employee, setting meeting date and place for discussion of such case.

7-A-3. The following form (Request for Adjustment of Grievance) will be recognized by the Company when used by an employee, or a union representative, for the presentation of a claim or grievance up to and including the Manager Labor Relations. The use of such form shall not be compulsory, however, and the written reply of the Company may be made in any form or manner that it desires.

BROTHERHOOD OF RAILWAY CARMEN OF
UNITED STATES AND CANADA
and
TRANSPORT WORKERS UNION OF AMERICA

Request for Adjustment of Grievance

At

_____ Point
Name of Employee _____
Employee No. _____
Occupation _____
Name of General Foreman _____
Date Grievance Presented to General Foreman _____
Presented by _____
Employee's Statement of Grievance: _____

Signature of Employee or Accredited Representative _____ Date _____

Disposition of Grievance by General Foreman: _____

Signature of General Foreman

Date of Appeal by Employee or Representative to Manager Labor Relations:

Disposition Of Grievance by Manager Labor Relations:

Signature of Manager Labor Relations (Date)

(Employee's Copy)

7-B-1. The steps in the usual manner of handling disputes growing out of grievances or out of the interpretation or application of agreements, concerning rules, rates of pay, and working conditions shall be successively, with:

- (a) General Foreman
- (b) Manager Labor Relations
- (c) Senior Director-Labor Relations

7-B-2. (a) Each Manager Labor Relations shall meet monthly with the local committee and the Senior Director-Labor Relations shall meet monthly with the union representative for the purpose of disposing, if possible, of matters coming within the purview of the foregoing Regulation 7-B-1, which have been listed at least seven (7) calendar days in advance for discussion at such meetings by either party. These meetings shall be held on date scheduled in advance

(b) In addition to "disputes growing out of grievances, or out of the interpretation of application of agreements concerning rates of pay, rules or working conditions", other questions may be presented and handled, in the manner prescribed above, at the monthly meeting.

7-B-3. (a) A submission, in the following form, shall be prepared by the Manager Labor Relations and the union representative covering a controversial matter not disposed of with the Manager Labor Relations.

- (1) Subject (which shall be prepared by the party listing the subject so as to specifically set forth the nature of the controversy, date or dates, name of employee or employees, and the regulation or regulations involved.)
- (2) Joint Statement of Agreed Upon Facts. If the parties cannot agree upon a Joint Statement of Agreed Upon Facts, a separate statement of facts shall be prepared by each party and included in the Joint Submission.
- (3) Position of Employees.
- (4) Position of Company.

(b) In the handling of controversial matters beyond the Manager Labor Relations, the party desiring to advance the case to the Senior Director-Labor Relations must, within thirty (30) days of the date of conclusive handling by the Manager Labor Relations, request that a Joint Submission be prepared as provided in paragraph (a) above, or the matter will be considered closed. When such request has been made, the preparation of the Joint Submission will be discussed at the next regularly scheduled monthly meeting held by the Manager Labor Relations and at the next succeeding regularly scheduled monthly meeting held by the Manager Labor Relations the parties will exchange their respective Positions and Statements of Facts (if separate Statement of Facts are prepared) that are to be used in the Joint Submission.

If the exchange of the respective Positions and Statement of Facts is not accomplished as provided in the foregoing paragraph, unless the parties have agreed on an extension of time, either party may then make a separate Submission in the case to the Senior Director-Labor Relations.

7-B-4. All disputes growing out of interpretation or application of agreements concerning rules, rates of pay and working conditions shall be considered closed unless within ninety (90) days from the day of the decision of the Senior Director-Labor Relations proceedings are instituted before the Special Adjustment Board established pursuant to Regulation 7-B-6 or such other tribunal or board as may be legally substituted for it under the Railway Labor Act.

7-B-5. In addition to "disputes growing out of grievances, or out of the interpretation or application of agreements concerning rates of pay, rules or working conditions," other questions may be presented and handled in the manner prescribed above, at the monthly meeting.

7-B-6. (a) There shall be a Special Adjustment Board, established pursuant to Section 3, second, of the Railway Labor Act, which shall be known as Public Law Board No. (the " Board") _____:

- (1) The Board shall have jurisdiction over the following matters:
 - (i) all disciplinary disputes appealed from the Director of Labor Relations level of the discipline procedures established under Regulation 6, and

- (ii) all disputes appealed from the Director Labor Relations level of the grievance procedures established under this Rule, and
- (iii) all matters involving interpretation and application of this Agreement.

In the event a disagreement exists regarding the arbitrability of an issue, the tribunal shall make a preliminary determination as to whether the issue is arbitrable under the express terms of this Agreement. Once a determination is made that such a dispute is arbitrable, the tribunal shall then proceed to determine the merits of the dispute.

- (2) The Board shall consist of three members. One member shall be a representative of the Union. The second member shall be selected by NJT Rail. A third member, who shall be the chairman of the Board, shall be a neutral person and shall be selected as provided in this Article. Party members of the Board may be changed from time to time, or at any time, by the respective parties appointing them.
- (3) The NJT Rail member and the Union member shall confer thirty (30) working days prior to the commencement of a Board and from time to time thereafter as a vacancy occurs for the purpose of selecting a neutral member. Each party shall submit a list of five names. The other party may reject three of the names. The remaining four names will be the subject for discussion as to the appointment of a neutral member.
- (4) If no name is mutually acceptable, the parties shall within fifteen (15) working days prior to the establishment of the Board and from time to time thereafter in connection with any vacancy request the National Mediation Board to appoint the neutral member.
- (5) The compensation and expenses of the Union member and the NJT Rail member shall be paid by the Union and NJT Rail respectively. The compensation and expenses of the neutral

member and all other expenses shall be paid by the National Mediation Board to the extent funds are appropriated for that purpose, and amounts not so paid shall be shared equally by NJT Rail and the Union.

- (6) The Board shall meet as required but not more than once a month and shall hear such matters within its jurisdiction as have been filed not less than 30 days prior to the meeting. Such meetings shall be convened in Newark, New Jersey.
- (7) Time limits with regard to appeals to the Board shall be controlled by Rule 6 Discipline and Rule 7 Grievances. The Board shall not hear untimely appeals.
- (8) At Board hearings, the parties may be heard in person, by counsel, or by other authorized representatives. The Board shall rule on the facts stated in the authorized record. The board shall have the authority to request the production of additional evidence by either party. The Board shall not conduct a trial de novo where hearings have already been held at a prior level in the grievance or discipline procedure.
- (9) The Board shall not have the authority to add to, subtract from, or modify any of the provisions of this Agreement, and all decisions shall be confined to the interpretation and application of this Agreement. The Board shall render a decision solely on the dispute submitted to it. Such decisions shall be in writing and furnished to the parties. The decision shall be final and binding on both parties.
- (10) Each member of the Board shall have one vote, and any two members of the Board in agreement shall issue a written decision. The dissenting member may issue an opinion.
- (11) The Board shall render a decision within thirty (30) days after the closing of the hearing on each claim, except where the case is mutually withdrawn.

(12) The Board hereby established shall continue in existence until it has disposed of all appeals submitted to it under this Agreement, after which it shall cease to exist, except for the interpretation of its awards as provided above.

REGULATION NO. 8 - MISCELLANEOUS

8-A-1. (a) A place shall be provided in all shops and engine houses, where, under lock and key, Company notices affecting shop operation shall be posted.

(b) A place shall be provided in all shops and engine houses, where, under lock and key, union representatives may post notices of interest to the employees.

No notice shall be posted without the permission of the shop management.

8-B-1. No employee injured at work shall be required to make a statement until he has received proper medical attention. A union representative of an injured employee may, if he so desires, and the injured employee has no objection, remain with the injured employee until medical attention has been given. Such representative when he accompanies an injured employee shall do so without compensation from, nor expense to, the Company, with the further understanding that he will not interfere with, nor disrupt, the Medical Department procedures or the prompt rendering of medical attention, and that he shall be subject to any and all limitations imposed by the medical officer or attending physician who is treating the injured employee or such limitations or restrictions as may be imposed by the medical facility at which the injured employee is being treated.

8-B-2. All yards and shops shall have first-aid kits on the premises. Said first-aid kits shall be kept in proper condition and inspected weekly.

8-B-3. (a) Employees who are qualified to render first aid shall be available at shops, yards, and engine houses.

(b) Notice shall be posted at all shops, yards and engine houses, showing location of first aid equipment; name, address and phone number of Medical Examiners and Company Surgeons; and the location and phone number of hospitals and ambulance service.

8-C-1. (a) Employees shall not be required to furnish their privately owned automobiles for Company use.

(b) Employees requested to and using their private automobiles for Company business shall be allowed mileage made for use thereof in accordance with the mileage rate established by the Company.

8-D-1. Employees shall be paid off during their regular working hours, bi-weekly, except where existing State laws require a more frequent paying off condition. Should the regular payday fall on one of the holidays specified in Regulation 4-C-2, or on days when the shops are closed down, men shall be paid on the preceding day.

8-D-2. Where there is a shortage equivalent to one day's pay or more in the pay of an employee, a voucher shall be issued upon request to cover the shortage.

8-D-3. Employees leaving the service of the Company shall be furnished within twenty-four (24) hours after leaving the service, if their service is at a point where vouchers are issued, with a time voucher covering all time due.

If their service is not at such a point, the voucher shall be furnished within forty-eight (48) hours (Saturdays, Sundays, and Holidays excepted), or earlier when possible.

8-D-4. During inclement weather, provision shall be made where buildings are available, to pay employees under shelter.

8-E-1. The Company shall furnish good drinking water, and ice if necessary. Drinking fountains shall be maintained in a sanitary and serviceable condition. The Company shall keep pits, floors, lockers, toilets, washrooms and lunchrooms, in good repair and in a clean, dry and sanitary condition.

8-E-2. Shops, locker rooms, washrooms and lunchrooms shall be lighted and heated in the best manner possible, consistent with the source of heat and light available at the point in question.

8-E-3. The Company shall, upon request, provide water and acid repellent clothing to employees engaged in the following work:

Cleaning manholes, pits and sumps; handling acid; handling storage battery elements; repairs to water main and tunnel sumps, wrecking; cleaning of cars and locomotives when caustic or similar solution is used; locomotive washing machine operation; locomotive boiler washing operation; lye vat operation.

Spark protective clothing must be furnished by the Company to employees engaged in all welding and cutting; leather gloves to welders; asbestos or leather gloves to employees who are required to handle hot tools or materials and to employee required to do cutting or burning with acetylene gas and oxygen; rubber gloves to employees who are required to work on high voltage circuits. Protective clothing shall be furnished to employees engaged in car foaming.

In the event atomic waste material is handled, necessary protective clothing shall be furnished the employees.

This clothing will be in custody of the General Foreman of the job assignment.

- 8-F-1. (a) (1) Except as otherwise provided in this regulation, wreck crews including Wreck Derrick Engineers, shall be composed of employees of the Carmen's Craft.
- (2) Where, on the effective date of this Agreement, established wrecking crews were composed of other than employees covered by this Agreement, such practice may be continued and shall not be considered as a violation of this Agreement.
- (b) (1) When a Maintenance of Equipment Department wreck train is used for wrecks outside of CT yard, shop or engine house territory, all members of the crew assigned to such wreck train will be called to perform the wreck service. If a wreck truck or over-the-road crane is used in lieu of a wreck train, it shall be manned by members of the established wreck train crew as are needed for which the wreck truck or over the road crane is substituted.
- (2) For wrecks or derailments inside CT yard, shop, or engine house territory, involving the use of part or all of such wreck train, including wreck trucks and over-the-road wreck cranes, only

such members of the wreck crew as are needed will be called to perform the wreck service.

- (3) For all other than wrecking service, involving the use of part or all of the wreck train or its equipment or wreck truck or over-the-road wreck crane, only such members of the wreck crew as are needed will be called.
- (4) The foregoing provisions of 8-F-1 (b) 1, 2 and 3 are not applicable at locations where there is established by advertisement an assigned crew, or crews to man a wreck truck or over-the-road wreck crane in lieu of a wreck train.
- (5) In the event other than Company owned equipment is used for wrecks, or for other than wrecking service, such available members as are deemed needed by management of the regular wreck train crew, wreck truck crew, over-the-road wreck crane crew and extra wreck list in this order, or as may be otherwise agreed to locally, will be called to perform ground service (not operating) with the other than Company owned equipment.
 - (i) If all members of the crew assigned to wreck train, wreck truck, over-the-road crane and the extra wreck list have been called and additional ground men are required, the use of other than employees covered by this Agreement is permissible.

(c) For minor derailment (not requiring the use of a wreck train, wreck truck or over-the-road wreck crane) occurring in CT yard, shop or engine house territory where Maintenance of Equipment Department wreck crews are maintained and when the Engine and Train service crew manning the derailed equipment requires assistance in re-railing equipment, such members of the regular wreck crew as are needed will be called to render the necessary assistance. For such minor derailments occurring at other points other qualified Carmen may be used in lieu of regular wreck forces to render such assistance.

(d) From time ordered to leave home station until his return, all time working, waiting and traveling incident to wreck service outside of the recognized straight time hours will be paid for at the time and one-half rate except that double

time will be allowed for time beyond 16 hours in the same 24 hour period computed from the starting time of the employee's regular shift.

(e) By mutual understanding between the local representative(s) and the local carrier officer, subject to the approval of the Senior Director-Labor Relations, the Director-Railroad Division and the involved General Chairman, territories covering the use of wreck train crews, wreck truck crews and over-the-road crane crews shall be established based upon the service requirements.

(f) Extra wrecking lists will be established to cover each wrecking territory. These lists will be comprised of any qualified Carmen assigned to car shop operations (unless otherwise agreed to locally), who desire to participate in extra wreck service

(g) It is understood, except through the application of paragraph (e), that the adopting of this rule will not be used as the basis for reducing the present number of Carmen positions assigned to wreck train, wreck truck or over-the-road wreck crane crews.

8-G-1. No employee shall be required to work under a locomotive, derrick, car, elevator, or mould without proper protection.

When the nature of the work to be done requires it, locomotives, derricks, or passenger cars shall be placed over a pit, if available.

8-G-2. (a) Employees who have been working on hot work shall not be required to work on cold work until given sufficient time to cool off.

(b) Not more than one oxy-acetylene welder or cutting operator or electric operator shall be required to work in firebox or shell of boiler at the same time unless proper ventilation is provided.

8-H-1. (a) The Parties to this Agreement recognize their respective obligations under Title VII of the Civil Rights Act of 1964 and pledge to comply with all Federal and State laws dealing with non-discrimination. More specifically, all personnel actions and conditions of employment and representation including, but not limited to, hire, compensation, promotions, transfers, training, discipline, return from furloughs, and terminations will be without regard to race, color, religion, sex, age, national origin, veteran or handicapped status.

Sexual harassment is considered a form of sex discrimination. No employee shall be subject to unwelcomed sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature by the company supervisors, the union or co-workers when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's 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, hostile or offensive work environment.

Racial, religious or ethnic slurs and other verbal or physical conduct relating to an individual's race, religion or national origin under the conditions described in (1) thru (3) above also constitute forms of prohibited discrimination.

The parties agree to ensure the prompt investigation and fair resolution of any and all complaints of discrimination; and to protect against adverse treatment of any person who has made a complaint of discrimination.

(b) Wherever words are used herein in the masculine gender, they shall be construed as though they were also used in the feminine gender in all cases where they would so apply.

(c) The Company shall not discriminate against any of its employees who are selected as representatives of the unions who from time to time represent other employees; nor shall the Company discriminate against any employee for testifying on behalf of other employees. Representatives of the unions will be granted leave of absence when delegated to represent other employees.

Where practicable, conferences between local official and local committees will be held during regular working hours without loss of time to committeemen, and when payment for such time is made, such time will be considered as compensated service for both vacation and holiday qualifying time.

It is understood that the foregoing paragraph shall apply to the regularly scheduled monthly meetings with the Manager Labor Relations, but that not more than two (2) committeemen for each local committee will be paid for time lost attending such meetings.

8-I-1. (a) When the requirements of the service will permit, an employee will be granted leave of absence under reasonable circumstances, but he must make written

application in duplicate to the Company official in charge, who will forward one (1) copy to the appropriate union representative.

If renewal is desired, written application in accordance with the foregoing requirements will be made prior to the expiration of the leave of absence previously granted.

(b) An employee while on leave of absence, who engages in work not covered by this Agreement, will forfeit his seniority unless special arrangements have been made with the Manager Labor Relations and the appropriate union representative.

(c) Leave of absence will be granted to any employee elected or appointed to a public office, for which a competitive examination is not required, subject to approval of the Manager Labor Relations and the appropriate union representative.

(d) An employee elected or appointed as a full time union representative will be granted a leave of absence.

(e) Employees who have opportunity to take employment with a government agency, which handles railroad matters, will be granted leave of absence, subject to approval of the Manager Labor Relations and the appropriate union representative.

(f) An employee covered by this Agreement who is transferred by the Company to a position not covered by this Agreement, in a category lower than that of supervisory rank, shall not be considered as excepted from the maintenance of membership requirements of the Union Shop Agreement. The Company will furnish the interested union representative with the names of employees so transferred.

8-I-2. An employee detained from work for any cause must notify his General Foreman as soon as possible.

8-J-1. (a) Except as provided in paragraph (c) below, periodical physical examinations shall be given during the employee's regular tour of duty, when practicable to do so, without loss of compensation to the employee.

(b) Examinations required of an employee returning from furlough or from a leave of absence, need not be given during the employee's regular tour of duty.

(c) When it is not practicable to give periodical physical examination during the regular tour of duty, employees shall not be paid for the time engaged in connection with examinations or reexaminations given outside the hours of their regular tours of duty.

(d) Examinations required of an employee returning from absence caused by sickness or disability shall be given, when practicable, during the employee's tour of duty without loss of compensation to the employee.

8-K-1. When an employee has been removed from his position on account of his physical condition and the Senior Director-Railroad Division or the General Chairman desires the question of his physical fitness to be finally decided before he is permanently removed from his position, the case shall be handled in the following manner:

The Senior Director-Railroad Division or the General Chairman shall bring the case to the attention of the Senior Director-Labor Relations. The Director-Labor Relations and the Director-Railroad Division or the General Chairman shall each select a doctor to represent them, each notifying the other of the name and address of the doctor selected. The two doctors thus selected shall confer and appoint a third doctor.

Such Board of Doctors shall fix a time and place for the employee to meet them. After completion of the examination, they shall make a full report in triplicate, one copy to be sent to the Director-Labor Relations, one copy to be sent to the Medical Director, and one copy to be sent to the Director-Railroad Division or General Chairman.

The decision of the Board of Doctors setting forth the employee's physical fitness and their conclusions as to whether he meets the requirements of the Company's physical examination policy shall be final, and shall be placed into effect within ten (10) days after the date on which the report is received by the Director-Labor Relations. In the event of a future physical change in the condition of the employee, either the Director-Labor Relations or the Director-Railroad Division

or General Chairman may, at a later time, begin proceedings for further examination of the employee by another Board of Doctors.

The doctors selected for a board shall be experts in the disease or injury from which the employee is alleged to be suffering, and they shall be located at a convenient point so that it will be necessary for the employee to travel a minimum distance, and if possible not be away from home longer than one day.

The Company and the organization shall each defray the expenses of their respective appointees. At the time their report is made, a bill for the fee and traveling expenses, if there are any, of the third appointee should be made in duplicate one copy to be sent to the Company Medical Director and one copy to the Director-Railroad Division or General Chairman. The Company and the organization shall each pay one-half of the fee and traveling expenses of the third appointee.

REGULATION NO. 9 - MUTUAL AGREEMENT

9-A-1. NJT Rail and the Union acknowledge this Agreement, together with its Appendices, to be their complete Agreement inclusive of all negotiable issues whether or not discussed.

9-A-2. All rules, agreements, practices or understanding, whether written or unwritten, however established, that were in effect or existed prior to the effective date of this Agreement are terminated, and hereafter only this Agreement and its terms shall apply.

9-A-3. Rules, agreements, practices or understandings, whether written or unwritten, which continue beyond the effective date of this contract, shall upon actual notice to NJT Rail be either terminated or affirmed by NJT Rail in writing. It is understood that NJT Rail cannot be construed to sanction or accept any practices, rules, agreements, or understandings, whether written or unwritten, existing outside of this Agreement, until actual notice to and affirmation by NJT Rail.

9-A-4. All economic benefits are contained in the Agreement and its Appendices and no payments shall be made except as required by this Agreement, unless NJT Rail explicitly agrees to such payments in writing. Such agreements shall be between NJT Rail and the Union.

9-A-5. The parties will recognize the need for cooperation in and support of changes in operating practices and procedures which would result in increasing productivity to the greatest extent possible in order to provide essential and economical commuter rail service and to enhance public support for commuter rail service.

REGULATION NO. 10 - VALIDITY

10-A-1. If any term or provision of this Agreement is at any time during the life of this Agreement in conflict with any law, such term or provision shall continue in effect only to the extent permitted by such law. If any term or provision of this Agreement is or becomes invalid, such invalidity shall not affect or impair any other term or provision of this Agreement.

10-A-2. NJT Rail retains and may exercise all rights, powers, duties, authority, and responsibilities conferred upon and vested in it by the laws and constitutions of the State of New Jersey and of the United States of America including the Railway Labor Act.

REGULATION NO. 11 - LEGISLATIVE ACTION

11-A-1. If any provision of this agreement requires legislative action or the appropriation of funds for its implementation, such provision shall become effective only after such legislative action or appropriations have been effected.

REGULATION NO. 12 - SENIORITY RETENTION

12-A-1. (a) Employees covered by this Agreement who have been or who are hereafter appointed to a position at NJT Rail shall retain and continue to accumulate seniority while occupying such position; provided that each employee who is appointed to a position at NJT Rail after January 1, 1983 will continue to accumulate seniority only upon his agreement to continue to pay union dues while occupying such position.

(b) Employees appointed to positions at NJT Rail who return to the ranks of shop craft employees may, within five (5) working days, exercise seniority over any junior employee in their craft. Other employees displaced as a result thereof may exercise their seniority in accordance with the provisions of Regulation 3-C-3.

REGULATION NO. 13 - ABSENT WITHOUT PERMISSION

13-A-1. (a) Employees who absent themselves from work for five (5) consecutive working days without notifying proper management authority shall be considered as having resigned from the service and will be removed from the seniority roster unless they furnish the carrier documented evidence of either physical incapacity or that circumstances beyond their control prevented such notification.

(b) If the Carrier refuses to accept such documented evidence, the employee or his representative may appeal such action in accordance with the discipline procedures.

REGULATION NO. 14 - CAPITAL PROJECT GANG (MOFE)

14-A-1. (a) The Carrier may establish "project gangs," upon notice to the General Chairman, consisting of employees from the various shop crafts. The purpose of the gang(s) is to provide a dedicated work force to perform capital program work to repair/modify rolling stock or major components. The employees who secure a "gang" position through the bulletin process must remain on the designated project for its duration. However, the required time to remain on the project shall not exceed twelve (12) months.

(b) Project employees may not be displaced (except to avoid a change of hours, rest days, work location or to avoid furlough of a qualified senior employee) nor may such employee voluntarily bid to another position outside the "gang" unless the job posting involves an upgrade. Upon completion of the project, employees may, within the time allowed under Regulation No. 3, Seniority, Paragraph 3-C-3, exercise seniority.

(c) It is understood and agreed that a capital project is an activity separately funded from regularly scheduled programmed maintenance. It is an independent activity which has a specific budget and a schedule for completion. Some examples of Mechanical Projects are as follows: Comet II glazing, Comet I-II toilet change out, F-40 Locomotive Overhaul Program, Pantograph Conversion, Evaporators, E-5 Deulostat.

REGULATION NO. 15. - EXPUNGEMENT OF DISCIPLINE

15-A-1. (a) If discipline assessed is a Reprimand and an employee maintains an unblemished record from the date of the G-32 (Notice of Discipline) for a one (1) year period (including warnings), then the Reprimand will be removed from his/her record.

(b) If an employee is assessed discipline of sixty (60) days or less and maintains an unblemished record from the date of the G-32 (Notice of Discipline) for a two (2) year period (including warnings), then the discipline will be removed from his/her record.

(c) For discipline assessed prior to date of this agreement, it is understood that the two (2) year period for expungement will commence with the date of ratification of this memorandum.

(d) It is understood and agreed that this rule does not apply to any discipline assessed for absenteeism, late starts or early quits.

REGULATION NO. 16 - TOOL ALLOWANCE

16-A-1. Annual tool allowance of \$100.00 as provided for in Memorandum of Understanding dated May 19, 1987, will increase by \$25.00 in July 1999 to be effective July 1999 and another \$25.00 in July 2000.

REGULATION NO. 17 - CLOTHING ALLOWANCE

17-A-1. Car Appearance Maintainers will be allowed an allowance of \$25.00 effective July 1999 to be increased by \$25.00 effective July 2000.

III. RATES OF PAY AND OTHER ECONOMIC TERMS

RULE NO. 1-RATES OF PAY

The following rates shall be paid to persons holding the specified grades for the following periods:

Effective July 1, 2003, all current wage rates shall be increased by three and one half (3½%) percent.

Effective July 1, 2002, all current wage rates shall be increased by three and one half (3½%) percent.

Effective July 1, 2001, all current wage rates shall be increased by three (3%) percent.

Effective July 1, 2000, all current wage rates shall be increased by three and one half (3½%) percent.

Effective July 1, 1999, all current wage rates shall be increased by three (3%) percent.

Effective July 1, 1998, all current wage rates shall be increased by three (3%) percent.

Effective July 1, 1997, all current wage rates shall be increased by three and one half (3½%) percent.

Effective July 1, 1996, a one (1%) percent general wage increase **and** a two (2%) lump sum payment based upon an employee's actual yearly gross earnings July 1, 1996, through June 30, 1997.

Effective July 1, 1995, all current hourly wage base rates shall be increased by three (3%) percent.

Effective July 1, 1994, all current hourly wage base rates shall be increased by three (3%) percent.

Effective July 1, 1993, all current hourly wage base rates shall be increased by three (3%) percent.

Effective July 1, 1992, three (3%) percent lump sum based upon an employee's actual hourly gross earnings July 1, 1992, through June 30, 1993.

Effective July 1, 1991 all current wage rates shall be increased by five percent (5%).

Effective July 1, 1990 all current wage rates shall be increased by five percent (5%).

Effective July 1, 1989 all current wage rates shall be increased by five percent (5%).

Effective July 1, 1988. all wage rates shall be increased by three percent (3%).

Effective July 1, 1987, all wage rates shall be increased by three percent (3%).

Effective July 1, 1986, all current wage rates will be increased by three percent (3%).

* Rates will become effective upon date of ratification.

RULE NO. 2-ENTRY LEVEL RATES AND WAGE PROGRESSION

A. Conrail employees transferring to NJT Rail on January 1, 1983 under the terms and conditions of the Implementing Agreement by and between NJT Rail and the Unions and employees recalled from Conrail furlough who were receiving full pay at Conrail shall be paid the rates specified in Rule

B. (1) Employees entering employment with NT Rail as Car Appearance Maintainers after January 1, 1983 shall be paid according to the following wage progression:

Months of Service	
<u>At NJT Rail</u>	<u>% of Base Pay</u>
0 - 12	70
12 - 24	80
24 - 36	90
36 +	100

(2) All other employees not qualifying under paragraph A and entering employment with NJT Rail after January 1, 1983 shall be paid according to the following wage progression:

Years of Service	
<u>At NJT Rail</u>	<u>% of Base Pay</u>
Less than One	80
One to Two	90
More than Two	100

C. Commencing upon date of the Agreement, applicants for employment in Grades A or Grade B, with prior passenger railroad experience in Grade A or Grade B or equivalent carmen's work will not be considered new hires subject to the provision of (B) above, except, that, such former railroad employees with less than twenty-four (24) months' experience will be paid in accordance with the schedule in paragraph B (ii) above. Previous passenger railroad craft experience will be used to determine where such an employee falls within the Entry Rate Schedule in paragraph B (ii).

RULE NO. 3 - VACATION

A. A full-time employee who is eligible for vacation because of continuous years of service with NJT Rail (including, for an employee transferred from the Consolidated Rail Corporation, any years of compensation service worked for Conrail as calculated pursuant to the Implementing Award to which NJT Rail and the Union are parties shall be entitled to vacation leave as provided in the National Vacation Agreement (effective December 31, 1982).

B. NJT Rail will recognize vacation time earned in service to the Consolidated Rail Corporation or predecessor railroads by an employee transferred to NJT Rail under the Implementing Agreement to which NJT Rail and the Union are signatory. Vacations earned under two or more agreements or under service performed with Conrail shall not be combined so as to create a vacation of more than the maximum number of days provided for in any of the individual agreements. Vacations earned in 1982 by an employee transferred to NJT Rail under the Implementing Award will be provided in accordance with the Implementing Award.

C. Effective date of ratification, employees with four (4) or more years of service may liquidate vacation in one day increments up to a maximum of five (5) days per calendar year, as follows:

- (1) Request for a single day vacation must be in writing and submitted to the office of the appropriate Department Head no more than thirty (30) days or less than forty-eight (48) hours before the date of usage.
- (2) When scheduling a single day vacation, employees will designate the vacation week from which they are drawing the single day. All subsequent single days of vacation will be drawn from the designated week in sequence. All remaining days in the designated week will be liquidated as originally scheduled.
- (3) Single day vacations shall not be used in conjunction with holidays, regular vacation week(s), or personal days. Consecutive single day vacation will not be granted.
- (4) Single day vacations will be granted on a first come, first serve basis in accordance with the requirements of service. The Department Head or his designee shall have the exclusive authority to grant a request for a single day vacation.

Same day requests for a single vacation day, if allowed, will be granted on a seniority basis.

- (5) The Carrier shall have the option to fill or not fill the position of an employee who is absent on a single vacation day. If the vacant position is filled, the rules of the agreement applicable thereto will apply. The Carrier will have the right to distribute work on a position vacated among other employees covered by the agreement.

RULE NO. 4 - HEALTH INSURANCE

A. With respect to hospital, surgical and medical benefits, and life and accidental death and dismemberment insurance benefits for active employees covered by this Agreement, NJT Rail will provide under a NJT Rail sponsored plan substantively comparable benefits to those provided active employees of Conrail under the Health and Welfare Plan of the National Railroad and Railway Labor Organizations, Travelers' Group Policy GA 23000.

Effective January 10, 1991 employees will have the option of purchasing through payroll deduction an additional five thousand (\$5,000.00) dollars Term Life and Accidental Death and Dismemberment Insurance at Carrier's Group Rate.

B. With respect to dental benefits for active employees covered by this Agreement, NJT Rail will provide under a NJT Rail sponsored plan substantively comparable benefits to those provided active employees of Conrail under the Railroad Employees National Dental Plan, Aetna Policy GP 12000.

C. With respect to hospital, surgical and medical benefits for NJT Rail employees who retire from active service, NJT Rail will provide under a NJT Rail sponsored plan substantively comparable benefits provided retired employees of Conrail effective December 31, 1982 under the National Railroad and Railway Labor Organizations Travelers' Group Policy GA 46000.

D. NJT Rail will provide its retired employees health and welfare benefits comparable to those provided under Travelers' GA-23111 at Conrail. The benefits shall be provided through a group policy covering NJT Rail employees after age 65 and shall provide benefits supplemental to Medicare. Any premiums shall be paid by the employee.

E. Effective January 1, 1999 the Traditional plan and Blue Select (PPO) will be offered to all employees. Effective July 1, 1999 HMO's, as well as Traditional and Blue Select, will be offered to all employees and each July 1 thereafter all employees will have the opportunity to select coverage from the available plans. (See Attachment 1a through 1d reference Blue Select)

- No in network deductibles
 - In network 90%/10% co-insurance
 - Out of network 70%/30% co-insurance of eligible expenses
 - Catastrophic coverage in-network after out of pocket co-insurance max \$500.00
 - Catastrophic coverage out of network after out of pocket co-insurance max \$1,500.00 of eligible expenses.
- HMO's offered July 1st of each year
 - Prescription Drug Card (Attachment 2)
 - Improved Dental Plan

- Basic plan for new hires (Attachment 3a)
 - For current employees (Attachment 3b)
 - Annual limit raised from \$1,000.00 to \$1,500.00 per year
 - Annual deductibles reduced from \$50.00 to \$35.00.
- Orthodontia limit raised from \$750.00 per year to \$1,000.00 per year
 - Eligibility for Health and Life Insurance Benefits:

Disabled Employees: Employees hired on or after date of ratification with less than one year of service shall be eligible for continuation of health and life insurance benefits under the terms of the Agreement until the first month after three (3) full months of disability. After one (1) year of service, such employees shall have the same eligibility for these benefits as all other employees. It is understood that this provision does not apply nor change the current eligibility requirements for benefits due employees who are injured while on duty.

Rx: Employees and dependents eligible only if enrolled in the Medical Plan.

Dental:

- (A) Basic 1st of month after 3 full months of service.
 - (B) Standard One (1) full year of enrollment in the Basic Plan.
- Dependent Children: End of year age 19; full-time students end of year age 23.

Life Insurance:

- (A) Age and Smoker 1st of month after one full year until retirement.
- /Non-Smoker
- Health Rated Subsequently only upon birth of a child or closing on the Purchase of a principal residence
- Supplemental Life Same as A
- (B) Supplement
- Accidental Death

- Improved Retiree Medical Provision - All plans (Attachment 4)

- Age reduced from 61 to 60
 - No lifetime maximum
- Opportunity to purchase Life Insurance by payroll deduction in amounts of \$25,000 or \$50,000 - All plans (Attachment 5)

	Traditional		Select	
	Weekly Contribution		Weekly Contribution	
	Before Tax	After Tax	Before Tax	After Tax
Single	\$2.00	\$1.20	\$1.25	\$0.75
Parent & Child	\$4.00	\$2.40	\$2.50	\$1.50
Husband & Wife	\$7.50	\$4.50	\$5.00	\$3.00
Family	\$9.00	\$5.40	\$7.50	\$4.50

Contributions for HMO Blue Subscribers waived for Rx and Dental as well as HMO.

RULE NO. 5 - OFF-TRACK VEHICLE INSURANCE

Under a NJT Rail sponsored plan, NJT Rail will provide off-track vehicle insurance coverage for positions presently covered by such benefits at Conrail. The benefit provided under this Rule will be substantively comparable to the benefits applicable to the positions at Conrail.

RULE NO. 6 - RIDERSHIP PASSES

NJT Rail shall provide each employee with a pass entitling the employee only to unlimited rides on all rail commuter lines in the NJT Rail system. The pass shall be issued annually and shall be valid only during the year in which issued. The pass will not be transferable.

RULE NO. 7 - SICK LEAVE

NJT Rail will provide to all non-operating craft employees under a NJT Rail sponsored plan, supplemental sickness benefits substantively comparable to those provided by Conrail to members of the shop craft organizations under a Supplemental Sickness Benefits Plan - Provident Life Group Policy 5000.

The January 1, 1983, Supplemental Sickness benefit shall be amended for periods of disability. The benefits provided for under the plan shall be revised as follows and is effective thirty (30) days upon notification of ratification:

	<u>Per Hour</u>	<u>Per Month</u>
Class I Employees Earning	\$13.95 or more	\$2,427 or more
Class II Employees Earning	11.40 or more but less than \$13.95	\$1,984 or more but less than \$2,427
Class III Employees Earning	Less than \$11.40	Less than \$1,984

Basic and Maximum Benefit Amount Per Month

	<u>Basic</u>	<u>RUIA</u>	<u>Maximum</u>
Class I	\$1,058	\$674	\$1,732
Class II	802	674	1,476
Class III	733	674	1,407

Combined Benefit Limitation

<u>Classification</u>	<u>Maximum Monthly Amount</u>
Class I	\$1,772
Class II	1,582
Class III	1,508

Plan Benefits During Initial Registration Period

An employee who is eligible to receive Plan benefits during his initial RUIA registration period shall receive from the Plan, for the fifth through the fourteenth days of disability in that period, the Basic Benefit specified in the Plan plus an amount equal to the total RUIA benefit that would have been payable to him for days of sickness in that period but for application of the initial waiting period mandated by existing law.

- (1) Sick Leave Plan:
 - a. Commencing date of this agreement each employee who has been full-time for six (6) months will be provided an annual allowance of five (5) sick days. Sick days may be accumulated and carried over from year to year. Sick banks are not subject to any maximum accumulation.

- b. Employees will be able to utilize any and all sick days in their bank for personal illness or injury, or to care for any sick or injured family member provided that the employee is primarily responsible for the care of such family member.
- c. There is no waiting period or exclusionary period prior to payment. Sick leave shall be paid at one hundred (100%) percent of the daily rate based on an eight (8) hour work day.

(2) Sick Leave Reimbursement

Any employee who leaves New Jersey Transit service for any reason, other than termination for cause, with a minimum of ten years of continuous service at the time of separation shall be entitled to a cash severance payment of fifty (50%) percent of the daily rate of pay of all accumulated but unused sick days, to a maximum of \$15,000, provided that the number of accumulated but unused sick days is at least fifty (50%) percent of the total number eligible.

Sick Leave Reimbursement Example:

An employee hired April 1990, voluntarily leaves the company in December 2015. The maximum sick days she/he could have accumulated in 25 years is 80 days (five (5) days each year for 16 years). At the time of separation she/he has a total of 40 unused sick days (at least 50% of the total number eligible). She/he is eligible for a cash severance payment of 20 days (50% of the accumulated but unused sick days) at her/his daily rate of pay at the time of separation.

(3) Sick Benefits

An employee who is eligible to receive Supplemental Sick Plan Benefits during his initial RUIA registration period shall receive from the Plan, for the fifth through the fourteenth days of disability in that period, the Basic Benefit specified in the Plan plus an amount equal to the total RUIA benefit that would have been payable to him for days of sickness in that period but for application of the initial waiting period mandated by existing law.

- (4) Every application for sick leave for a period over five (5) days, whether with or without pay, must be accompanied by medical proof satisfactory to New Jersey Transit and on a form to be furnished by New Jersey Transit setting forth the nature of the employee's illness and certifying that by reason of such illness the employee was unable to perform his duties for the period of absence.

The first five (5) paid sick days in a calendar year will not be counted as absence under the Carrier's Attendance Policy.

RULE NO. 8 - PERSONAL DAYS

- A. Commencing the date of this agreement the personal leave days referenced in Rule 8 as modified by MofU dated September is further amended as follows:
 - (1) An employee with ten (10) but less than fifteen (15) years of continuous service shall be entitled to one (1) additional day. (Total of four days)
 - (2) An employee with fifteen (15) or more years of continuous service shall be entitled to two (2) additional days. (Total of five days)
 - (3) Continuous years of service shall be calculated the same as vacation entitlements.

RULE NO. 9 - EYE CARE PACKAGE

A. It is agreed that NJT Rail will provide an Eye Care Program during the term of this agreement. The coverage shall provide for a \$25.00 payment for regular prescription eyeglasses or contact lens or \$30.00 for bifocal glasses or more complex prescriptions. Included are all eligible full-time employees and their eligible dependents. The extension of benefits to dependents shall be effective only after the new employee has been continuously employed for a minimum of sixty (60) days.

B. Full-time employees and eligible dependents as defined above shall be eligible for a maximum payment of \$25.00 or the cost, whichever is less, of an eye examination by an Ophthalmologist or an Optometrist.

C. Each eligible employee and dependent may receive only one (1) payment for glasses and one (1) payment for examinations every two (2) years. Submission of receipts are required of the employee in order to receive payments.

RULE NO. 10 - PENSION

A. Effective July 1, 1989, there shall be established a Section 401(a), Money Purchase Plan (a summary of which is appended hereto as Attachment 1). In addition, the parties agree that as soon as administratively possible, a Section 457, Employee Savings Plan, will be implemented. In the event of any inconsistencies between the attached summary and the plan documents, the plan documents shall govern.

B. There will be created a Pension Advisory Committee. The purpose of the Pension Advisory Committee is to provide non-binding advice to the NJTRO Board regarding the Section 401(a) and Section 457 Plans established pursuant to this Agreement.

C. Effective July 1, 1994, NJ TRANSIT will contribute an additional two (2%) percent to an employee's 401(a) account.

PROPOSED MONEY PURCHASE PENSION PLAN FOR NJ TRANSIT RAIL OPERATIONS EMPLOYEES

The following is a summary of the principle features to be incorporated in the proposed money purchase pension plan (Plan) for all NJ TRANSIT Rail Operations (NJTRO) employees in the employment of NJTRO or hired after the effective date of the Plan.

The provisions of this Plan can be modified in the development of the actual plan document if they are not inconsistent with the principle features summarized below. NJTRO may adopt amendments which may be necessary or appropriate to qualify or maintain the status of the Plan under Section 401(a) of the Code or any other applicable section of law (including ERISA) and the Regulations issued thereunder as now in effect or hereafter amended or adopted.

Item 1 - Qualifications

The Plan will be a funded, defined contribution money purchase pension plan covered by Section 401(a) of the Internal Revenue Code as applicable to governmental plans. All contributions made by the employer, as well as any earnings thereon and proceeds thereof, will be held in a separate trust that is exempt from taxation under Section 501(a) of the IRS code.

Item 2 - Eligibility

All full-time permanent employees will be covered under the Plan. The Plan will have an effective date of July 1, 1989.

Eligible employees will commence participation immediately after they become permanent full-time employees of NJTRO. All eligible employees will be required to participate in the Plan as a condition of their employment.

Item 3 - Contributions

NJTRO will contribute an amount equal to three percent of an employee's compensation into a participant's account. For this purpose, compensation means all W-2 earnings, including all overtime and other payments, as well as deferred compensation, but will not include taxable group life insurance premiums and any other taxable employee benefits. NJTRO contributions will be forwarded on a monthly basis to the trustee for investment.

Item 4 - Investments

The trust funds under the Plan will be invested by the Trustee in approved funds selected by the NJTRO Board. Each participant will direct how the contributions to his or her individual account are to be invested and will have an opportunity, on a yearly basis, to shift the balance in his or her accounts between the different investment options.

Item 5 - Vesting

NJTRO contributions on behalf of participant will vest upon the participant's completion of three years of service as a full-time employee from the effective

date of this plan, death while in covered employment with NJTRO, or on retirement from NJTRO service under the provisions of the Railroad Retirement Act, as amended. A participant whose employment terminates before vesting will forfeit the entire amount in his or her accounts derived from NJTRO contributions which monies will be available to NJTRO to reduce future NJTRO contributions or other uses.

Item 6 - Distributions

The normal retirement age under the Plan will be age 62 or at retirement age under the Railroad Retirement system. The Plan will provide an early retirement option for participants who reach age 55 and complete three years of effective service under the plan. The normal form of benefits payable to a participant will be a life annuity with no survivorship benefits for a participant who is not married; for married participants, the normal form of benefits will be a joint and a 50% survivor annuity with his or her spouse as joint annuitants, unless the participant with the consent of the spouse, elects another permissible form of an alternate benefit under the Plan (such as lump-sum distributions or a joint and two-thirds survivor annuity).

Upon termination from service with NJTRO, the vested participant prior to his or her normal or early retirement date will have the option to withdraw his or her entire account balance or have the balance of his or her account held until such time as the participant would otherwise be entitled to retire. For purpose of the Plan, termination shall not occur until all administrative remedies with respect to the termination have been fully exhausted.

No withdrawals or loans from the participant's account will be permissible while the participant continues an employment or deemed employment with NJTRO.

Item 7 - Plan Administration

The Plan will be administered by NJTRO. NJTRO Board will select a trustee under the Plan, an investment manager with whom the contributions are to be invested, and Administrator Manager of the Plan if different from the trustee.

Account performance fees related to investment of an individual account as charged by the investment manager will be charged directly to the account of the

participant involved. Regular administrative fees, such as those for legal counsel, and accounting and auditing services will be born by NJTRO.

IV. TERM OF AGREEMENT

A. This Agreement, together with its Appendices shall comprise the collective bargaining agreement between NJT Rail and its employees represented by the Union. It shall be come Effective January 1, 1983 and shall remain in effect until June 30, 1985 and thereafter, until changed in accordance with the provisions of the Railway labor Act, as amended.

B. During the period that this Agreement is in effect, neither party shall serve upon the other any notices under the railway labor Act to amend or change any provision of the agreement or its Appendices, or any matters not covered by this Agreement and its Appendices. This provision will not preclude the parties from entering into agreements which are mutually acceptable.

TRANSPORT WORKERS
OF AMERICA

NEW JERSEY TRANSIT
RAIL OPERATIONS, INC.

(original signed by)
Albert Terriego

(original signed by)
Martin E. Robins

BROTHERHOOD RAILWAY CARMEN OF THE
UNITED STATES AND CANADA

(original signed by)
Robert C. Shoemaker

AWARD

IMPLEMENTING AGREEMENT AWARDED THIS 14TH DAY OF OCTOBER 1982 BETWEEN THE NON-OPERATING EMPLOYEES REPRESENTED BY THE ORGANIZATIONS PARTICIPATING IN THE SECTION 508 ARBITRATION, NEW JERSEY TRANSIT RAIL OPERATIONS, INC. (NJTRO) AND CONSOLIDATED RAIL CORPORATION (CONRAIL) PURSUANT TO SECTION 1145 OF THE NORTHEAST RAIL SERVICE ACT OF 1981.

I. NUMBER OF EMPLOYEES

A. The number of employees on the NJTRO Seniority Roster will be equal to the number of positions in commuter service within the NJTRO region as of August 1, 1982.

B. The number of NJTRO positions advertised for bid and award will be equal to the number of positions in commuter service within the NJTRO region as of October 1, 1982. These positions will be discontinued on Conrail and transferred to NJTRO effective January 1, 1983.

II. PROCEDURES - OFFERS/ACCEPTANCE

A. The NJTRO positions referred to in Article I (B) will be advertised by special bulletin to employees of the involved crafts and classes in the appropriate Conrail seniority districts from October 19, 1982 through November 9, 1982. Awards of positions shall be made on December 1, 1982, and the jobs will be effective December 8, 1982.

B. The employees awarded the bulletined positions will be subject to displacement in accordance with the rules of the applicable Conrail collective bargaining agreement until 11:59 P.M., December 31, 1982.

C. With the exception of the timetable established in Article II(A), the bulletins and awards referred to in Article II(A) will be made in accordance with the provisions of the applicable Conrail collective bargaining agreement. The bulletin will include the following statement:

“This will serve as notice that these positions will be discontinued on Conrail and transferred to NJTRO effective January 1, 1983. The successful applicants for positions with NJTRO will be considered as having applied for and been accepted for employment by NJTRO. The bid and award (or subsequent displacement) will also be considered as the employee’s release to transfer the following records to NJTRO as of December 8, 1982 in order to effectuate administrative consistency in the transitions:

Last Name, Initials
Social Security Number
Date Entered Service
Occupational Classification (ICC)
Union Affiliation
Date of Birth
Home Address
Seniority Date”

These items are being furnished in order that payroll and Railroad Retirement records may be administratively transferred.

Nothing in this section is intended to limit NJTRO’s rights, if any, to revise the contents of the advertisements with respect to rates of pay, rules, and working conditions on or after January 1, 1983 in the event new collective bargaining agreements are not consummated under Section 510 of the Northeast Rail Service Act.

D. Vacancies that occur after the awards are made under paragraph A and before December 20, 1982 shall be advertised as part of the regular advertising procedure in accordance with the provisions of paragraph C of this Article II, except that the employee’s release to transfer the above specified records will be as of the effective date of any award.

E. Employees in the seniority districts involved who are on suspension, discharge pending appeal, disability, leave of absence or are full-time Union Representatives during the period from the advertisement date to December 31, 1982 who would otherwise have been entitled to transfer to NJTRO under the

provisions of this agreement, may within five working days following their return to service with Conrail, exercise seniority to an available position on NJTRO.

III. SENIORITY

A. There will be a single NJTRO Seniority District for each existing Conrail craft or class, except that the number and nature of classes in effect after January 1, 1983 will be determined by the applicable NJTRO collective bargaining agreement. The NJTRO Seniority District will encompass the area of NJTRO operations.

B. The NJTRO seniority date for employees transferring to NJTRO and for employees bidding for NJTRO jobs and not awarded a position, the total of such employees not to exceed the number on the NJTRO Seniority Roster established pursuant to Article I(A), shall be the date of earliest retained seniority, in the employee's present craft or class, with Conrail or a Conrail predecessor railroad. The NJTRO seniority date will be the only standard of seniority in awarding NJTRO jobs after December 31, 1982. "Prior right" seniority and point or locational seniority will not be applicable on NJTRO after December 31, 1982. No NJTRO employee, however, will be required to exercise his seniority at a distance of more than 30 miles from his home or then current work site as a condition of maintaining his NJTRO seniority unless otherwise provided in an applicable NJTRO collective bargaining agreement, provided, however, that this provision shall not be construed as restricting the right of NJTRO to transfer the location of any work.

C. The initial NJTRO Seniority district Roster shall be posted before March 1, 1983.

D. Employees transferred to NJTRO pursuant to Article II of this Agreement shall retain and continue to accumulate seniority on Conrail but shall only be entitled to exercise such seniority under the following circumstances:

1. If deprived of employment on NJTRO. "Deprived of Employment: as used herein means the inability of an employee covered by this Agreement to obtain a position in the normal exercise of his seniority rights with NJTRO. It shall not, however, include a deprivation of employment by reason or retirement, separation allowance, resignation, dismissal or

disciplinary suspension for cause, work stoppage or failure to work due to illness or disability. Employees who are deprived of employment and who exercise Conrail seniority rights will continue to be considered furloughed NJTRO employees and will be entitled to recall in accordance with the appropriate NJTRO agreement.

2. On May 1 and November 1 of each year, by written notice by the employee to Conrail and NJTRO, at least thirty (30) days in advance thereof, limited to not more than 10% of NJTRO employees in any craft or class, employees will be permitted to exercise such rights on any May 1 or November 1. In the event that more than 10% of NJTRO employees in a craft or class give notice of a desire to exercise such Conrail rights, the determination of which employees in such craft or class may exercise such rights will be made on the basis of seniority.

E. Employees returning to Conrail pursuant to Article III(D) (1) or III(D) (2) above shall exercise their Conrail seniority in accordance with the applicable Conrail rule governing employees returning from leave of absence.

F. Employees returning to Conrail pursuant to Article III(D) (1) above will maintain NJTRO seniority in accordance with the applicable NJTRO agreement.

G. Employees returning to Conrail pursuant to Article III(D) (2) or Article IV(c) will be terminated from NJTRO and forfeit all seniority on NJTRO.

H. The requirement of Section 508(c) (7) (E) of NRSA is covered by the existing Conrail collective bargaining agreement.

IV. EMPLOYMENT OPPORTUNITIES - UNSUCCESSFUL INITIAL NJTRO BIDDERS ON THE NJTRO SENIORITY ROSTER AND FURLOUGHED EMPLOYEES

A. Any position advertised after completion of the procedures in Article II of this agreement and not filled by then current NJTRO employees in accordance with the appropriate NJTRO collective bargaining agreement will be offered first to Conrail employees on the NJTRO Seniority Roster established

pursuant to Article I above. If any such positions remain vacant, NJTRO will offer such positions to furloughed Conrail employees with a seniority date prior to January 1, 1983 in the craft or class involved in seniority order who have indicated, in writing, to NJTRO and to Conrail, their desire for employment by NJTRO. Subject to the applicable NJTRO collective bargaining agreement, employees subject to this Article IV who decline an offer of employment by NJTRO shall forfeit all seniority rights or other preferential rights to employment on NJTRO.

B. Employees entering the employ of NJTRO under this Article IV will obtain NJTRO seniority in accordance with the applicable NJTRO collective bargaining agreement.

C. Furloughed Conrail employees accepted for employment by NJTRO under this Article IV will continue to be considered as furloughed Conrail employees and will be entitled to recall in accordance with the appropriate Conrail agreement.

V. VACATION ELIGIBILITY, ETC.

A. Subject to the provisions of the applicable NJTRO collective bargaining agreement, compensated days and years of service recognized by Conrail shall be used in determining eligibility for benefits such as vacation, sick pay and personal days for employees transferred under Article II or IV. Conversely, compensated days and years of service with NJTRO shall be used in determining eligibility for benefits, such as vacation, sick pay and personal days, for employees returning to Conrail under Article III or IV.

B. In the calendar year 1983, Conrail employees transferred to NJTRO in accordance with this agreement shall be granted not less than the number of vacation days with pay they would have received under the applicable Conrail agreement.

C. Service performed for Conrail prior to January 1, 1983 shall be considered in determining eligibility for holiday pay for New Year's Day that may be provided in the applicable NJTRO collective bargaining agreement.

D. There shall be no pyramiding or duplication of any benefit in the application of any portion of this agreement.

VI. DISPUTES

Any dispute or controversy with respect to the interpretation, application or enforcement of the provisions of this agreement which has not been resolved within 90 days may be submitted by any of the parties to an Adjustment Board for a final and binding decision thereon as provided for in Section 3, Second of the Railway Labor Act.

VII. EFFECT OF THIS AWARD

This Award will be considered as a separate agreement between NJTRO, Conrail and each of the non-operating craft organizations. This Award shall take effect on October 14, 1982.

AGREEMENT

This Agreement made this 29th day of August, 1952, by and between the participating carriers listed in and represented by the Eastern Carriers' Conference Committee, and the employees shown thereon and represented by the Railway Labor Organizations signatory hereto, through the Employees National Conference Committee, Seventeen Cooperating Railway Labor Organizations, witnesseth:

IT IS AGREED:

Section 1.

In accordance with and subject to the terms and conditions hereinafter set forth, all employees of the Carriers now or hereafter subject to the rules and working conditions agreements between the parties hereto, except as hereinafter provided, shall, as a condition of their continued employment subject to such agreements, become members of the organization party to this agreement representing their craft or class within sixty calendar days of the date they first perform compensated service as such employees after the effective date of this agreement, and thereafter shall maintain membership in such organization; except that such membership shall not be required of any individual until he has performed compensated service on thirty days within a period of twelve consecutive calendar months. Nothing in this agreement shall alter, enlarge or otherwise change the coverage of the present or future rules and working conditions agreements.

Section 2.

This agreement shall not apply to employees while occupying positions which are excepted from the bulletining and displacement rules of the individual agreements, but this provision shall not include employees who are subordinate to and report to other employees who are covered by this agreement. However, such excepted employees are free to be members of the organization at their option.

Section 3.

(a) Employees who retain seniority under the Rules and Working conditions Agreements governing their class or craft and who are regularly assigned or transferred to full time employment not covered by such agreements, or who, for a period of thirty days or more, are (1) furloughed on account of force reduction, or (2) on leave of absence, or (3) absent on account of sickness or disability, will not be required to maintain membership as provided in Section 1 of this agreement so long as they remain in such other employment, or furloughed or absent as herein provided, but they may do so at their option. Should such employees return to any services covered by the said Rules and Working Conditions Agreements and continue therein thirty calendar days or more, irrespective of the number of days actually worked during that period, they shall, as a condition of their continued employment subject to such agreements, be required to become and remain members of the organization representing their class or craft within thirty-five calendar days from date of their return to such service.

(b) The seniority status and rights of employees furloughed to serve in the Armed Forces or granted leaves of absence to engage in studies under an educational aid program sponsored by the federal government or a state government for the benefit of ex-service men shall not be terminated by reason of any of the provisions of this agreement but such employees shall, upon resumption of employment, be considered as new employees for the purposes of applying this agreement.

(c) Employees who retain seniority under the rule and working conditions agreements governing their class or craft and who, for reasons other than those specified in subsections (a) and (b) of this section, are not in service covered by such agreements, or leave such service, will not be required to maintain membership as provided in Section 1 of this agreement so long as they are not in service covered by such agreements, but they may do so at their option. Should such employees return to any service covered by the said rules and working conditions agreement they shall, as a condition of their continued employment, be required, from the date of return to such service, to become and remain members in the organization representing their class or craft.

(d) Employees who retain seniority under the rules and working conditions agreements of their class or craft, who are members of an organization

signatory hereto representing that class or craft and who in accordance with the rules and working conditions agreement of that class or craft temporarily perform work in another class of service shall not be required to be members of another organization party hereto whose agreement covers the other class of service until the date the employees hold regularly assigned positions within the scope of the agreement covering such other class of service.

Section 4.

Nothing in this agreement shall require an employee to become or to remain a member of the organization if such membership is not available to such employee upon the same terms and conditions as are generally applicable to any other member, or if the membership as such employee is denied or terminated for any reason other than the failure of the employee to tender the periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership. For purposes of this agreement, dues, fees, and assessments, shall be deemed to be "uniformly required" if they are required of all employees in the same status at the same time in the same organizational unit.

Section 5.

(a) Each employee covered by the provisions of this agreement shall be considered by a carrier to have met the requirements of the agreement unless and until such carrier is advised to the contrary in writing by the organization. The organization will notify the carrier in writing by Registered Mail, Return Receipt Requested, or personal delivery evidenced by receipt, of any employee who it is alleged has failed to comply with the terms of this agreement and who the organization therefore claims is not entitled to continue in employment subject to the Rules and Working Conditions Agreement. The form of notice to be used shall be agreed upon by the individual railroad and the organizations involved and the form shall make provision for specifying the reasons for the allegation of non-compliance. Upon receipt of such notice, the carrier will within ten calendar days of such receipt, so notify the employee concerned in writing by Registered mail, Return Receipt Requested, or by personal delivery evidenced by receipt. Copy of such notice to the employee shall be given the organization. An employee so notified who disputes the fact that he has failed to comply with the terms of this agreement, shall within a period of ten calendar days from the date of receipt of such notice, request the carrier in writing by Registered Mail, Return

Receipt Requested, or by personal delivery evidenced by receipt, to accord him a hearing. Upon receipt of such request the carrier shall set a date for hearing which shall be held within ten calendar days of the date of request therefore. Notice of the date set for hearing shall be promptly given the employee in writing with copy to the organization, by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. A representative of the organization shall attend and participate in the hearing. The receipt by the carrier of a request for a hearing shall operate to stay action on the termination of employment until the hearing is held and the decision of the carrier is rendered.

In the event the employee concerned does not request a hearing as provided herein, the carrier shall proceed to terminate his seniority and employment under the Rules and Working Conditions Agreement not later than thirty calendar days from receipt of the above described notice from the organization, unless the carrier and the organization agree otherwise in writing.

(b) The Carrier shall determine on the basis of the evidence produced at the hearing whether or not the employee has complied with the terms of this agreement and shall render a decision within twenty calendar days from the date that the hearing is closed, and the employee and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested.

If the decision is that the employee has not complied with the terms of this agreement, his seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision except as hereinafter provided or unless the carrier and the organization agree otherwise in writing.

If the decision is not satisfactory to the employee or to the organization it may be appealed in writing, by Registered Mail, Return Receipt Requested, directly to the highest officer of the carrier designated to handle appeals under this agreement. Such appeals must be received by such officer within ten calendar days of the date of the decision appealed from and shall operate to stay action on the termination of seniority and employment, until the decision on appeal is rendered. The carrier shall promptly notify the other party in writing of any such appeal, by Registered Mail, Return Receipt Requested. The decision on such appeal shall be rendered within twenty calendar days of the date the notice of appeal is received, and the employee and the organization shall

be promptly advised thereof in writing by Registered Mail, Return Receipt Requested.

If the decision on such appeal is that the employee has not complied with the terms of this agreement, his seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision unless selection of a neutral is requested as provided below, or unless the carrier and the organization agree otherwise in writing. The decision on appeal shall be final and binding unless within ten calendar days from the date of the decision the organization or the employee involved request the selection of a neutral person to decide the dispute as provided in Section 5(c) below. Any request for selection of a neutral person as provided in Section 5(c) below shall operate to stay action on the termination of seniority and employment until not more than ten calendar days from the date decision is rendered by the neutral person.

(c) If within ten calendar days after the date of a decision on appeal by the highest officer of the carrier designated to handle appeals under this agreement the organization or the employee involved requests such highest officer in writing by Registered Mail, Return Receipt Requested, that a neutral be appointed to decide the dispute, a neutral person to act as sole arbitrator to decide the dispute shall be selected by the highest officer of the carrier designated to handle appeals under this agreement or his designated representative, the Chief Executive of the organization or his designated representative, and the employee involved or his representative. If they are unable to agree upon the selection of a neutral person any one of them may request the Chairman of the National Mediation Board in writing to appoint such neutral. The carrier, the organization and the employee involved shall have the right to appear and present evidence at a hearing before such neutral arbitrator. Any decision by such neutral arbitrator shall be made within thirty calendar days from the date of receipt of the request for his appointment and shall be final and binding upon the parties. The carrier, the employee, and the organization shall be promptly advised thereof in writing by Registered mail, Return Receipt Requested. If the position of the employee is sustained, the fees, salary and expenses of the neutral arbitrator shall be borne in equal shares by the carrier and the organization; if the employee's position is not sustained, such fees, salary and expenses shall be borne in equal shares by the carrier, the organization and the employee.

(d) The time periods specified in this section may be extended in individual cases by written agreement between the carrier and the organization.

(e) Provisions of investigation and discipline rules contained in the Rules and Working Conditions Agreement between a carrier and the organization will not apply to cases arising under this agreement.

(f) The General Chairman of the organization shall notify the carrier in writing of the title(s) and address(es) of its representatives who are authorized to serve and receive the notices described in this agreement. The carrier shall notify the General Chairman of the organization in writing of the title(s) and address(es) of its representatives who are authorized to receive and serve the notices described in this agreement.

(g) In computing the time periods specified in this agreement, the date on which a notice is received or decision rendered shall not be counted.

Section 6.

Other provisions of this agreement to the contrary notwithstanding, the carrier shall not be required to terminate the employment of an employee until such time as a qualified replacement is available. The carrier may not, however, retain such employee in service under the provisions of this section for a period in excess of sixty calendar days from the date of the last decision rendered under the provisions of Section 5, or ninety calendar days from date of receipt of notice from the organization in cases where the employee does not request a hearing. The employee whose employment is extended under the provisions of this section shall not, during such extension, retain or acquire any seniority rights. The position will be advertised as vacant under the bulletining rules of the respective agreements but the employee may remain on the position he held at the time of the last decision, or at the date of receipt of notice where no hearing is requested pending the assignment of the successful applicant, unless displaced or unless the position is abolished. The above periods may be extended by agreement between the carrier and the organization involved.

Section 7.

An employee whose seniority and employment under the Rules and Working Conditions Agreement is terminated pursuant to the provisions of this

agreement or whose employment is extended under Section 6 shall have no time or money claims by reason thereof.

If the final determination under Section 5 of this agreement is that an employee's seniority and employment in a craft or class shall be terminated, no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or non-compliance with any part of this agreement shall arise or accrue during the period up to the expiration of the 60 or 90 day periods specified in Section 6, or while such determination may be stayed by a court, or while a discharged employee may be restored to service pursuant to judicial determination. During such periods, no provision of any other agreement between the parties hereto shall be used as the basis for a grievance or time or money claim by or on behalf of any employee against the carrier predicated upon any action taken by the carrier in applying or complying with this agreement or upon an alleged violation, misapplication or non-compliance with any provision of this agreement. If the final determination under Section 5 of this agreement is that an employee's employment and seniority shall not be terminated, his continuance in service shall give rise to no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or non-compliance with any part of this agreement.

Section 8.

In the event that seniority and employment under the Rules and Working Conditions agreement is terminated by the carrier under the provisions of this agreement, and such termination of seniority and employment is subsequently determined to be improper, unlawful, or unenforceable, the organization shall indemnify and save harmless the carrier against any and all liability arising as the result of such improper, unlawful, or unenforceable termination of seniority and employment; provided however, that this section shall not apply to any case in which the carrier involved is the plaintiff or the moving party in the action in which the aforesaid determination is made or in which case such carrier acts in collusion with any employee; provided further, that the aforementioned liability shall not extend to the expense to the carrier in defending suits by employees whose seniority and employment are terminated by the carrier under the provisions of this agreement.

Section 9.

An employee whose employment is terminated as a result of non-compliance with the provisions of this agreement shall be regarded as having terminated his employee relationship for vacation purposes.

Section 10.

(a) The carriers party to this agreement shall periodically deduct from the wages of employees subject to this agreement periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in such organization, and shall pay the amount so deducted to such officer of the organization as the organization shall designate; provided, however, that the requirement of this subsection (a) shall not be effective with respect to any individual employee until he shall have furnished the carrier with a written assignment to the organization of such membership dues, initiation fees and assessments, which assignment shall be revocable in writing after the expiration of one year or upon the termination of this agreement whichever occurs sooner.

(b) The provisions of subsection (a) of this section shall not become effective unless and until the carrier and the organization shall, as a result of further negotiations pursuant to the recommendations of Emergency Board No. 98, agree upon the terms and conditions under which such provisions shall be applied; such agreement to include, but not be restricted to, the means of making said deductions, the amounts to be deducted, the form, procurement and filing of authorization certificates, the frequency of deductions, the priority of said deductions with other deductions now or hereafter authorized, the payment and distribution of amounts withheld and any other matters pertinent thereto.

Section 11.

This agreement shall become effective on September 15, 1952, and is in full and final settlement of notices, served upon the carriers by the organizations, signatory hereto, on or about February 5, 1951. It shall be construed as a separate agreement by and on behalf of each carrier party hereto and those employees represented by each organization on each of said carriers as heretofore stated. This agreement shall remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act, as amended.

SIGNED AT WASHINGTON, D.C. THIS TWENTY-NINTH DAY OF
AUGUST, 1952.

FOR THE PARTICIPATING EMPLOYEES' NATIONAL
CARRIERS LISTED IN CONFERENCE COMMITTEE,
EXHIBIT A: SEVENTEEN COOPERATING
RAILWAY LABOR ORGANIZATIONS

(SIGNATURES NOT REPRODUCED)

THIS AGREEMENT IS ENTERED INTO THIS 8TH DAY OF JULY 1977, BY AND BETWEEN CONSOLIDATED RAIL CORPORATION AND ITS EMPLOYEES IN THE MAINTENANCE OF EQUIPMENT DEPARTMENT REPRESENTED BY THE TRANSPORT WORKERS UNION OF AMERICA AND BROTHERHOOD RAILWAY CARMEN OF UNITED STATES AND CANADA.

IT IS AGREED:

ARTICLE I
UNION SHOP

1. Subject to the terms and conditions hereinafter set forth all employees of the Company who are covered by all rules and working conditions agreement between the Company and the unions and while assigned to positions which come within the Scope of that agreement shall, as a condition of their continued employment subject to such agreement, be governed by the following:

2. An employee in the service of the Company on the effective date of this Agreement, who is on such date a member of one of the unions through voluntary membership, will satisfy the requirements of Paragraph 1 hereof by retaining such membership during the period he is assigned to a position referred to in Paragraph 1 hereof, or during the period of this Agreement remains in effect, whichever is shorter.

3. An employee assigned to a position included within the Scope of this Agreement, as provided in Paragraph 1 hereof, in the service of the Company on the effective date of this Agreement, who is not on such date a member of one of the unions, will satisfy the requirement of Paragraph 1 hereof, by acquiring membership in one of the unions within sixty (60) calendar days of the effective date of this Agreement and thereafter retains membership during the period he is assigned to a position referred to in Paragraph 1 hereof, or during the period this Agreement remains in effect, whichever is shorter.

4. A person not in the service of the Company on the effective date of this Agreement and who thereafter is assigned to a position included within the Scope of this Agreement, as provided in Paragraph 1 hereof, will satisfy the requirements of that paragraph by acquiring membership in one of the unions

within sixty (60) calendar days of the date such employee is assigned to such position and by thereafter retaining membership during the period such employee is assigned, or during the period this Agreement remains in effect, whichever is shorter.

5. Nothing in this Agreement shall require an employee to become or remain a member of one of the unions if such membership is not available to such employee upon the same terms and conditions as are generally applicable to any other member, or if membership is denied or terminated for any reason other than the failure of the employee to tender periodic dues, initiation fees and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in one of the unions. The dues, initiation fees, and assessments referred to herein means indebtedness accruing for these items following the effective date of this Agreement.

6. Every employee, as referred to in Paragraph 1 hereof, shall be considered by the Company either to be a member of one of the unions as provided for herein, or as having been denied membership in one of the unions signatory hereto, unless the Company is advised to the contrary in writing by one of the unions. The involved union shall be responsible for initiating action to enforce the terms of this Agreement.

7. (a) An employee promoted to an official or other position not included within the Scope of this Agreement as provided in Paragraph I hereof, who retains and/or accumulates seniority under the provisions of the rules and working conditions agreement, will not, while so assigned, have his seniority terminated by reason of any of the provisions of this Agreement.

(b) An employee assigned to a position not included within this agreement as provided in Paragraph 1 hereof, who retains and/or accumulates seniority under the provisions of the rules and working conditions agreement, will not, while so assigned, have his seniority terminated by reason of any of the provisions of this Agreement.

8. An employee furloughed due to reduction of force, or who is off duty by reason of sickness, or leave of absence who retains and/or accumulated seniority under the provisions of the rules and working conditions agreement will not have such seniority terminated by reason of any of the provisions of this Agreement.

9. The seniority status and right of an employee furloughed to serve in the Armed Forces shall not be terminated by reason of any of the provisions of this Agreement.

10. An employee retired on disability annuity under the Railroad Retirement Act at an age earlier than sixty-five (65) and who retains seniority until he reaches the age of sixty-five (65) shall not have his seniority status and rights terminated by reason of any of the provisions of this Agreement.

11. (a) The involved union shall be responsible for filing notice with the Company concerning an employee who has failed to comply with the membership requirements of this Agreement, and unless notified to the contrary by the union, an employee will be considered by the Company as having fulfilled the requirements of this Agreement.

(b) The designated official of the involved union will furnish to the appropriate Manager Labor Relations written notice, in duplicate, showing the name, title, roster number, and seniority district of each employee who has failed to comply with the membership requirements of this Agreement.

12. (a) Within five (5) calendar days from date the Manager Labor Relations receives notice provided for in Paragraph 11 (b), the Manager Labor Relations shall transmit the designated official's notice to the employee named therein, and furnish to the designated official a copy of the transmittal letter.

(b) An employee will be considered notified if the designated official's notice has been sent to his last known address through certified United States mail with return receipt requested.

(c) Fifteen (15) calendar days from the date the Manager Labor Relations mailed the notice to the employee, as provided in Paragraph 12 (a) hereof, the said employee's seniority shall be terminated, unless notice is withdrawn by the involved union in the interim, or request for hearing is filed by the employee in accordance with the provisions of Paragraph 13 (b) hereof.

13. (a) Rules pertaining to discipline and appeals of the rules and working conditions Agreement between the Company and the unions, are inapplicable to the termination of seniority provided for in this Agreement.

(b) An employee notified in accordance with the provisions of Paragraph 12 (a), that he has failed to comply with membership provisions of this Agreement, may file a written request with the Manager Labor Relations for a hearing; to receive consideration, such request must be received by the Manager Labor Relations within ten (10) calendar days from the date the Manager Labor Relations mailed the notice to the employee.

Receipt by the Manager Labor Relations of notice from an employee that he wishes to dispute the charge that he has failed to comply with the membership requirements of this agreement shall operate to stay action on the termination of his seniority pending final decision for a period of ten (10) days thereafter. In any event, such termination will not be required to be effective until such time as a qualified employee for him is available through the normal process, but in no event shall such period exceed thirty (30) days from the date of final decision.

Receipt by the Manager Labor Relations of notice from an employee that he wishes to dispute the charge that he has failed to comply with the membership requirements of this agreement shall operate to stay action on the termination of his seniority pending final decision for a period of ten (10) days thereafter. In any event, such termination will not be required to be effective until such time as a qualified employee for him is available through the normal process, but in no event shall such period exceed thirty (30) days from the date of final decision.

(c) The hearing referred to in Paragraph 13 (b) shall be held within ten (10) calendar days from the date request is received by the Manager Labor Relations; the employee shall be notified of the place and time fixed for the hearing and copy of such notification shall be furnished the designated official, and the union may be represented at the hearing.

Such hearing shall be confined exclusively to the question of the employee's compliance with the membership provisions of this Agreement. The employee will be required at this hearing to furnish substantial proof of his compliance with the provisions of this Agreement.

(d) The decision of the Manager Labor Relations shall be rendered within five (5) calendar days of the hearing and shall be final, unless appeal therefrom is taken as provided in Paragraph 13 (f) hereof. The designated official shall be furnished with a copy of the decision.

(e) When the Manager Labor Relation's decision confirms findings that the employee failed to comply with the provisions of this Agreement, such employee's seniority under this Agreement shall be terminated five (5) calendar days after date of Manager Labor Relation's decision, except receipt by the Manager Labor Relations of notice of appeal as provided in Paragraph 13 (f) hereof, shall operate to stay action on the termination of such employee's seniority pending final decision. In any event, such termination will not be required to be effective until such time as a qualified employee is available for him through the normal process, but in no event shall such period exceed thirty (30) days from date of final decision.

(f) In the event either the employee or the union desires to dispute the decision of the Manager Labor Relations and so advises the Manager Labor Relations, in writing, within ten (10) calendar days from the mailing date of the Manager Labor Relation's notice, such dispute shall be submitted to a neutral arbitrator, to be selected by the National Mediation Board, whose decision as to whether or not the employee has complied with the membership requirements of this agreement shall be final and binding. All fees, salary and expenses of the neutral arbitrator shall be borne equally by the Company and the involved union.

14. Employees whose services are terminated for non-compliance with the provisions of this Agreement shall not be regarded as having terminated their employee relationship for all vacation purposes.

15. An employee dropped from the service account of non-compliance with the provisions of this Agreement shall not thereafter be restored to the service except as a new employee, or except as provided for in Paragraph 16 thereof.

16. If an employee is released from the service for non-compliance with the provisions of this Agreement and such release is subsequently determined to be improper, unlawful or unenforceable, the employee shall be returned to service without impairment of seniority rights.

17. (a) Neither this Agreement nor any provision contained herein shall be used in any manner whatsoever as a basis for a grievance or time or money claim by or on behalf of any employee against the Company; nor shall any provision of any other agreement between the parties hereto be used as a basis for a grievance or time or money claim by or on behalf of any employee against the Company predicated upon any action taken by the Company in applying or complying with this Agreement or upon an alleged violation, misapplication or non-compliance with any provision of this Agreement.

(b) In the event that seniority in the craft covered by this Agreement is terminated under the provisions of this Agreement, and such termination of seniority is subsequently determined to be improper, unlawful, or unenforceable, the employee whose seniority was so terminated shall be returned to service in said craft or class without impairment of seniority rights and the unions shall indemnify and save harmless the Company against any and all liability, including wage loss, arising as the result of such improper, unlawful, or enforceable termination of seniority and employment.

ARTICLE II-DUES DEDUCTION

1. Subject to the conditions herein set forth, the Company will withhold and deduct from wages due employees represented by the Transport Worker Union of America or Brotherhood Railway Carmen of United States and Canada, amounts equal to periodic dues, initiation fees and assessments (not including fines and penalties, nor insurance premiums unless included in the periodic dues) uniformly required as a condition of acquiring or retaining membership in the respective union.

2. No such deduction shall be made except from the wages of an employee who has executed and furnished to the Company a written assignment, in the manner and form herein provided, of such periodic dues, initiation fees and assessments. Such assignment shall be on the form specified in Attachment "A" hereto and shall, in accordance with its terms, be irrevocable for one (1) year from the date of its execution, or upon the termination of this Agreement, or upon the termination of the rules and working conditions agreement between the parties hereto, whichever occurs sooner. Current wage deduction assignments executed under former railroad agreements will continue in effect.

3. Additions or deletions of names, or changes in amount, shall hereafter be furnished the Director-Payroll Operations, by the respective union, using a typewritten deduction list in the form and containing such information as is specified in Attachment "B" hereto, on or before the 20th day preceding the month in which the deduction will be made.

4. Deductions as provided for herein will be made monthly by the Company from wages due employees for the first biweekly pay period (or corresponding period for those paid on a weekly basis) which ends in each calendar month and the Company will pay, by draft, to the respective order of the union the total amount of such deductions on or before the last day of the month following the month in which such deductions are made. With said draft the Company shall return to the respective union a listing identifying the deductions made and not made containing a computation of the sum withheld.

5. No deduction will be made from the wages of any employee who does not have due to him for the pay period specified an amount equal to the sum to be deducted in accordance with this Agreement, after all deductions for the following purposes have been made:

- (a) Federal, State, and Municipal Taxes;
- (b) Supplemental Pension;
- (c) Other deductions required by law, such as garnishment and attachment;
- (d) Amounts due Company;
- (e) Contributions to Voluntary Relief Department.

6. Responsibility of the Company under this Agreement shall be limited to remitting to the union amounts actually deducted from the wages of employees pursuant to this Agreement and the Company shall not be responsible financially or otherwise for failure to make proper deductions. Any questions arising as to the correctness of the amount deducted shall be handled between the employee involved and the respective union, and any complaints against the Company in connection therewith shall be handled by the respective union on behalf of the employee concerned.

7. An employee who has executed and furnished to the Company an assignment may revoke said assignment by executing the revocation form specified herein within fifteen (15) days after the end of the year, but if the employee does not so revoke the assignment it shall be considered as re-executed and may not be revoked for an additional period of one (1) year, unless within such year this Agreement or the rules and working conditions agreement between the parties hereto is terminated, and the re-executed assignment shall similarly continue in full force and effect and be considered as re-executed from year to year unless and until the employee shall execute a revocation for within fifteen (15) days after the end of any such year. Revocations of assignments shall be in writing and on the form specified in Attachment "C" hereto. Attachment A, B and C shall be reproduced and furnished as necessary by the respective union without cost to the Company. The unions shall assume the full responsibility for the procurement of the execution of said forms by employees, and for the delivery of said forms to the Company. Assignment and revocation of assignment forms shall be delivered with the deduction list herein provided for, to the Company not later than the 20th of the month preceding the month in which the deduction or termination of deduction is to become effective.

8. No part of this Agreement shall be used in any manner whatsoever, either directly or indirectly, as a base for a grievance or time claim by or in behalf of any employee; and no part of this or any other agreement between the company and the unions shall be used as a basis for a grievance or time claim by or in behalf of any employee predicated upon any alleged violation of, or misapplication of, or non-compliance with, any part of this Agreement.

9. The unions shall indemnify, defend and save harmless the Company from any and all claims, demands, losses or demand resulting from the entering into or complying with the provisions of this Agreement.

This Agreement shall become effective September 1, 1977 and shall remain in effect until changed or modified in accordance with the Railway Labor Act, as amended.

Signed at Philadelphia, Pennsylvania, this 8th day of July 1977.

TRANSPORT WORKERS UNION OF AMERICA

(original signed by)
Albert Terriego
Director- Railroad Division

(original signed by)
Robert W. McManus
Member-Negotiating Committee

(original signed by)
James F. Sherlock
Member-Negotiating Committee

(original signed by)
B.E. Porta
Member-Negotiating Committee

(original signed by)
John Wilson
Member-Negotiating Committee

(original signed by)
J.M. SARA
Member-Negotiating Committee

CONSOLIDATED RAIL CORPORATION

(original signed by)
A. E. Egbers
Vice President-Labor Relations

(original signed by)
J. R. Walsh
Director , Labor Relations

(original signed by)
G. F. Bent
Director Labor Relations

BROTHERHOOD RAILWAY CARMEN
OF UNITED STATES & CANADA

(original signed by)
O.W. Jacobson
General President

(original signed by)
C.C. Bevins
Vice President

(original signed by)
Henry R. Kwiatko
General Chairman

(original signed by)
Paul R. Yeager
General Chairman

(original signed by)
C.B. Prutzman, Jr.
General Chairman

(original signed by)
Robert L. Shoemaker
General Chairman

(original signed by)
Alexander Leshik
General Chairman

(original signed by)
R. Entler
General Chairman

(original signed by)
E. Burnside
General Chairman

(original signed by)
P. Poto
General Chairman

WAGE DEDUCTION AUTHORIZATION
NEW JERSEY TRANSIT RAIL OPERATIONS
AND
TRANSPORT WORKERS UNION
OF AMERICA

SOCIAL SECURITY NUMBER

EMPLOYEE NUMBER

PRINT NAME (LAST NAME, FIRST NAME, MIDDLE INITIAL)

WORK LOCATION

HOME ADDRESS (STREET AND NUMBER, CITY, STATE, ZIP
CODE)

ASSISTANT CONTROLLER - PAYROLL, NJ TRANSIT RAIL OPERATIONS, INC.

I HEREBY ASSIGN TO THE TRANSPORT WORKERS UNION OF AMERICA THAT
PART OF MY WAGES NECESSARY TO PAY INITIATION FEES, PERIODIC DUES
AND ASSESSMENTS (NOT INCLUDING FINES AND PENALTIES) AS CERTIFIED
TO THE COMPANY BY THE UNION AS PROVIDED IN THE DEDUCTION
AGREEMENT, EFFECTIVE SEPTEMBER 1, 1977 AND AUTHORIZE THE
COMPANY TO DEDUCT SUCH SUM FROM MY WAGES AND PAY IT OVER TO
THE UNION IN ACCORDANCE WITH THE DEDUCTION AGREEMENT.

DATE SIGNATURE LOCAL NUMBER

WAGE DEDUCTION AUTHORIZATION
NEW JERSEY TRANSIT RAIL OPERATIONS
AND
THE BROTHERHOOD RAILWAY CARMEN
OF THE UNITED STATES AND CANADA

SOCIAL SECURITY NUMBER

EMPLOYEE NUMBER

PRINT NAME (LAST NAME, FIRST NAME, MIDDLE INITIAL)

WORK LOCATION

HOME ADDRESS (STREET AND NUMBER, CITY, STATE, ZIP
CODE)

ASSISTANT CONTROLLER - PAYROLL, NJ TRANSIT RAIL OPERATIONS, INC.

I HEREBY ASSIGN TO THE BROTHERHOOD RAILWAY CARMEN OF THE UNITED STATES AND CANADA THAT PART OF MY WAGES NECESSARY TO PAY INITIATION FEES, PERIODIC DUES AND ASSESSMENTS (NOT INCLUDING FINES AND PENALTIES) AS CERTIFIED TO THE COMPANY BY THE BROTHERHOOD AS PROVIDED IN THE DEDUCTION AGREEMENT, EFFECTIVE SEPTEMBER 1, 1977 AND AUTHORIZE THE COMPANY TO DEDUCT SUCH SUM FROM MY WAGES AND PAY IT OVER TO THE BROTHERHOOD IN ACCORDANCE WITH THE DEDUCTION AGREEMENT.

DATE SIGNATURE LOCAL NUMBER

DEDUCTION LIST

TRANSPORT WORKERS UNION
OF AMERICAN

SOCIAL SECURITY NUMBER EMPLOYEE NUMBER

ASSISTANT CONTROLLER, PAYROLL, NJ TRANSIT RAIL OPERATION, INC.

PLEASE DEDUCT MONTHLY THE AMOUNT SHOWN OPPOSITE THE NAME OF EACH EMPLOYEE LISTED BEGINNING WITH THE FIRST BI-WEEKLY PAY PERIOD (OR CORRESPONDING PERIOD FOR THOSE PAID ON A WEEKLY BASIS). IF YOU HAVE BEEN PREVIOUSLY ADVISED TO MAKE A DEDUCTION FROM THE EMPLOYEE LISTED, THE AMOUNT SHOWN WILL BE A CORRECTION IN THE AMOUNT TO BE DEDUCTED.

<u>LINE</u>	<u>NUMER</u>	<u>EMP. NAME</u>	<u>AMOUNT TO BE DEDUCTED</u>	<u>NEW DEDUCTION</u>	<u>(CHECK WHICH) CORRECTION</u>
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	<u>TOTALS</u>
<u>SUMMARY TOTALS</u>	<u>SIGNATURE</u>

<u>TITLE</u>	<u>LODGE NUMBER</u>
--------------	---------------------

ADDRESS

DEDUCTION LIST

BROTHERHOOD RAILWAY CARMEN
OF UNITED STATES & CANADA

SOCIAL SECURITY NUMBER EMPLOYEE NUMBER

ASSISTANT CONTROLLER, PAYROLL, NJ TRANSIT RAIL OPERATION, INC.

PLEASE DEDUCT MONTHLY THE AMOUNT SHOWN OPPOSITE THE NAME OF EACH EMPLOYEE LISTED BEGINNING WITH THE FIRST BI-WEEKLY PAY PERIOD (OR CORRESPONDING PERIOD FOR THOSE PAID ON A WEEKLY BASIS). IF YOU HAVE BEEN PREVIOUSLY ADVISED TO MAKE A DEDUCTION FROM THE EMPLOYEE LISTED, THE AMOUNT SHOWN WILL BE A CORRECTION IN THE AMOUNT TO BE DEDUCTED.

	EMP.	EMP.	AMOUNT TO	(CHECK WHICH)	
<u>LINE</u>	<u>NUMBER</u>	<u>NAME</u>	<u>BE DEDUCTED</u>	<u>NEW DEDUCTION</u>	<u>CORRECTION</u>

	TOTALS	
SUMMARY TOTALS	SIGNATURE	

TITLE	LODGE NUMBER
-------	--------------

ADDRESS

WAGE ASSIGNMENT REVOCATION _____
SOCIAL SECURITY NUMBER
NEW JERSEY TRANSIT RAIL OPERATIONS AND
TRANSPORT WORKERS UNION OF AMERICA

NAME (LAST NAME, FIRST NAME, MIDDLE INITIAL)

WORK LOCATION EMPLOYEE NUMBER

HOME ADDRESS (STREET AND NUMBER, CITY, STATE, ZIP CODE)

ASSISTANT CONTROLLER - PAYROLL, NJ TRANSIT RAIL OPERATIONS, INC.

EFFECTIVE IN THE NEXT CALENDAR MONTH, I HEREBY REVOKE THE WAGE
ASSIGNMENT AUTHORIZATION NOW IN EFFECT ASSIGNING TO THE
TRANSPORT WORKERS UNION OF AMERICA THAT PART OF MY WAGES
NECESSARY TO PAY INITIATION FEES, PERIODIC DUES, AND ASSESSMENTS,
AND I HEREBY CANCEL THE AUTHORIZATION.

DATE SIGNATURE LOCAL NUMBER

WAGE ASSIGNMENT REVOCATION

SOCIAL SECURITY NUMBER

NEW JERSEY TRANSIT RAIL OPERATIONS AND
THE BROTHERHOOD RAILWAY CARMEN
OF UNITED STATES AND CANADA

NAME (LAST NAME, FIRST NAME, MIDDLE INITIAL)

WORK LOCATION EMPLOYEE NUMBER

HOME ADDRESS (STREET AND NUMBER, CITY, STATE, ZIP CODE)

ASSISTANT CONTROLLER - PAYROLL, NJ TRANSIT RAIL OPERATIONS, INC.

EFFECTIVE IN THE NEXT CALENDAR MONTH, I HEREBY REVOKE THE WAGE
ASSIGNMENT AUTHORIZATION NOW IN EFFECT ASSIGNING TO THE
BROTHERHOOD RAILWAY CARMEN OF UNITED STATES AND CANADA THAT
PART OF MY WAGES NECESSARY TO PAY INITIATION FEES, PERIODIC DUES,
AND ASSESSMENTS, AND I HEREBY CANCEL THE AUTHORIZATION.

DATE SIGNATURE LODGE NUMBER

Appendix "IV"

January 1983

Mr. Robert C. Shoemaker
Brotherhood of Railway Carmen
of the U S. and Canada
231 North Second Street
Lehigh, Pennsylvania 18235

Mr. Albert A. Terriego
Vice President & Director of
Railroad Division
Transport Workers Union
of America
1980 Broadway
New York, New York 10023

Gentlemen:

The purpose of this letter is to set forth our understanding with respect to the allocation of work at the Kearny Meadows shop to be constructed by NJT Rail.

The design and operation of the new shop is not intended to eliminate the historic scope of work of each craft. However, several issues must be resolved:

- (1) Although NJT Rail is a single railroad, its maintenance of rolling stock system currently reflects its multiple predecessor railroads. As a consequence, similar work is claimed by different crafts based upon historic practices at predecessor railroads. The allocation of this work needs to be unified at the new shop.
- (2) The design and operation of the new shop must take into account changes in technology and maintenance practices. Allocation of the work needs to reflect these changes.

The parties to this letter acknowledge that certain efficiencies can be achieved by redefining and reallocating certain work. Therefore, the parties agree to negotiate in good faith concerning the following issues:

- (1) The designation of a specific number of mechanic positions which will perform work within the scope of work rules of their craft as well as "other duties as assigned."
- (2) The "other duties as assigned" would include specific work of mechanics of another craft.

- (3) Allocation of the specific number of mechanic positions among the signatories to this letter would be made in accordance with the scope of work of the signatories.

Except to this extent, historic work scopes will be recognized.

These negotiations will commence no later than September 1, 1983. The parties agree to resolve these issues in good faith no later than September 1, 1984; agreement will not be unreasonably withheld.

NEW JERSEY TRANSIT RAIL
OPERATIONS, INC.

(original signed by)
Martin E. Robins
Deputy Executive Director

I CONCUR:

(original signed by)
Robert C. Shoemaker

(original signed by)
Albert A. Terriego

December 31, 1982

Transport Workers Union
International Brotherhood of Firemen & Oilers
Brotherhood of Railway Carmen

Gentlemen:

This letter sets forth the understanding of the undersigned concerning intermingling of cleaning and laborer functions at certain specific locations.

A number of specific assignments at the Bayhead, Harrison, Raritan and Hoboken locations will be posted which require the employee to perform "other duties as assigned." These other duties may include coach cleaning or duties of the laborer regardless whether the principal duties are within the work classification of the IBFO or BRC/TWU.

The parties acknowledge that productivity increases can be obtained by this intermingling and nine positions eliminated in the immediate future. NJT Rail and the undersigned will reach agreement concerning the number and duties of the specific assignments which will permit expanded cleaning duties and will identify the nine positions to be abolished, but agreement will not be unreasonably withheld.

It is also understood that no intermingling of Firemen & Oiler or Carmen cleaner positions shall take place at any other location on NJT Rail property except for those mentioned above without the agreement of the undersigned.

NEW JERSEY TRANSIT RAIL OPERATIONS, INC.

(original signed by)
Martin E. Robins
Deputy Executive Director

Appendix "VI"

Mr. George J. Francisco, Jr.
Vice General Chairman
International Brotherhood of Firemen and Oilers
1124 Main Street
Peekskill, NY 10566

Mr. Robert Shoemaker
General Chairman
Brotherhood Railway Carmen of the U.S. and Canada
231 North Second Street
Lehigh, PA 18235

Mr. Albert A. Terriego
International Vice President and Director of
Railroad Division
Transport Workers Union of America
1980 Broadway
New York, NY 10023

Gentlemen:

By this letter New Jersey Transit Rail Operations, Inc. gives notice to your respective organizations that carmen coachcleaners' cleaning duties will not be included in the scope of work classification rule for the Firemen and Oiler craft, and Firemen and Oilers duties will not be included in the scope of work classification rule for the Carmen craft.

New Jersey Transit Rail Operations, Inc.

(original signed by)
Martin E. Robins
Deputy Executive Director

FAMILY LEAVE ACT
GUIDELINES

The following represents the Division on Civil Rights' interpretation of various key provisions of the Family Leave Act, pending promulgation of formal regulations.

Applicability:

All employers who have 100 or more employees working for them each working day for 20 or more calendar work weeks in the current or preceding calendar year. For the purposes of counting employees, an employer shall consider:

1. Employees in this State who are not eligible for family leave.
2. Employees who work outside of the State of New Jersey.
3. Employees of an employer's subsidiary or division. In making this determination, the Division on Civil Rights will consider:
 - a. the interrelationship of the employer's operations;
 - b. the degree of centralized control of labor relations;
 - c. the existence of common management;
 - d. the degree of common ownership or financial control.

All four factors need not be present in order for an employer to fall within the scope of the Act.

Eligibility:

All persons who have been employed by the same employer in the State of New Jersey for 12 months or more and have worked not less than 1,000 hours, excluding overtime, during the last 12-month period. An employee is considered to be employed in the State of New Jersey if such employee works in New Jersey or the employee's service is not localized in any State but some service is

performed in New Jersey and the base of operation or the place from which such service is directed and controlled is in New Jersey.

Bases:

Eligible employees are entitled to a leave for:

1. The birth of a child or the employee or placement for adoption of a child with the employee. (This leave may commence at any time within one year of the birth or placement for adoption.)
2. Serious health condition of a child, spouse, parent or parent of a spouse.

Terms of Leave:

Up to 12 weeks within any 24 month period. The leave may be paid, unpaid or a combination of paid and unpaid. In all cases, the leave may be taken consecutively upon reasonable advance written notice to the employer, at least five (5) working days prior to the commencement of the leave, except where emergent circumstances warrant shorter notice.

The leave may be taken intermittently or on a reduced leave schedule, if the reason for the leave is the serious illness of a family member and is medically necessary. In such cases the employee must:

1. Provide notice of the leave, in writing, to the employer, at least five (5) working days prior to the commencement of the leave, except where emergent circumstances warrant shorter notice.
2. Schedule the leave in a manner that will not unduly disrupt the operations of the employer. (Employers who deny an otherwise eligible employee an intermittent leave based upon a claim that the scheduling of the leave would unduly disrupt its operation shall be required to prove such claim as an affirmative defense.)

3. Take the leave within a 12-month period.

Intermittent leave is a non-consecutive leave taken in not less than one work week increments within any twelve-month period.

Reduced leave is a non-consecutive leave that is not less than one work day but not more than one work week. Reduced leave cannot be scheduled over a period of more than 24 consecutive weeks unless mutually agreed upon between the employer and the employee.

NOTE: The leave may, also, be taken intermittently or on a reduced leave schedule because of the birth or adoption of a healthy child but only upon the agreement of the employer and employee.

Disability Leave:

Family leave is separate from, and in addition to any disability leave. (Disability leave includes any period of leave for which the employee is disabled, {i.e., unable to perform his/her work, including but not limited to, any period of time during which an employee is collecting disability benefits}).

Accrued Leave: (Except Vacation Leave):

Employees shall treat family leave in the same manner as they have previously treated all other leaves of absence. If an employer has had a past practice or policy or requiring its employees to exhaust all accrued leave during a leave of absence, the employer may require employees to do so during a family leave. If an employer has a policy of allowing employees to take unpaid leaves without first exhausting accrued leave, it shall not require employees to exhaust accrued leave while on family leave. In situations where an employer does not have an established policy in this regard, the employee shall be entitled to utilize any accrued paid leave as part of the family leave. If such an employee determines not to utilize accrued paid leave, the employer may require such employee to utilize all accrued paid leave as part of the leave unless otherwise provided by an agreement between the employer and the employee or by collective bargaining agreement.

Vacation Leave:

With respect to accrued paid vacation leave, the employee may, at his or her discretion, utilize such paid leave as part of the family leave.

Other Employment:

An employee on family leave may not take another full-time job during the term of the leave.

Part-time work (less than 20 hours per week), however is permitted. Any employment commenced prior to the leave and not otherwise prohibited by law may be maintained during the term of the leave. An employer's policy which prohibits part-time employment during the course of a leave violates the intent of this Act. An employer's policy which prohibits outside employment at any time, however, does not violate such intent.

Exemptions:

The only Exemptions to employee eligibility under this Act are:

1. Employees whose base salary ranks within the highest paid 5%, or whose base salary is one of the seven (7) highest, whichever of employees is greater; and
2. The employer can demonstrate that the granting of such leave would cause a substantial and grievous economic injury to the employer's operations; and
3. The employer notifies the employee of its intent to deny the leave when such determination is made.

Miscellaneous:

1. More than one employee from the same family (e.g., a brother and a sister) may be granted family leave for the care of a family member at the same time even though such employees work for the same employer.

2. The term “health care provider” as used in Section 3(1) (2) shall mean any person licensed under Federal, State, or local law to provide health care services.
3. The term “health insurance policy” as used in Section 8(a) shall mean all health benefits which the employer would have provided the employee had the employee continued in employment, including, but not limited to: dental care, vision care and prescription drug plans or programs.

MEMORANDUM OF UNDERSTANDING
BETWEEN
TRANSPORT WORKERS UNION
BROTHERHOOD OF RAILWAY CARMEN
Division - BRAC
and
NJ TRANSIT RAIL OPERATIONS INC.

May 13, 1987

1. Wages:

Effective July 1, 1986, all current wage rates will be increased by three percent (3%).

Effective July 1, 1987, all wage rates shall be increased by three percent (3%).

Effective July 1, 1988, all wage rates shall be increased by three percent (3%).

NJ TRANSIT Rail Operations, Inc. agrees to make a special payment to each employee on the property at the time of ratification or who retired between July 1, 1985, and the date of the ratification of \$150.00 for each full month of continuous service between July 1, 1985, and date of ratification, with a maximum payment of \$1,000.00 per employee. The special payment shall be made by separate check and shall be issued to eligible employees as expeditiously as possible.

2. NJ TRANSIT Rail Operations proposes a cost containment Health and Welfare Plan, which will contain the following features:

- a. Hospital room and board paid at 100% if Pre-Certified. For days not Pre-Certified, plan pays 50%.
- b. There will be Continued Stay Review on all hospital confinements.

- c. Case Management Review will be performed on all long-term hospital stays.
- d. Out-patient surgery will be paid at 100%.
- e. There will be Mandatory Second Surgical Opinion for elective surgeries. Benefits will be paid at 50%, if second opinion is not received.
- f. Hospital charges for non-emergency weekend admissions will not be paid.
- g. Alcohol and Substance Abuse charges will be paid as presently covered under the National Plan (same as GA23000).

3. Paid Meal Period:

Effective date of ratification, employees will receive remuneration in lieu of each meal provided for under this rule in accordance with the following schedule:

Four dollars (\$4.00) for meals between 12 a.m. - 8 a.m.

Five dollars (\$5.00) for meals between 8 a.m. - 4 p.m.

Seven dollars (\$7.00) for meals between 4 p.m. - 12 a.m.

4. Contracting Out:

Effective date of ratification the five (5) day notification requirement referred to in the second sentence of the eighth paragraph of Rule No. 1(B) is changed to ten (10) days.

5. New Hire Progression

Effective the date of full and final ratification by the parties, Part III, Rule No. 2 - "Entry Level Rates and Wage Progression" will be amended as follows:

- B (i) "Employees entering employment with NJT Rail Operations as Coach Cleaners after the date of ratification shall be paid according to the following wage progression:"

<u>Months of Service at NJT Rail</u>	<u>% of Base Pay</u>
0-6	65
6-12	70
12-18	75
18-24	80
24-30	85
30-36	90
36-42	95
42 +	100

6. Moratorium:

There shall be a Moratorium on the serving of Section 6 Notices until April 1, 1989, any changes not to become effective before July 1, 1989.

This agreement is subject to ratification by the Board of NJ TRANSIT Rail Operations and the Membership of the Union.

FOR THE BROTHERHOOD
RAILWAY CARMEN

(original signed by)
W. Vados,
General Vice President

(original signed by)
James J. Parry
General Chairman

FOR THE COMPANY:

(original signed by)
Patricia Sebron
Assistant Vice President
Human Resources

(original signed by)
J.S. Baker, Director
Labor Relations

(original signed by)
Carl Gladish
Local Chairman

(original signed by)
D. C. Agrawal
Special Assistant to
Vice President & General
Manager

(original signed by)
Frank Ardito
Local Chairman

THE TRANSPORT WORKERS UNION

(original signed by)
Thomas McAdam, President

May 19, 1987

Mr. James Parry
General Chairman
Brotherhood Railway Carmen
Division - BRAC
219 New Dover Rd.
Colonia, NJ 07067

Dear Mr. Parry:

Re: Health and Welfare
Program/Cost Containment

Pursuant to our discussion held during the recent negotiations, NJ TRANSIT Rail Operations proposed the following Health and Welfare Program and Cost Containment measures:

(a) The following procedures:

Hospital Charges
Emergency Accidents
Doctor's Visits
X-Ray and Lab
In-Patient Surgery

and the procedures set forth in Exhibit "A". This schedule lists only a few procedures. A more complete surgical schedule is shown in the policy and shall be paid at 80% after the deductible under the major medical portion of the plan.

- (b) Annual deductible will be \$100/individual, \$300/ family.
- (c) Annual out-of-pocket costs will be \$1,000/individual and \$3,000/family.
- (d) Health Maintenance Organizations (HMO's) will be offered to employees with the company paying the cost of the indemnified plan and the employee paying the balance through payroll deductions.
- (e) Prescription drug card to be provided to each employee with \$4.50

co-pay. Co-pay of \$2.50 for mail order prescriptions.

In the event no Agreement is reached by all the parties on the Health and Welfare proposal as set forth herein, NJ TRANSIT Rail Operations reserves the right to withdraw its proposal including the improvements contained therein. Until such time as an agreement is reached or withdrawn, other than those cost containment provisions as outlined in Section 2 of the Memorandum of Understanding, the current level of Health and Welfare benefits will remain in effect.

If the above correctly reflects our understanding, please indicate your concurrence by affixing your signature in the space provided below.

Very truly yours,

(original signed by)
Patricia Sebron
Assistant Vice President
Human Resources

I CONCUR:

BROTHERHOOD RAILWAY CARMEN -
Division-BRAC

(original signed by)
James Parry, General Chairman

May 19, 1987

Mr. James Parry
General Chairman
Brotherhood of Railway Carmen
Division - BRAC
219 New Dover Road
Colonia, NJ 07067

Dear Mr. Parry:

In the event NJ TRANSIT Rail Operations executes an agreement with any of the other unions representing its employees that contains any improvements that are greater than those set forth in the Memorandum of Agreement between the Brotherhood of Railway Carmen - Division-BRAC and NJ TRANSIT Rail Operations, dated May 19, 1987, it is agreed that such improvements will be incorporated into the Brotherhood of Railway Carmen - Division-BRAC agreement with the company.

Very truly yours,

(original signed by)
Patricia Sebron
Assistant Vice President
Human Resources

PS:smh

May 19, 1987

Mr. James Parry
General Chairman
Brotherhood Railway Carmen
Division-BRAC
219 New Dover Rd.
Colonia, NJ 07067

Dear Mr. Parry:

This will confirm our understanding that the words "each full month of continuous service" as found in Section 1 of the Memorandum of Understanding between NJ TRANSIT Rail Operations and the Brotherhood Railway Carmen - Division-BRAC dated May 19, 1987, shall be construed to mean a month's creditable service as that term is defined by the Railroad Retirement Board.

Very truly yours,

(original signed by)
Patricia Sebron
Assistant Vice President
Human Resources

PS:smh

May 19, 1987

Mr. James Parry
General Chairman
Brotherhood of Railway Carmen
Division-BRAC
219 New Dover Road
Colonia, NJ 07067

Dear Sir:

This letter will serve to confirm our discussion concerning outside contractors performing work on the property of NJ TRANSIT Rail Operations, Inc.

As we discussed, it is the intent of NJ TRANSIT Rail Operations to provide the union with advance notice of such outside contractors whenever practicable. As we also discussed, no time claims will be submitted or entertained as a result of this understanding.

Very truly yours.

(original signed by)
J. S. Baker
Director-Labor Relations

JSB:smh

May 19, 1987

Mr. James Parry
General Chairmen
Brotherhood Railway Carmen
Division - BRAC
219 New Dover Rd.
Colonia, NJ 07067

Dear Mr. Parry:

Enclosed you will find a copy of NJ TRANSIT Rail Operations' Health and Welfare proposal which was discussed during our Section 6 Negotiations. Please feel free to contact me should you have any questions.

Very truly yours,

(original signed by)
Patricia Sebron
Assistant Vice President
Human Resources

PS:smh
Attachment

SURGICAL SCHEDULE

Exhibit A

This Schedule lists only a few procedures. A more complete Surgical Schedule is shown in the policy.

Surgical Procedure	Maximum Payment	20% Paid by Employee
Appendectomy, with or without incision and drainage of appendiceal abscess	\$ 550.00	\$110.00
Blood transfusion		
Administration of transfusion	\$ 30.00	6.00
Exchange transfusion	\$ 75.00	15.00
Clavicle fracture (closed reduction)	\$ 150.00	30.00
Elbow dislocation (closed reduction)	\$ 200.00	40.00
Extraction of lens for cataract	\$1,000.00	200.00
Fenestration operation for otosclerosis	\$1,500.00	300.00
Herniotomy, inguinal or femoral		
Single	\$ 550.00	110.00
Bilateral	\$ 750.00	150.00
Hysterectomy (with or without dilation and curettage), complete (pan-hysterectomy), with or without adnexa		
	\$ 900.00	180.00
Nephrectomy or heminephrectomy	\$1,125.00	225.00
Obstetrical procedures		
Delivery of child or children	\$ 375.00	75.00
Caesarian section		
Delivery of child or children	\$ 750.00	150.00
Delivery of children and hysterectomy	\$ 900.00	180.00
Abdominal operation for extra-uterine or Ectopic pregnancy	\$ 625.00	125.00
Miscarriage		
With dilation and curettage	\$ 200.00	40.00
Without dilation and curettage	\$ 125.00	25.00
Pilonidal cyst, excision	\$ 450.00	90.00
Sebaceous cyst, excision of	\$ 75.00	15.00
Shoulder dislocation (closed reduction)	\$ 175.00	35.00
Tonsillectomy with or without adenoidectomy	\$ 200.00	40.00
Tumor (benign superficial), excision from face, neck, genitalia, hands or feet		
One \$ 100.00	20.00	
Each additional	\$ 50.00	10.00

**SCHEDULE OF LABORATORY AND
X-RAY EXAMINATIONS**

	Maximum	20%
	Amount	Paid by
LABORATORY EXAMINATIONS		Employee
Bacterial test; Smear (sputum, feces, etc.)	\$ 4.00	\$.80
Basal metabolism test	\$ 10.00	2.00
Blood count; hemoglobin, red cells, white cells		
or differential.	\$ 2.00	.40
All four counts.	\$ 6.50	1.30
Electrocardiogram or ballistocardiogram, with interpretation and report.	\$ 20.00	4.00
Malignancy test: Papanicolaou smear		
Initial.	\$ 6.50	1.30
Each additional.	\$ 3.50	.70
Spinal fluid: Cell count and protein.	\$ 6.50	1.30
Sugar determination, blood.	\$ 6.50	1.30
Sugar tolerance (2 or more blood and urine determinations).	\$ 16.50	3.30
X-RAY EXAMINATIONS		
Abdomen (intestines, colon, rectum, kidney, etc:).	\$ 20.00	4.00
Chest (heart, lungs, ribs, etc:).	\$ 20.00	4.00
Colon, barium enema.	\$ 33.50	6.70
Extremities		
Fingers, one or more of one hand.	\$ 6.50	1.35
Arm, all or any portion between shoulder and fingers.	\$ 13.50	2.70
Shoulder, with or without humerus.	\$ 16.50	3.30
Toes, one or more of one foot.	\$ 6.50	1.30
Leg, all or any portion between hips and toes.	\$ 13.50	2.70
Hip, with or without femur.	\$ 16.50	3.30
Gallbladder, dye method.	\$ 26.50	5.30
Gastro-intestinal series, complete:		
Barium meal.	\$ 40.00	8.00
Barium meal with gallbladder, dye method.	\$ 53.00	10.70
Barium meal and enema, with gallbladder, dye method.	\$ 66.50	13.30
Head (skull or sinuses excluding nasal bones).	\$ 20.00	4.00
Kidney, intravenous pyelogram.	\$ 26.50	5.30
Myelogram.	\$ 33.50	6.70
Pelvis.	\$ 20.00	4.00

For procedures not listed in the Schedule, Connecticut General will determine an amount of payment consistent with the amounts listed. Such determination will take into account the nature and complexity of the examination involved.

SCHEDULE OF RADIOTHERAPY

X-RAY AND RADIOACTIVE THERAPY	Maximum Amount	20% Paid by Employee
Malignant conditions:		
Face, lip or skin per treatment	\$ 8.00	\$ 1.60
Other than face, lip or skin, including leukemia and malignant lymphomas, per treatment	\$ 10.50	2.10
Non-malignant conditions, deep or superficial:		
Benign tumors, one or more		
Bursitis		
Cysts, one or more		
Furuncle or carbuncle, one or more		
Herpes Zoster		
Paronychia		
Tinea capitis per treatment	\$ 5.50	1.10
Oral administration, parenteral or intracavity injection of radioactive isotopes for malignant or non-malignant conditions:		
Initial treatment	\$ 66.50	13.30
Each additional treatment	\$ 33.50	6.70
Surface or topical application of radioactive isotopes, radium or radon for malignant or non-malignant conditions, per treatment		
	\$ 5.50	1.10

No payment will be made for treatments
not listed in the above Schedule.

MEMORANDUM OF UNDERSTANDING
BETWEEN
TRANSPORT WORKERS UNION OF AMERICA
BROTHERHOOD OF RAILWAY CARMEN
Division of TCU
Representing
Carmen and Car Appearance Maintainers
AND
NJ TRANSIT RAIL OPERATIONS, INC. (NJTRO)

The parties hereby agree to the following agreement on a new labor agreement ("Agreement") for the period July 1, 1989 through June 30, 1992.

This Memorandum of Understanding ("M of U") is subject to ratification by the membership of the Brotherhood of Railway Carmen - Division of TCU and final approval by the NJ TRANSIT Rail Operations (NJTRO) Board of Directors.

This agreement amends the agreement between the Brotherhood of Railway Carmen and NJTRO which expires June 30, 1989. The rules in the agreement are changed only to the extent indicated herein and remain otherwise unchanged and in full force until changed in accordance with the provisions herein, the rules changes set forth in this M of U shall be effective as of July 1, 1989.

1. Wages

Effective July 1, 1989 all current wage rates shall be increased by five percent (5%).

Effective July 1, 1990 all current wage rates shall be increased by five percent (5%).

Effective July 1, 1991 all current wage rates shall be increased by five percent (5%).

As a result of the above wage increases and pursuant to establishing two (2) new classifications, the following classifications and rates of pay are in effect:

Carmen - Instructors/Technicians (See Letter No. 1)

Effective July 1, 1989	--
Effective July 1, 1990 *	15.22 per hour
Effective July 1, 1991	15.95 per hour

Grade A Carmen

Effective July 1, 1989	14.18 per hour
Effective July 1, 1990	14.88 per hour
Effective July 1, 1991	15.63 per hour

Grade B Carmen

Effective July 1, 1989	14.02 per hour
Effective July 1, 1990*	14.72 per hour
Effective July 1, 1991	15.45 per hour

Grade C-1 Car Appearance Maintainers (See Letter No. 2)
(Heavy Cleaning)

Effective July 1, 1989	--
Effective July 1, 1990*	12.53 per hour
Effective July 1, 1991	13.16 per hour

Grade C-2 Car Appearance Maintainers
(Regular Cleaning)

Effective July 1, 1989	11.74 per hour
Effective July 1, 1990	12.33 per hour
Effective July 1, 1991	12.94 per hour

* Rates will become effective upon date of ratification.

2. New Rule - Pension:

- (a) Effective July 1, 1989, there shall be established a Section 401(a), Money Purchase Plan (a summary of which is appended hereto as Attachment 1). In addition, the parties agree that as soon as administratively possible, a Section 457, Employee Savings Plan, will be implemented. In the event of any inconsistencies between the attached summary and the plan documents, the plan documents shall govern.
- (b) There will be created a Pension Advisory Committee. The purpose of the Pension Advisory Committee is to provide non-binding advice to the NJTRO Board regarding the Section 401(a) and Section 457 Plans established pursuant to this Agreement.

3. Non-Discrimination

Amend Rule 8-H-1(a) to read as follows:

- (a) The Parties to this Agreement recognize their respective obligations under Title VII of the Civil Rights Act of 1964 and pledge to comply with all Federal and State laws dealing with non-discrimination. More specifically, all personnel actions and conditions of employment and representation including, but not limited to, hire, compensation, promotions, transfers, training discipline, return from furloughs, and terminations will be without regard to race, color, religion, sex, age, national origin, veteran or handicapped status.

Sexual harassment is considered a form of sex discrimination. No employee shall be subject to unwelcomed sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature by the company supervisors, the union or co-workers when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's 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, hostile or offensive work environment.

Racial, religious or ethnic slurs and other verbal or physical conduct relating to an individual's race, religion or national origin under the conditions described in (1) thru (3) above also constitute forms of prohibited discrimination.

The parties agree to ensure the prompt investigation and fair resolution of any and all complaints of discrimination; and to protect against adverse treatment of any person who has made a complaint of discrimination.

4. Eye Care:

Effective upon ratification of this Agreement Rule No. 9 is amended to read as follows:

"Effective date of agreement each eligible employee and dependent will receive one (1) payment for glasses and one (1) payment for examination every two (2) years. Submission of receipts are required of the employees in order to receive payments."

5. Holidays

(a) Amend Rule 4-C-2(a) to include the following:

(Christmas Eve Day will be the day before Christmas is observed and New Years Eve Day will be the day before New Year's Day is observed)

When any of the above holidays falls on a Saturday or Sunday, the day observed by the State, Nation or by proclamation shall be considered the holiday.

- (b) It is agreed by the parties that Martin Luther King, Jr. day be added to the list of paid holidays under the current controlling agreement.

6. Absent without permission (New Rule effective 1/10/91)

Employees who absent themselves from work for fourteen (14) consecutive calendar days without notifying proper management authority shall be considered as having resigned from the service and will be removed from the seniority roster unless they furnish the carrier documented evidence of either physical incapacity or that circumstances beyond their control prevented such notification.

If the Carrier refuses to accept such documented evidence, the employee or his representative may appeal such action in accordance with the discipline procedures.

7. Bidding:

Effective date of ratification, employees will be limited to two voluntary bid awards per calendar year. Awards resulting from abolishments and displacements, promotions (or retirement), or higher rated positions will not be considered a voluntary bid under this rule.

The company's right to limit employees to two bids per year shall terminate if repeated proven violations of the limitations contained in this section occur and continue to occur following written notice of such violations delivered to the General Manager of the Company.

It is understood that this provision will take effect only after the Carrier and the BRC have entered into a ratified agreement which contains a similar provision.

8. Modify Regulation 7 Appeals and Grievance Procedure as follows:

7-A-1(a): The above provisions will not apply to cases involving dismissals

from service, in which case, appeal may be made directly to the Director of Labor Relations within ten (10) calendar days after the employee has been notified of dismissal.

9. Amend Rule No. 2 - Entry Level Rates and Wage Progression as follows:

B (i) Employees entering employment with NJ TRANSIT Rail as Car Appearance Maintainers after January 1, 1983, shall be paid effective date of ratification according to the following wage progression:

<u>Months of Service at NJ TRANSIT Rail</u>	<u>Percentage of Base Pay</u>
0-12	70%
12-24	80%
24-36	90%
36 +	100%

10. Employees will have the option of purchasing through payroll deduction an additional five thousand (\$5,000.00) dollars Term Life and Accidental Death and Dismemberment Insurance at Carrier's Group Rate.
11. New Jersey Transit Rail will comply with the provisions of the New Jersey Family Leave Act (Attachment 2).
12. Establish position of Carman Instructor/Technician to perform specialized work of the Carman craft and to instruct other Carman on work of the craft, to be established pursuant to standards to be agreed upon by the parties (see Letter No. 1).
13. Effective upon ratification of this Agreement, car appearance maintainers may be examined for promotion to carman anytime after the completion of their first 100 days of actual work as a car appearance maintainer when carman vacancies are available. Examinations will be arranged as soon as possible.
14. Establish new classification of heavy duty Car Appearance Maintainer subject to standards to be agreed upon by the parties (see Attachment).

15. Moratorium:

Extend through April 1, 1992, changes not to be effective before July 1, 1992.

This Memorandum of Understanding constitutes the elements of the Collective Bargaining Agreement reached between the undersigned on January 10, 1991.

FOR THE ORGANIZATION:

(original signed by)
James J. Parry, General Chairman
Brotherhood of Railway Carmen -
Division of TCU

(original signed by)
Alex I. Wybraniec, Local Chairman
Brotherhood of Railway Carmen -
Division of TCU

(original signed by)
Carlos M. Sosa, Negotiating Committee
Negotiating Committee Member
Brotherhood of Railway Carmen - Division of TCU

(original signed by)
Frank A. Ardito
Negotiating Committee Member
Brotherhood of Railway Carmen - Division of TCU

Transport Workers Union of America

(original signed by)
Thomas McAdam
President - TWU

FOR THE COMPANY

(original signed by)
Michael Rienzi
Deputy General Manager
Support Operations
NJ TRANSIT Rail Operations

(original signed by)
William B. Murphy
Director Labor Relations
NJ TRANSIT Rail Operations

January 10, 1991

Mr. James Parry
General Chairman
Brotherhood of Railway Carmen -
Division of TCU
219 New Dover Rd.
Colonia, NJ 07067

Subject: Carmen Instructor/Technician's
Agreement
File: L 141 BRC

Dear Mr. Parry:

This refers to our recent conversation concerning NJ Transit Rail Operations (NJTRO's) need to establish the position of Carman Instructor/Technician.

- A. Positions of Carman Instructor/Technician may be established at the sole discretion of the Company. Such positions, when established, may be utilized to train apprentices or trainees and Mechanics in all phases of Carman work and to teach Carman's techniques to be used in the training of apprentices or trainees. An Instructor/Technician may also be used to perform other specialized work of the Carman craft.
- B. Position of Carman Instructor/Technician will be advertised throughout NJTRO's system with copy to Local Chairman and General Chairman.
- C. All applicants will be given a fair and impartial competitive examination and be required to give a practical demonstration of their ability and knowledge subject to a minimum weighted average numeric score of 70% or its equivalent. A designated representative of the BRC may participate in the testing and examination program.

Awards will be made to the senior qualified bidder having rights in the class making an application for such vacancy.

- D. (1) Should dispute on testing, selection, qualification or disqualification arise, the Chief Mechanical Officer and the General Chairman, or

designated representative, will meet and attempt to agree on a satisfactory resolution of the dispute. If it cannot be resolved in that manner, an appeal may be made within fifteen (15) calendar days after such a meeting to the Director of Labor Relations.

The Director of Labor Relations shall provide a written decision to the General Chairman or designated representative within fifteen (15) calendar days after receipt of such appeal.

- D. (2) Any dispute that cannot be resolved under the provisions, contained in paragraph (1) above, may be handled in accordance with Rule 4-P-1(g) of the January 1, 1983 Collective Bargaining Agreement.
- E. An employee reporting for duty after a leave of absence, vacation, sickness, disability or suspension will be permitted to exercise seniority in accordance with Rule 3-C-3(b) of the existing agreement providing, however, that such employee satisfies the requirements of Paragraph C above. It is further understood that such exercise of seniority will be allowed against the most junior qualified Carmen Instructor/Technician.
- F. Employees assigned to such Instructor/Technician positions shall be paid 50 cents per hour above the "B" rate of pay.
- G. A Carman Instructor/Technician will be furloughed in accordance with carmen's seniority only in the event of a reduction in force in accordance with seniority.
- H. These positions will be subject to all other rules of the Agreement effective January 1, 1983, except those dealing with displacement (other than by a senior qualified Instructor/Technician), starting time, rest days, and hours of assignment.
- I. The establishment of this classification of Carman Instructor/Technician in no manner restricts the Company in the manner in which it currently trains its Carmen.
- J. Employees awarded an Instructor/Technician position cannot voluntarily bid to another position within twelve (12) months from the effective date of award except in case of change of hours, rest days and work location.

Instructor/Technicians may voluntarily bid to another position that pays a higher rate of pay. Instructor/Technicians may be displaced in case of furlough or by another qualified Instructor/Technician.

If the foregoing adequately reflects the results of our discussions, please indicate your acceptance in the space provided below.

Very truly yours,

(original signed by)
William B. Murphy
Director, Labor Relations

I CONCUR:

BROTHERHOOD OF RAILWAY CARMEN

(original signed by)
James Parry, General Chairman
Brotherhood of Railway Carmen -
Division of TCU

January 10, 1991

Mr. James Parry
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
219 New Dover Rd.
Colonia, NJ 07067

Subj: Heavy Duty Car Appearance
Maintainer Agreement
File: L-141-BRC

Dear Mr. Parry:

This refers to our understanding concerning the addition of a new grade of Carmen work for employees represented by the Brotherhood of Railway Carmen - a Division of TCU as contained in the current labor agreement between the Organization and NJ TRANSIT Rail.

It is understood and agreed that the following will apply:

1. Work Scope

Rule No. 1 - Classification of work (will be modified as follows):

Grade C1: Heavy duty passenger car and car appearance maintaining.
Employees assigned to E-Cleaning (extra cleaning) at program locations.

Grade C2: passenger car and car appearance maintaining

Position for heavy duty car appearance maintaining will be advertised in accordance with the scheduled agreement.

2. Awards will be made to the senior qualified bidder having rights in the class making an application for such vacancy.
3. These positions will be subject to all other rules of the Agreement effective January 1, 1983, between the Organization and NJ TRANSIT Rail.

Mr. James Parry
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
January 10, 1991
Page 2

4. Employees holding heavy duty car appearance maintainer's positions shall be paid the hourly rate of \$12.53.

If the foregoing adequately reflects the results of our discussion, please indicate your acceptance in the space provided below.

Sincerely,

(original signed by)
William B. Murphy
Director Labor Relations

I CONCUR:

BROTHERHOOD OF RAILWAY CARMEN -
Division of TCU

(original signed by)
James J. Parry, General Chairman
Brotherhood of Railway Carmen -
Division of TCU

January 10, 1991

LETTER NO. 3

Mr. James Parry
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
219 New Dover Rd.
Colonia, NJ 07067

Dear Mr. Parry:

Re: Seniority Retention

Any employee who was promoted to an official, supervisory or excepted position from the craft or class represented by the Brotherhood of Railway Carmen - Division of TCU on, after or before the date of ratification may elect to accumulate seniority within the craft or class represented by the Brotherhood of Railway Carmen - Division of TCU. Such an employee who elects to accumulate seniority shall have ninety (90) days from the effective date of this Agreement to pay a fee no greater than the current quarter's membership dues to the applicable local lodge. Thereafter, he shall accumulate seniority so long as he pays a fee no greater than the current membership dues of his local lodge. In the event such an employee does not pay the required fees, the duly authorized representative of the Brotherhood of Railway Carmen - Division of TCU shall so notify the designated Carrier officer with a copy to the employee involved. An opportunity for a hearing and reinstatement similar to that provided a current employee represented by the Brotherhood of Railway Carmen - Division of TCU shall be provided. If such promoted employee is not reinstated, he shall retain but cease to accumulate seniority in the craft or class represented by the Brotherhood of Railway Carmen - Division of TCU.

Mr. James Parry
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
January 10, 1991
Page 2

If the above represents our understanding, please indicate your concurrence below.

Very truly yours,

(original signed by)
William B. Murphy
Director Labor Relations

I CONCUR:
(original signed by)

James Parry, General Chairman
Brotherhood of Railway Carmen -
Division of TCU

January 10, 1991

Mr. James Parry
General Chairman
Brotherhood of Railway Carmen -
Division of TCU
219 New Dover Road
Colonia, NJ 07067

Dear Mr. Parry:

This refers to our discussion on interpretation of Rule 4-C-1--Bereavement Leave. The following is an agreed upon interpretation of such Rule:

Agreed-Upon Interpretations--Bereavement Leave

1. Q: How are the three calendar days to be determined?
A: An employee will have the following options in deciding when to take bereavement leave:
 - 1) three consecutive calendar days, commencing with the day of death, when the death occurs prior to the time an employee is scheduled to report for duty:
 - b) three consecutive calendar days ending the day of the funeral service; or
 - 3) three consecutive calendar days, ending the day following the funeral service.
2. Q: Does the three (3) calendar days allowance pertain to each separate instance, or do the three (3) calendar days refer to a total of all instances?
A: Three days for each separate death; however, there is no pyramiding where a second death occurs with the three-day period covered by the first death.

Mr. James Parry
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
January 10, 1991
Page 2

Example: Employee had a work week of Monday to Friday--off days of Saturday and Sunday. His mother dies on Monday and his father dies on Tuesday. At a maximum, the employee would be eligible for bereavement leave on Tuesday, Wednesday, Thursday, and Friday.

3. Q: Will a day on which a basic day's pay is allowed account bereavement leave serve as a qualifying day for holiday pay purpose?

A: No; however, the parties are in accord that bereavement leave non-availability would be considered that same as vacation non-availability and that the first work day preceding or following the employee's bereavement leave, as the case may be, should be considered as the qualifying day for holiday purposes.

4. Q: Would an employee be entitled to bereavement leave in connection with the death of a half-brother or half-sister, stepbrother, or stepsister, stepparents or stepchildren?

A: Yes as to half-brother or half-sister, no as to stepbrother or stepsister, stepparents or stepchildren. However, the rule is applicable to a family relationship covered by the rule through the legal adoption process.

Mr. James Parry
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
January 10, 1991
Page 3

If you are in agreement with this Rule, please indicate your concurrence below.

Very truly yours,

(original signed by)
William B. Murphy
Director, Labor Relations

I CONCUR:

(original signed by)
James Parry, General Chairman
Brotherhood of Railway Carmen -
Division of TCU

LETTER NO. 5

January 10, 1991

Mr. James Parry
General Chairman
Brotherhood of Railway Carmen -
Division of TCU
219 New Dover Road
Colonia, NJ 07067

Dear Mr. Parry:

In the event NJ TRANSIT Rail executes an agreement for the period commencing July 1, 1989, with any other Unions representing its employees that contains improvements in the areas of general wage increases, basis of pay, vacation, holidays, pension, health insurance, bereavement leave, or jury duty that are greater than those set forth in this Memorandum of Understanding, it is agreed that such improvements will be incorporated into the Brotherhood of Railway Carmen - Division of TCU union's agreement with NJ TRANSIT Rail unless such improvement(s) was made in consideration for a modification(s) in the Company's agreement with the other Union which benefits NJ TRANSIT Rail.

Very truly yours,

(original signed by)
William B. Murphy
Director Labor Relations

WBM:smh

January 10, 1991

Mr. James Parry, General Chairman
Brotherhood of Railway Carmen -
Division of TCU
219 New Dover Rd.
Colonia, NJ 07067

Dear Mr. Parry:

As discussed, I am forwarding you the premium cost of the Supplemental Five-Thousand (\$5,000) Dollar Term Life and Accidental Death and Dismemberment Insurance which can be purchased by the membership through payroll deduction at the following rates:

<u>Age</u>	Monthly Cost <u>\$5,000 Term Life</u> <u>\$5,000 AD & D</u>	Weekly <u>Payroll Deduction</u>
35 or under	\$ 1.15	\$.27
35 - 39	1.40	.32
40 - 44	2.00	.46
45 - 49	2.40	.55
50 - 54	3.60	.83
55 - 59	5.55	1.28
60 - 64	8.10	1.87
65 or over	12.70	2.93

Very truly yours,

(original signed by)
William B. Murphy
Director Labor Relations

January 10, 1991

Mr. James Parry
General Chairman
Brotherhood of Railway Carmen -
Division of TCU
219 New Dover Road
Colonia, NJ 07067

Dear Mr. Parry:

This refers to our understanding concerning the application of entry rates for employees represented by the Brotherhood of Railway Carmen - Division of TCU, as contained in the current labor agreement between the Organization and NJ TRANSIT Rail.

It is understood and agreed that the following will apply:

Rule No. 2 - Entry Level Rates and Wage Progression

- 1. Conrail employees transferring to NJ TRANSIT Rail on January 1, 1983, under the terms and conditions of the Implementing Agreement by and between NJ TRANSIT Rail and the Unions and employees recalled from Conrail furlough who were receiving full pay at Conrail shall be paid the rates specified in Rule 1.
- B. (i) Employees entering employment with NJ TRANSIT Rail as Car Appearance Maintainers after January 1, 1983, shall be paid according to the following wage progression:

Months of Rail	
<u>Service at NJT Rail</u>	<u>% of Base Pay</u>
0-12	70
12-24	80
24-36	90
36+	100

Mr. James Parry
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
January 10, 1991
Page 2

- (ii) All other employees not qualifying under Paragraph A and entering employment with NJ TRANSIT Rail after January 1, 1983, shall be paid according to the following wage progression:

<u>Years of Service at NJT Rail</u>	<u>% of Base Pay</u>
Less than One	80
One to Two	90
More than Two	100

3. Commencing upon date of this Agreement, applicants for employment in Grade A or Grade B, with prior passenger railroad experience in Grade A or Grade B or equivalent carmen's work will not be considered new hires subject to the provision of (B) above, except, that, such former railroad employees with less than twenty-four (24) months experience will be paid in accordance with the schedule in paragraph B(ii) above. Previous passenger railroad craft experience will be used to determine where such an employee falls within the Entry Rate Schedule in paragraph B(ii).

If the foregoing meets with your approval, please indicate your concurrence.

Very truly yours,

(original signed by)
William B. Murphy
Director Labor Relations

I CONCUR:

(original signed by)
James Parry-General Chairman
Brotherhood of Railway Carmen -
Division of TCU

January 10, 1991

Mr. James Parry
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
219 New Dover Road
Colonia, NJ 07067

Dear Mr. Parry:

As discussed, it is agreed that should any changes be made to the Provident Supplemental Insurance Plan as a result of current National Contract Negotiations, NJ TRANSIT Rail Operations (NJTRO) and the Organization will conference to discuss such changes and NJTRO will review and consider proposed changes the Organization may proffer.

Very truly yours,

(original signed by)
William B. Murphy
Director Labor Relations

MEMORANDUM OF UNDERSTANDING
BETWEEN
TRANSPORT WORKERS UNION OF AMERICA
BROTHERHOOD OF RAILWAY CARMEN
Division of TCU
Representing
Carmen and Car Appearance Maintainers
AND
NEW JERSEY TRANSIT RAIL OPERATIONS

The parties hereby agree to the following agreement on a new labor agreement ("Agreement") for the period July 1, 1992, through June 30, 1996.

This Memorandum of Understanding is subject to ratification by the membership of the Brotherhood of Railway Carmen - Division of TCU and final approval by the NJ TRANSIT Board of Directors.

This agreement amends the agreement between the Brotherhood of Railway Carmen - Division of TCU and NJ TRANSIT Rail Operations (NJTRO) which expires June 30, 1992. The rules in the agreement are changed only to the extent indicated herein and remain otherwise unchanged and in full force until changed in accordance with the provisions of the Railway Labor Act, as amended. The rules changes set forth in this Memorandum of Understanding shall be effective upon date of ratification unless otherwise specified.

1. Wages:

* Effective July 1, 1992, a three (3%) percent lump sum based upon an employee's actual hourly gross earnings July 1, 1992, through June 30, 1993.

* Effective July 1, 1993, all current hourly wage base rates shall be increased by three (3%) percent.

Effective July 1, 1994, all current hourly wage base rates shall be increased by three (3%) percent.

Effective July 1, 1995, all current hourly wage base rates shall be increased by three (3%) percent.

* The wages payable due to the three (3%) percent lump sum effective July 1, 1992, through June 30, 1993, and the three (3%) percent general wage increase effective July 1, 1993, through May 17, 1994, will be paid in a lump sum on or before June 16, 1994. The new hourly rate effective July 1, 1993, will go into effect May 18, 1994.

As regards the three (3%) percent lump sum payment due for the period July 1, 1992, through June 30, 1993, and the three (3%) percent general wage increase effective July 1, 1993, it is agreed that retired employees and employees who otherwise left the service prior to ratification of this Memorandum of Understanding (except for dismissal for cause, who, if reinstated, will receive such payments due) will receive such payments due for all hours compensated during such periods.

As a result of the above wage increases, the following classifications and rates of pay are in effect:

* Carmen - Instructors/Technicians (See Letter No. 1)

Effective July 1, 1993	\$ 16.41 per hour
Effective July 1, 1994	\$ 16.89 per hour
Effective July 1, 1995	\$ 17.38 per hour

Grade A Carmen

Effective July 1, 1993	\$ 16.10 per hour
Effective July 1, 1994	\$ 16.58 per hour
Effective July 1, 1995	\$ 17.08 per hour

* As per Letter No. 1, Page 119 of the Collective Bargaining Agreement

Grade B Carmen

Effective July 1, 1993	\$ 15.91 per hour
Effective July 1, 1994	\$ 16.39 per hour
Effective July 1, 1995	\$ 16.88 per hour

Grade C-1 Car Appearance Maintainers (See Letter No. 2)

Effective July 1, 1993	\$ 13.55 per hour
Effective July 1, 1994	\$ 13.96 per hour
Effective July 1, 1995	\$ 14.38 per hour

Grade C-2 Car Appearance Maintainers
(Regular Cleaning)

Effective July 1, 1993	\$ 13.33 per hour
Effective July 1, 1994	\$ 13.73 per hour
Effective July 1, 1995	\$ 14.14 per hour

2. Pension:

Effective July 1, 1994, NJ TRANSIT will contribute an additional two (2%) percent to an employee's 401(a) account.

3. Health and Welfare cost containment changes effective thirty (30) days upon notice of ratification:

All hospital admissions require pre-certification. Room and board charges will be paid at 100% when pre-certified. If the pre-certification process is not followed, a 35% penalty will be imposed on hospital room and board charges.

Managed Second Surgical Opinion required for designated elective surgeries. Failure to comply with the procedures shall result in a 50% penalty on the surgeon's fee.

Mammography to be eligible under Major Medical.

Effective thirty (30) days upon notification of ratification:

The Mental/Nervous/Substance Abuse benefit shall be as follows:

Network Benefits	Case Management referral to specific provider required for defined program of treatment
In-patient Hospital	100% up to 60 days/year
In-patient Medical	100% up to 60 days/year
Intensive Outpatient (Substance abuse only)	\$5 per visit co-pay 2 programs/year limit, 40 visits/year maximum
Out-patient	\$0 co-pay for first three (3) visits \$5 co-pay for group sessions \$15 co-pay for individual sessions 60 visits/year maximum
Employee/Dependent Voluntary Treatment	Unless specifically requested by the individual seeking treatment, the NJ TRANSIT'S Employee Assistant Program (EAP) will not have knowledge and will not participate in such cases.
Network Substance Abuse/Mental/Nervous Annual Limit	\$25,000

Special Cost Containment Provisions

Duplication of payments for medical expenses arising out of an automobile accident is not permitted. Once an Insurance Provider is selected to provide primary coverage, the other Provider Plan will automatically be designated as secondary provider through coordination of benefits between the two plans. The subrogation rights of each plan provider shall apply.

Enrollment Eligibility

New employees become eligible for all hospital, medical, and vision plans and life insurance the first of the month after completing 90 days of service.

An employee may be either a subscriber or a dependent in NJ TRANSIT health plans. Children may be enrolled only once in NJ TRANSIT health plans.

Coverage for all plans and all conditions will terminate on the first of the month according to the following schedule:

<u>Category</u>	<u>Effective</u>
After full-time student's 23rd birthday	1st of year
Furlough w/less than one (1) full year of service	1st of month after 1 full month
Resignation	1st of month
Leave of Absence/ Termination	3 full months

Prescription Drug Card

Increase current \$4.50 pharmacy co-pay to \$6.00 and current \$2.50 mail order co-pay to \$4.00

4. Regulation No. 3 Seniority

Revise Paragraphs 3-C-3 (A) and (B) as follows:

Replace five (5) working days with three (3) working days.

5. Absent Without Permission Rule

Paragraph 6, Page 107 of the Collective Bargaining Agreement:
Change fourteen (14) consecutive working days to read five (5) consecutive working days.

6. Capital Project "Gang" (M of E)

The Carrier may establish "project gangs," upon notice to the General Chairman, consisting of employees from the various shop crafts. The purpose of the gang(s) is to provide a dedicated work force to perform capital program work to repair/modify rolling stock or major components. The employees who secure a "gang" position through the bulletin process must remain on the designated project for its duration. However, the required time to remain on the project shall not exceed twelve (12) months.

Project employees may not be displaced (except to avoid a change of hours, rest days, work location or to avoid furlough of a qualified senior employee) nor may such employee voluntarily bid to another position outside the "gang" unless the job posting involves an upgrade. Upon completion of the project, employees may, within the time allowed under Regulation No. 3, Seniority, Paragraph 3-C-3, exercise seniority.

It is understood and agreed that a capital project is an activity separately funded from regularly scheduled programmed maintenance. It is an independent activity which has a specific budget and a schedule for completion. Some examples of Mechanical Projects are as follows: Comet II glazing, Comet I-II toilet change out, F-40 Locomotive Overhaul Program, Pantograph Conversion, Evaporators, E-5 Deulostat.

7. Single Vacation Days

Effective date of ratification, employees with four (4) or more years of service may liquidate vacation in one day increments up to a maximum of five (5) days per calendar year, as follows:

- a) Request for a single day vacation must be in writing and submitted to the office of the appropriate Department Head no more than thirty (30) days or no less than forty-eight (48) hours before the date of usage.
- b) When scheduling a single day vacation, employees will designate the vacation week from which they are drawing the single day. All subsequent single days of vacation will be drawn from the designated

week in sequence. All remaining days in the designated week will be liquidated as originally scheduled.

- c) Single day vacations shall not be used in conjunction with holidays, regular vacation week(s), or personal days. Consecutive single day vacation will not be granted.
- d) Single day vacations will be granted on a first come, first serve basis in accordance with the requirements of service. The Department Head or his designee shall have the exclusive authority to grant a request for a single day vacation.

Same day requests for a single vacation day, if allowed, will be granted on a seniority basis.

- e) The Carrier shall have the option to fill or not fill the position of an employee who is absent on a single vacation day. If the vacant position is filled, the rules of the agreement applicable thereto will apply. The Carrier will have the right to distribute work on a position vacated among other employees covered by the agreement.

8. Supplemental Sickness Improvement

The January 1, 1983, Supplemental Sickness benefit shall be amended for periods of disability. The benefits provided for under the plan shall be revised as follows and is effective thirty (30) days upon notification of ratification:

	<u>Per Hour</u>	<u>Per Month</u>
Class I Employees Earning	\$13.95 or more	\$2,427 or more
Class II Employees Earning	11.40 or more but less than \$13.95	\$1,984 or more but less than \$2,427
Class III Employees Earning	Less than \$11.40	Less than \$1,984

Basic and Maximum Benefit Amount Per Month

	<u>Basic</u>	<u>RUIA</u>	<u>Maximum</u>
Class I	\$1,058	\$674	\$1,732
Class II	802	674	1,476
Class III	733	674	1,407

Combined Benefit Limitation

<u>Classification</u>	<u>Maximum Monthly Amount</u>
Class I	\$1,772
Class II	1,582
Class III	1,508

Plan Benefits During Initial Registration Period

An employee who is eligible to receive Plan benefits during his initial RUIA registration period shall receive from the Plan, for the fifth through the fourteenth days of disability in that period, the Basic Benefit specified in the Plan plus an amount equal to the total RUIA benefit that would have been payable to him for days of sickness in that period but for application of the initial waiting period mandated by existing law.

9. Establish position of Lead Mechanic. The rate shall be \$.75 above the established rate of pay of those positions working under his/her direction. Positions to be advertised based upon operational requirements. Positions will be awarded based on the criteria applicable to Instructor/Technician Agreement.

10. Bidding:

Paragraph 7, Page 108 of the Collective Bargaining Agreement. Add the following language to the first paragraph:

Should an employee be displaced by a senior employee in a position he/she bid to prior to thirty (30) days on the position or the position is abolished prior to thirty (30) days on the position, the bid to this position shall not be considered as being voluntary.

11. Regulation No. 4 - Allowances, Paragraph 4 - P-1(c) to read as follows:

- (c) When a claim for compensation alleged to be due has been presented in accordance with the foregoing Paragraph (a), including exceptions 1 and 2, and is not allowed the employee or the duly accredited representative, whoever filed the claim, shall be so notified in writing within thirty (30) days from the date the claim was presented. When not so notified, the claim will be allowed as presented.

12. Expungement of Discipline (New Rule):

Investigations

If discipline assessed is a Reprimand and an employee maintains an unblemished record from the date of the G-32 (Notice of Discipline) for a one (1) year period (including warnings), then the Reprimand will be removed from his/her record.

If an employee is assessed discipline of sixty (60) days or less and maintains an unblemished record from the date of the G-32 (Notice of Discipline) for a two (2) year period (including warnings), then the discipline will be removed from his/her record.

For discipline assessed prior to date of this agreement, it is understood that the two (2) year period for expungement will commence with the date of ratification of this memorandum.

It is understood and agreed that this rule does not apply to any discipline assessed for absenteeism, late starts or early quits.

13. Moratorium

There shall be a moratorium on the serving of Section 6 Notices through April 1, 1996, any changes not to become effective before July 1, 1996.

This Memorandum of Understanding constitutes the complete agreement of the parties with respect to changes in the Collective Bargaining Agreement reached between the undersigned on March 31, 1994.

For the Organization:

(original signed by)
A. Wybraniec
General Chairman- BRS

(original signed by)
C. Sosa
Local Chairman – BRS

(original signed by)
W. Cashin
Local Committee - BRS

For the Company:

(original signed by)
Michael J. Rienzi
Deputy General Manager
Support Operations

(original signed by)
William B. Murphy
Director Labor Relations

(original signed by)
Angelo J. Genova
Special Counsel

Transport Workers Union of America

(original signed by)
Peter McMahon
President, Local 2001 - TWU

(original signed by)
Eugene Caserta
Executive Vice President - TWU

(original signed by)
J. T. Haley
Local Chairman - TWU

March 31, 1994

Mr. Alex I. Wybraniec
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
Local 6053
66 Wilson Drive
Fords, NJ 08863

Dear Mr. Wybraniec:

This will confirm our discussions regarding the interpretation and application of Rule 3-C-3 of the agreement between NJ TRANSIT Rail Operations and the Brotherhood of Railway Carmen and supercedes Letter of Agreement dated October 12, 1990.

1. Where the contract refers to "3 working days" it shall be interpreted to mean Monday through Friday as working days. For example, when an employee is notified before the end of tour on Wednesday that he is displaced, Thursday will be considered the first working day. However, Saturdays, Sundays and holidays will not be included in counting "3 working days." The employee must be working his/her new position on the third working day. It is understood that employees are required to exercise seniority as promptly as possible within the three working days.
2. Employees exercising seniority must notify the supervisor at the location he/she is bumping into, **before the end of tour of duty** on the days prior to physically taking over the position.

This notification means that the employee should provide written notification to the Supervisor with a copy of the displacement notice obtained from Labor Relations.

Very truly yours,

(original signed by)
William B. Murphy
Director Labor Relations

I CONCUR:

(original signed by)
Alex I. Wybraniec,
General Chairman

July 22, 1993

Mr. Alex I. Wybraniec
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
Local 6053
66 Wilson Drive
Fords, NJ 08863

Dear Mr. Wybraniec:

FILE: L-141-BRC

As you are aware we entered into an agreement on the 25th of January 1993, with respect to certified welders program. At that time the Carrier expressed the desire to develop additional programs to further enhance the skill levels of those employees who perform welding functions. To this end the Carrier plans to implement advanced training, hereby referred to as Level II and Level III Certified Welders. All provisions of the original agreement will apply to the advanced training with the following modifications:

LEVEL II CERTIFIED WELDERS TRAINING PROGRAM

- 1) All applicants must have successfully completed the initial training, or can successfully pass the level of certification as dictated by the AWS in order to be eligible for Level II training.
- 2) Qualified incumbents of a certified Level II position may not be displaced except by a senior certified Level II welder or by a senior Carmen to avoid furlough.
- 3) Commencing with the effective date of award, Level II welders will receive a hourly rate of pay of a Grade A position subject to the general wage increases plus \$1.00 per hour above the hourly rate of pay.

LEVEL III CERTIFIED WELDERS TRAINING PROGRAM

- 1) All applicants must have successfully completed the previous training, or can successfully pass the level of certification as dictated by the AWS in order to be eligible for Level III training.

Mr. Alex I. Wybraniec
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
July 22, 1993
Page 2

- 2) Qualified incumbents of a certified Level III position may not be displaced except by a senior certified welder who has successfully completed all three levels of the program, or by a senior Carmen to avoid furlough.
- 3) The rate of pay for a Level III will be that of a Grade A position subject to the wage increases plus \$1.50 per hour above the hourly rate of pay.

Very truly yours,

(original signed by)
William B. Murphy
Director-Labor Relations

(original signed by)
Charles Prehm
Chief Mechanical Officer

I CONCUR:

(original signed by)
A. Wybraniec
General Chairman
Brotherhood of Railway Carmen-
Division of TCU

AGREEMENT ENTERED INTO THIS 22ND DAY OF JULY 1993 BETWEEN
NJ TRANSIT RAIL OPERATIONS AND ITS EMPLOYEES REPRESENTED
BY THE BROTHERHOOD OF RAILWAY CARMEN WITH RESPECT TO
CERTIFIED WELDERS TRAINING PROGRAM

WHEREAS, the parties recognize the need to elevate the skill levels of employees who perform welding functions, and;

WHEREAS, the parties believe that a comprehensive training program will materially add in accomplishing this end;

THEREFORE, the parties agree to establish a Certified Welders Program subject to the following conditions:

A. Advertisement

- 1) At the sole discretion of the Carrier, certified welder positions may be established pursuant to the provisions of the Collective Bargaining Agreement. Such positions will be utilized to perform specialized welding duties in addition to other responsibilities as outlined in the scope of the Agreement.
- 2) Advertised certified welder positions will be awarded to the senior employees making application who demonstrate an aptitude to performing welding functions, subject to successful completion of the Training Program.
- 3) In filling vacant certified welder positions preference will be given to employees making application who have successfully completed the training program and possess the AWS certification. Should award be made to a certified welder, the provisions of Section B will not apply.

B. Training Program

- 1) All successful applicants of the certified welder positions must successfully complete an extensive training program. Failure to make satisfactory progress while in training may be grounds for disqualification .

- 2) This Training Program includes classroom instructions and practical application of welding proficiency.
- 3) All training will be conducted during the first tour of duty, Monday through Friday.
- 4) Successful completion of the training program is based on the standards established by the Carrier based on guidelines of the American Welding Society (AWS).
- 5) An employee who fails to qualify will exercise seniority in accordance with the provisions of the Collective Bargaining Agreement and will be given an opportunity for re-test at the Carrier's discretion.
- 6) While in training, employees may not be displaced, nor may said individual voluntarily bid to other positions.
- 7) While in training, employees will receive the rate of pay of their last awarded permanent position immediately preceding the advertisement of the certified welding position.
- 8) When the employee is notified of successful completion of the training program, the award and rate will become effective.

C. Certified Welders

- 1) Effective the date of the award, qualified incumbents of a certified welder position may not be displaced except by a senior certified welder.
- 2) Upon successful completion of the training program and commencing with the effective date of award, certified welders will receive a hourly wage of pay of a Grade A position subject to the general wage increases plus 50 cents per hour above the hourly rate of pay.

- 3) Certified welders awarded other bulletined positions may be retained on their certified welders position without penalty for a maximum of thirty (30) days.
- 4) Unless otherwise specified in this agreement, all other rules of the Collective Bargaining Agreement will apply.

Should dispute on testing, selection, qualification or disqualification arise, the Chief Mechanical Officer and the General Chairman, or designated representative will meet and attempt to agree on a satisfactory resolution of the dispute. If it cannot be resolved in that manner, an appeal may be made within fifteen (15) calendar days after such a meeting to the Director of Labor Relations.

Director of Labor Relations shall provide a written decision to the General Chairman or designated representative within fifteen (15) calendar days after receipt of such appeal. Any dispute that cannot be resolved under the provisions outlined in the above paragraph may be handled in accordance with Rule SP-1 (9) of the January 1, 1983 Collective Bargaining Agreement.

A certified welder will be furloughed in accordance with Carmen's seniority only in the event of a reduction in forces in accordance with seniority.

This supersedes the agreement entered into and dated January 25, 1993.

(original signed by)
William B. Murphy
Director, Labor Relations

(original signed by)
Charles Prehm
Chief Mechanical Officer

I Concur:
(original signed by)
Alex Wybraniec
General Chairman, Brotherhood of Railway Carmen

December 9, 1994

Mr. Alex I. Wybraniec
General Chairman
Brotherhood of Railway Carmen
Division of TCU
Local 6053
66 Wilson Drive
Fords, NJ 08863

Re: Language Clarification Capital
Project Gang

Dear Mr. Wybraniec:

This is in reference to our conversation concerning the recently ratified Memorandum of Understanding and, in particular, Paragraph 6, Capital Project Gang (M of E).

It is understood and agreed that the following language contained in the second paragraph of Paragraph 6 concerning displacement of capital project employees "except to avoid a change of hours, rest days, work locations refers to displacement rights among the project gang employees themselves. Project gang employees will be subject to displacement by non-project gang employees only in those situations where such an employee cannot otherwise hold seniority and the displacement of a project gang employee will avoid his/her furlough.

Very truly yours,

(original signed by)
William B. Murphy
Director Labor Relations

I CONCUR:

(original signed by)
A. Wybraniec,
General Chairman

August 14, 1995

Mr. Alex Wybraniec
General Chairman
Brotherhood of Railway Carmen
Division of TCU
66 Wilson Drive
Fords, NJ 08863

Subject: Lead Mechanic Agreement
File: L-141 BRC

Dear Mr. Wybraniec:

The following sets forth our understanding as it relates to the Lead Mechanic position as outlined in item 9 of the Memorandum of Understanding dated March 31, 1994.

- A. Position of Lead Mechanic may be established at the sole discretion of the Company. Such positions, when established, may be utilized to lead all other grade levels of BRC Carmen.
- B. Position of Lead Mechanic will be advertised throughout NJTRO's system with copy to Local and General Chairmen.
- C. Applicants must have received no discipline and not triggered the Carrier's absenteeism procedure for a period of one year prior to applying for the position.

All applicants will be given a fair and impartial competitive written examination with a 70 percent passing requirement. The applicant with the highest passing score, will then be required to give a practical demonstration of their ability and knowledge, with a passing requirement of 70 percent. If two or more employees have the same score on the written test they will be given the practical test in accordance with their seniority in the classification. A designated representative of the BRC may be present during the testing procedure. Applicant who successfully passed both the written and practical tests will be subject to a formal interview with Mechanical Department management.

Employee awarded position will be subject to a ninety (90) day probationary period commencing the day they begin working the job.

An employee who is unsuccessful in passing the written test is not eligible to be retested for a four month period.

An employee who successfully passed the written test, but did not obtain the highest score, may elect to be retested if another position becomes available.

Test scores are only valid for one year.

- D. 1. Should dispute on testing, selection, qualification or disqualification arise, the Chief Mechanical Officer and the General Chairman, or their respective designees, will meet and attempt to agree on a satisfactory resolution of the dispute. If it cannot be resolved in that manner, an appeal may be made within fifteen (15) calendar days after such a meeting to the Director of Labor Relations.

Director of Labor Relations shall provide a written decision to the General Chairman or designated representative within fifteen (15) calendar days after receipt of such appeal or conference.

2. Any dispute that cannot be resolved under the provisions contained in paragraph 1. above, may be handled in accordance with Rule 4-P-1 (g) of the January 1, 1983 Collective Bargaining Agreement.
- E. Employees reporting for duty after a leave of absence, vacation, sickness or disability will be permitted to exercise seniority in accordance with Rule 3-C-3 (b) of the existing agreement, providing however, that such employee satisfies the requirements of Paragraph C above.

A. Wybraniec
Lead Mechanic
August 14, 1995
Page 3

- F. Employees awarded Lead Mechanic positions shall be paid \$0.75 per hour above the highest rate of pay of those positions working under their direction.
- G. Lead Carman Mechanic will be furloughed in accordance with Carman's seniority only in the event of a reduction in force in accordance with seniority.
- H. Lead Carman Mechanic will be subject to all other rules of the Agreement effective January 1, 1983, except those dealing with displacement, starting time, rest days and hours of assignment.
- I. The establishment of this classification of Lead Carman Mechanic in no manner restricts the Company in the manner in which it currently supervises, trains or instructs BRC represented employees.

If the foregoing adequately reflects our discussion, please indicate your acceptance in the space provided below.

(original signed by)

William B. Murphy
Director, Labor Relations

(original signed by)

Alex Wybraniec
General Chairman, BRC

September 29, 1995

Mr. Alex Wybraniec
General Chairman, BRC
Division of TCU
66 Wilson Drive
Fords, NJ 08863

Subject: Lead Car Appearance
Maintainer
File: L 141 BRC

Dear Mr. Wybraniec:

To ensure a consistent and quality level of cleaning to the revenue fleet of NJ Transit, the parties have agreed to establish the position of Lead Car Appearance Maintainer subject to the following provisions:

- A. Position of Lead Car Appearance Maintainer may be established at the sole discretion of the Company. In addition to the regular duties of a CAM, such positions, will assist the Foreman in all phases of Car Appearance Maintaining, in addition to training and leading. The incumbents of the position must also be qualified to operate specialized equipment.
- B. Position of Lead Car Appearance Maintainer will be advertised throughout NJTRO's system with copy to Local and General Chairmen.
- C.
 - 1) All applicants must have an unblemished discipline record for a period of two (2) years and not triggered the Carrier's absenteeism procedure for a period of one (1) year previous to applying for the advertised position.
 - 2) All applicants will be subject to the Carrier's general aptitude test in which a passing score of 70% is required.
 - 3) All applicants who pass the general aptitude test will be subject to a formal interview with Mechanical Department management and a BRC representative, wherein the senior qualified applicant will be selected.

- 4) The successful applicant will be subject to a ninety (90) day probationary period commencing the day they begin working the job. In the event of disqualification, the Carrier will award the position to the next senior qualified person making application, without the necessity of advertising the position.
 - 5) In the event the successful bidder is unavailable, due to disability, sickness, leave of absence, or vacation, the next senior qualified applicant at the location, and on the tour of duty will be upgraded to the Lead Car Appearance Maintainer position.
- D. 1) Should dispute on the selection, qualification or disqualification arise, the General Superintendent of Equipment and the General Chairman, or their respective designees, will meet and attempt to agree on a satisfactory resolution of the dispute. If it cannot be resolved this manner, a written appeal may be made within fifteen (15) calendar days after such a meeting to the Director of Labor Relations.
- Director of Labor Relations shall schedule an appeal meeting within fifteen (15) calendar days and provide a written decision to the General Chairman or designated representative within fifteen (15) calendar days subsequent to such appeal meeting.
- 2) Any dispute that cannot be resolved under the provisions contained in paragraph 1. above, may be handled in accordance with Rule 4-P-1 (g) of the January 1, 1983 Collective Bargaining Agreement.
- E. Employees awarded Lead Car Appearance Maintainer positions shall be paid \$0.75 per hour above the established rate of pay of those positions working under their direction.

BRC Lead Car Appearance Maintainer Agreement

September 29, 1995

Page 3

- F. Lead Car Appearance Maintainer will be subject to all other rules of the Agreement effective January 1, 1983, except those dealing with displacement (other than by a senior qualified Lead Car Appearance Maintainer), starting time, rest days and hours of assignment.
- G. Employees reporting for duty after a leave of absence, vacation, sickness or disability will be permitted to exercise seniority in accordance with Rule 3-C-3 (b) of the existing agreement, providing, however, that such employee satisfies the requirements of Paragraph C above. It is further understood that such exercise of seniority will be allowed against the most junior qualified Lead Carman.
- H. The establishment of this classification of Lead Car Appearance Maintainer in no manner restricts the Company in the manner in which it currently supervises, trains or instructs BRC/TWU represented employees.

If the foregoing adequately reflects our agreement, please indicate your acceptance in the space provided below.

Sincerely,

(original signed by)
William B. Murphy
Director, Labor Relations

I concur: (original signed by)
Alex Wybraniec
General Chairman
Brotherhood of Railway Carmen

August 19, 1996

Mr. Alex Wybraniec
General Chairman
Brotherhood of Railway Carmen
Division of TCU
66 Wilson Drive
Fords, NJ 03863

Subject: Lead Mechanic Agreement Section H
File 1-141 BRC

Dear Mr. Wybraniec:

This serves to clarify Section "H" of the Lead Mechanic's Agreement dated August 14, 1995. It is agreed and understood that Section "H" will read as follows:

Lead Carmen Mechanic will be subject to all other rules of the Agreement effective January 1, 1983, except those dealing with displacement (other than by a senior, qualified Technician or Lead Mechanics, starting time, rest days, and hours of assignment.

If this accurately reflects the intent of the agreement, please affix your signature below.

Sincerely,

(original signed by)
Phillip B. Charles
Director, Labor Relations

I concur:

(original signed by)
Alex Wybraniec
General Chairman, BRC

March 31, 1994

Mr. Alex I. Wybaniec
General Chairman
Brotherhood of Railway
Carmen - Division of TCU
Local 6053
66 Wilson Drive
Fords, NJ 08863

Dear Mr. Wybraniec:

This will confirm our discussions regarding the interpretation and application of Rule 3-C-3 of the agreement between NJ TRANSIT Rail Operations and the Brotherhood of Railway Carmen and supersedes Letter of Agreement dated October 12, 1990.

1. Where the contract refers to "3 working days" it shall be interpreted to mean Monday through Friday as working days. For example, when an employee is notified before the end of tour on Wednesday that he is displaced, Thursday will be considered the first working day. However, Saturdays, Sundays and holidays will not be included in counting "3 working days." The employee must be working his/her new position on the third working day. It is understood that employees are required to exercise seniority as promptly as possible within the three working days.
2. Employees exercising seniority must notify the supervisor at the location he/she is bumping into, before the end of tour of duty on the days prior to physically taking over the position.

This notification means that the employee should provide written notification to the Supervisor with a copy of the displacement notice obtained from Labor Relations.

Very truly yours,

(original signed by)
William B. Murphy
Director-Labor Relations

I CONCUR:

(original signed by)
Alex I. Wybraniec,
General Chairman

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE TRANSPORT WORKERS UNION OF AMERICA
BROTHERHOOD OF RAILWAY CARMEN
Division of TCU
REPRESENTING
Carmen and Car Appearance Maintainers
AND
NEW JERSEY TRANSIT RAIL OPERATIONS

The parties hereby agree to the following terms and conditions of employment for a new labor agreement (“Agreement”) for the period July 1, 1996 through June 30, 2001.

This Memorandum of Understanding is subject to ratification by the membership of the Brotherhood of Railway Carmen Union and final approval by the New Jersey Transit Board of Directors.

This Agreement amends the current Collective Bargaining Agreement between the parties. The rules of the BRC-NJTRO Collective Bargaining Agreement are changed only to the extent indicated herein and remain otherwise unchanged and in full force until changed in accordance with the Railway Labor Act as amended. The rule changes set forth in this Memorandum of Understanding shall be effective upon the date of ratification unless otherwise specified.

1. **WAGES**

Effective July 1, 1996, a one (1%) percent general wage increase **and** a two (2%) lump sum payment based upon an employee's actual yearly gross earnings July 1, 1996, through June 30, 1997.

Effective July 1, 1997, all current wage rates shall be increased by three and one half (3½%) percent.

Effective July 1, 1998, all current wage rates shall be increased by three (3%) percent.

Effective July 1, 1999, all current wage rates shall be increased by three (3%) percent.

Effective July 1, 2000, all current wage rates shall be increased by three and one half (3½%) percent.

The wages payable due to the one (1%) general wage increase and the two (2%) percent lump sum effective July 1, 1996, through June 30, 1997, the three and one half (3½%) percent general wage increase effective July 1, 1997 and the three (3%) wage increase effective July 1, 1998 through November 3, 1998, will be paid in a lump sum on or before December 23, 1998. The new hourly rate effective July 1, 1998, will go into effect November 4, 1998. (Payable on November 19, 1998.)

As regards the one (1%) general wage increase and the two (2%) percent lump sum payment due for the period July 1, 1996, through June 30, 1997, the three and one half (3½%) percent general wage increase effective July 1, 1997, and the three (3%) wage increase effective July 1, 1998, it is agreed that retired employees and employees who otherwise left the service (except for dismissal for cause, who, if reinstated will receive the increase due) will receive such payments due for all hours compensated during such periods.

2. **HEALTH & WELFARE**

- Effective January 1, 1999 the Traditional plan and Blue Select (PPO) will be offered to all employees. Effective July 1, 1999 HMO's, as well as Traditional and Blue Select, will be offered to all employees and each July 1 thereafter all employees will have the opportunity to select coverage from the available plans. (See Attachment 1a through 1d reference Blue Select)
 - No in network deductibles
 - In network 90%/10% co-insurance
 - Out of network 70%/30% co-insurance of eligible expenses
 - Catastrophic coverage in-network after out of pocket co-insurance max \$500.00
 - Catastrophic coverage out of network after out of pocket co-insurance max \$1,500.00 of eligible expenses.
- HMO's offered July 1st of each year
- Prescription Drug Card (Attachment 2)
- Improved Dental Plan
 - Basic plan for new hires (Attachment 3a)
 - For current employees (Attachment 3b)
 - Annual limit raised from \$1,000.00 to \$1,500.00 per year
 - Annual deductibles reduced from \$50.00 to \$35.00.
- Orthodontia limit raised from \$750.00 per year to \$1,000.00 per year.
- Eligibility for Health and Life Insurance Benefits

Disabled Employees: Employees hired on or after date of ratification with less than one year of service shall be eligible for continuation of health and life insurance benefits under the terms of the Agreement until the first month after three (3) full months of disability. After one (1) year of service, such employees shall have the same eligibility for these benefits as all other employees. It is understood

that this provision does not apply nor change the current eligibility requirements for benefits due employees who are injured while on duty.

Rx: Employees and dependents eligible only if enrolled in the Medical Plan.

Dental:

(A) Basic 1st of month after 3 full months of service.

(B) Standard One (1) full year of enrollment in the Basic Plan.

Dependent Children: End of year age 19; full-time students end of year age 23.

Life Insurance:

(A) Age and Smoker 1st of month after one full year until retirement.
/Non-Smoker

Health Rated Subsequently only upon birth of a child or closing on the Purchase of a principal residence

Supplemental Life Same as A

(B) Supplement Accidental Death

- Improved Retiree Medical Provision - All plans (Attachment 4)
 - Age reduced from 61 to 60
 - No lifetime maximum
- Opportunity to purchase Life Insurance by payroll deduction in amounts of \$25,000 or \$50,000 - All plans (Attachment 5)

	Traditional		Select	
	Weekly Contribution Before Tax	Weekly Contribution After Tax	Weekly Contribution Before Tax	Weekly Contribution After Tax
Single	\$2.00	\$1.20	\$1.25	\$0.75
Parent & Child	\$4.00	\$2.40	\$2.50	\$1.50
Husband & Wife	\$7.50	\$4.50	\$5.00	\$3.00
Family	\$9.00	\$5.40	\$7.50	\$4.50

Contributions for HMO Blue Subscribers waived for Rx and Dental as well as HMO.

3. Direct Deposit (Attachment 6)

4. Regulation 1-A-1(b) Employment and Promotion:
 - a. The application of new employees for employment, shall be approved or disapproved within 120 days after applicants begin work.
 - b. An employee who has been accepted for employment, who has furnished incorrect information in connection with an application for employment or who has withheld information therefrom, may be terminated within one (1) year from date of hire, if the information involved was of such a nature that the employee would not have been hired if the Company had timely knowledge of it.
5. Revise Regulation 2-A-1 (e):

Change thirty (30) miles to fifty (50) miles.
6. Revise Regulation 3-C-3(c):

Change thirty (30) miles to fifty (50) miles
7. Modify the provision of Regulation 4-L-1 (d) as follows:

"When a regularly assigned employee is summoned for jury duty and is required to lose time from his assignment as a result thereof, he shall be paid for actual time lost with a maximum of a basic day's pay at the straight time rate of his/her position for each day lost subject to the following qualification requirements and limitations."
8. Modify the provision of the first paragraph of Regulation 4-C-3(b) to read:

A regularly assigned employee shall qualify for the holiday pay provided in paragraph (a) hereof if compensation paid him by the Company is credited for four (4) hours or more of his/her assignment on the workday immediately preceding and following such holiday. If the holiday falls on the last day of a regularly assigned employee's work week, the first workday following the rest days shall be considered the workday immediately following the holiday. If the holiday falls on the first workday of this workweek, the last workday of the preceding workweek shall be considered the workday immediately preceding the holiday.

9. Modify the provisions of Regulation 4-C-4, Bereavement Leave, to change three (3) calendar days to three (3) consecutive working days, not to include rest days.

10. Personal Days:

Effective January 1, 1999 the personal leave days referenced in Rule No. 8 will be amended as follows:

- a. An employee with ten (10) but less than fifteen (15) years of continuous service shall be entitled to one (1) additional day.
- b. An employee with fifteen (15) but less than twenty-five (25) years of continuous service shall be entitled to two (2) additional days.
- c. An employee with twenty-five (25) or more continuous years of service shall be entitled to three (3) additional days.
- d. Continuous years of service shall be calculated the same as vacation entitlements.

11. Modify Letter No. 1 dated January 10, 1991 to add the following:

Employees awarded an Instructor/Technician position cannot voluntarily bid to another position within twelve (12) months from the effective date of award except in case of change of hours, rest days and work location. Instructor/Technicians may voluntarily bid to another position that pays a higher rate of pay. Instructor/Technicians may be displaced in case of furlough or by another qualified Instructor/Technician.

12. Tool Allowance

Modify current tool maintenance allowance of \$100.00 as provided for in Memorandum of Understanding dated May 19, 1987, for an additional \$25.00 to be effective July 1999 and another \$25.00 effective July 2000.

13. Clothing Allowance

Establish a new rule to provide protective clothing allowance to Car Appearance Maintainers. CAM's will be allowed an allowance of \$25.00 effective July 1999 to be increased by \$25.00 effective July 2000.

14. Moratorium

There shall be a moratorium on the serving of Section 6 Notices until April 1, 2001, any changes not to become effective before July 1, 2001.

This Memorandum of Understanding constitutes the complete agreement of the parties with respect to changes in the Collective Bargaining Agreement reached between the undersigned on September 25, 1998.

For the Organization:

(original signed by)
James J. Parry
Assistant General President
Transportation Communication
International Union - Carmen Division

(original signed by)
Alex I. Wybraniec
General Chairman
Brotherhood of Railway Carmen
Division of TCU

(original signed by)
Carlos M. Sosa
Local Chairman - BRC

For the Company:

(original signed by)
William B. Murphy
Assistant General Manager
Labor Relations/Administration

(original signed by)
Frederick T. Danser III, Esq.
Special Counsel

(original signed by)
Dave Rehbein
Vice Local Chairman - BRC

Transport Workers Union of America

(original signed by)
Peter McMahon
President, Local 2001
Transport Workers Union of America

(original signed by)
Joseph T. Haley
Vice President, Local 2001
Transport Workers Union of America

September 25, 1998

Mr. Alex Wybraniec
General Chairman
Brotherhood of Railway Carmen
Local 6053
66 Wilson Drive
Fords, NJ 08863

Dear Mr. Wybraniec,

In the event NJ Transit Rail executes an agreement for the period commencing July 1, 1996 through June 30, 2001 with any of the other union(s) representing its employees that contains improvements in the area of general wage increases, (including configuration of wage increases) vacations, holidays, pension, health insurance, bereavement leave, jury duty or other changes that have the effect of increasing the compensation package that are greater than those set forth in this Memorandum of Understanding, it is agreed that such improvements will be incorporated into the Brotherhood of Railway Carmen Union's Agreement with NJ Transit Rail, unless such improvement(s) was made in consideration for a modification(s) in the Company's agreement(s) with the other Union(s) which benefits NJ Transit Rail.

Very truly yours,

(original signed by)
William B. Murphy
Assistant General Manager
Labor Relations/Administration

September 25, 1998

Mr. Alex Wybraniec
General Chairman
Brotherhood of Railway Carmen
Local 6053
66 Wilson Drive
Fords, NJ 08863

Dear Mr. Wybraniec,

This will serve to confirm that the Pre Tax contributions required under the terms of the contract to be paid effective January 1, 1999 for coverage under Traditional and Blue Select shall have no adverse consequences in the determination of gross wages for purposes of calculating vacation pay and contributions due under the 401A Plan.

Very truly yours,

(original signed by)
William B. Murphy
Assistant General Manager
Labor Relations/Administration

September 25, 1998

Mr. Alex Wybraniec
General Chairman
Brotherhood of Railway Carmen
Local 6053
66 Wilson Drive
Fords, NJ 08863

Dear Mr. Wybraniec,

This will serve to confirm that effective January 1, 1999 married couples working for New Jersey Transit Rail must elect health insurance coverage under one of the available plans (Traditional or Blue Select) and shall be required to pay the designated contribution for only one spouse. Effective July 1, 1999 and thereafter married couples working for New Jersey Transit Rail must elect health insurance coverage under one of the available plans (Traditional, Blue Select, or HMO) and where appropriate shall be required to pay the designated contribution for only one spouse.

Very truly yours,

(original signed by)
William B. Murphy
Assistant General Manager
Labor Relations/Administration

**New Jersey Transit/Rail Agreement
BENEFIT COMPARISON**

	BLUE SELECT		CURRENT TRADITIONAL
	In-Network	Out-of-Network	
GENERAL PROVISIONS			
Deductible Major Medical Each Person Three Person Basic Hospital	None None None	None None \$500 each non-emergency admission	\$100 \$300 \$0 for Room & Board
Employee Coinsurance Basic Hospital Basic Plan Benefits Professional Major Medical	0% N/A 10% N/A	30% N/A 30% N/A	N/A 0% N/A 20%
Catastrophic Coverage (Plan Pays 100%)	N/A (In-patient Hospital) After \$5,000 of eligible claims for all Outpatient Hospital, Professional, and Supplemental.	After \$5,000 of eligible claims for all Hospital. Professional, and Supplemental (after in-patient deductible).	Major Medical, after deductible and \$5,000 of eligible claims
Maximum Payment Level	PACE: Schedule	Usual, Customary & Reasonable (UCR)	PACE: Schedule/UCR
Benefit Period Maximum	None: Unless otherwise specified	None. Unless otherwise specified	None, Unless otherwise specified
Lifetime Maximum	None: Unless otherwise specified	None. Unless otherwise specified	\$500,000 Major medical
Pre-Existing Conditions	12 Months (New Hires Only)	12 Months (New Hires Only)	12 Months (New Hires Only)
Infertility Treatment	None	None	None
PHYSICIAN SERVICES			
Doctors Office Visits	100% after \$5 copay	70%	Deductible: then 80%
Preventive Care	100% up to \$300/year/person	No benefit	No benefit except mammography
Second Surgical Opinion Program (Plan Pays 100% if applicable)	Optional elective second opinion available (Not Mandatory)	No benefit	Mandatory: 50% benefit reduction of surgeon's fee for non-compliance.

	BLUE SELECT		CURRENT TRADITIONAL
	In-Network	Out-of-Network	
Surgery	90%	70%	Inpatient - Deductible; then 80% Outpatient - 100% (includes all related services)
Maternity (Pre & Post Natal Care)	90%	70%	Deductible; then 80%
X-Ray and Lab	90%	70%	Deductible; then 80%
Emergency Care	90%	90%	Deductible; then 80%
Short Term Therapies (Physical, Occupational)	90%; 30 visits/year/person	70%; 30 visits/year/person	Deductible; then 80%
Chiropractic Care	90%; 12 visits/year/person	70%; 12 visit/year/person	Deductible; then 80% (Subject to Medical Review)
FACILITY SERVICES			
Pre-Admission Review	Hospital responsible for obtaining approval	Mandatory; \$1,000 benefit reduction for non-compliance	Medical Admissions - Mandatory; 35% (Room & Board Only) benefit reduction for non-compliance Mental Health/Substance Abuse - Mandatory - Approved Benefits Only
Inpatient Care - Medical Non-Emergency - Emergency	240 days/year/person 100% 100%	240 days/year/person Deductible, then 70% 100%	Room & Board - 365 days/year/person 100% Ancillary Services - Deductible; then 80%
Pre-Admission Testing	100%	70%	Deductible; then 80%
Outpatient Surgery	100%	70%	100%
Outpatient Accidental Injury	100%	100%	Deductible; then 80%
Outpatient Medical Emergency	90% after \$50 copay	90% after \$50 copay	Deductible; then 80%
Outpatient X-Ray and Lab	90%	70%	Deductible; then 80%
Skilled Nursing Facility	100%; 120 days/year/person	70%; 120 days/year/person	100% up to 60 days/year/person
Home Health Care	100%; 90 visits up to \$4,500/year/person	70%; 90 visits up to \$4,500/year/person	Deductible; then 80% up to 60 visits/year/person
Hospice Care	100%; \$15,000/Lifetime Maximum	70%; \$15,000 Lifetime Maximum	Deductible; then 80%
Birthing Centers	100%	Deductible; then 70%	100%

	BLUE SELECT		CURRENT TRADITIONAL
	In-Network	Out-of-Network	
Centers of Excellence (Available on Individual Case Management Basis)	100% Facility 90% Professional	100% Facility 90% Professional	Room & Board - 365 days/year/person 100% Ancillary Services - Deductible; then 80%
SUPPLEMENTAL SERVICES			
Durable Medical Equipment	80%		Deductible; then 80%
Blood	80%		Deductible; then 80%
Private Duty Nursing	80% to \$10,000/year/person		No Benefit

Attachment 1c

NJ TRANSIT Glossary of Terms

Deductible - Each year, you must pay a certain amount toward your medical expenses before the programs start paying benefits. This amount is called the annual deductible. An annual deductible applies each year for each person covered by the program. In addition, under the Blue Select Program, a separate \$500 deductible per admission will apply when you receive non-emergency care at a non-network hospital.

Coinsurance - When the program reimburses less than 100%, you must make up the difference by making "coinsurance payments". The amount of coinsurance will vary depending on the health benefits program you select. Your coinsurance does not include services not covered under the plan.

Catastrophic Coverage - The program sets a limit on how much money you must pay out of your pocket for medical care in a plan year. Once you reach this annual limit for claims subject to coinsurance, the program pays 100% of all covered expenses for the rest of that year. The catastrophic coverage does not include deductible, copayments, precertification penalties or any amounts in excess of reasonable and customary charges.

Reasonable and Customary Charges - In any geographic area, doctors and other health care providers will charge different rates for the same services. Your medical coverages include standard fees for what most doctors in your area charge for each particular type of service. These standard fees are called "reasonable and customary" (R&C) charges.

Preventive Health Care - When you and your family go in-network for your health care, the Blue Select program offers important preventive services to give you and your family the valuable benefit of early detection and treatment of many illnesses. The preventive program includes, routine physical exams, immunizations, diagnostic testing, well-baby care and well-woman care. Preventive care is not covered under other NJ Transit Rail programs (exceptions included a mammogram).

Pre-Existing Conditions (New Hires Only) - For 12 months after your effective date, the health plan will not pay for services relating to any disease, injury or condition which was treated by a health care professional in the 12 months before your effective date.

Basic Hospital Services - This type of service includes all eligible inpatient hospital charges, facility charges for outpatient surgery and pre-admission testing.

Emergency Admission - An unscheduled admission which originated in either the emergency room or outpatient department of a hospital.

Attachment 1d

NJ Transit/Rail Agreement

PRESCRIPTION BENEFIT COMPARISON

	PROPOSED INCENTIVE PLAN		CURRENT PLAN
	LOCAL RETAIL PHARMACY	MAIL ORDER	
GENERAL PROVISIONS			
Employee Co-Pay			
Generic	10%	-0-	\$6.00/\$4.50
Single-Source Brand	20%	20%	\$6.00/\$4.50
Multi-Source Brand	30%	30%	\$6.00/\$4.50
Maintenance Drugs	Available	Voluntary	Mail Order Is Voluntary
Maximum Co-Pay	None	\$20.00	N/A
ELIGIBILITY	Same Enrollment as Medical Plan		1st of Month after 3 Months

Attachment 2

**NJ Transit/Rail Agreement
DENTAL BENEFIT IMPROVEMENTS
(New Employees Only)**

	BASIC P.P.O. PLAN
	P.P.O.
GENERAL PROVISIONS	
Deductible Preventive and Diagnostic Restorations Only Each Person	NO YES \$25.00
Plan Payment % Class I - Preventive and Diagnostic Class II - Basic Restoration Class III - Major Restoration Class IV - Orthodontics	90 75 -0- -0-
Maximum Payment Level	P.P.O.
Annual Maximum I, II	\$500.00
Lifetime Maximum IV (Orthodontia)	N/A
ELIGIBILITY	1st of Month after 3 Months

**NJ Transit/Rail Agreement
DENTAL BENEFIT IMPROVEMENTS
(Current Employees)**

	TRIPLE OPTION			CURRENT PLAN
	P.P.O.	D.D.N.	Out-of-Network	
GENERAL PROVISIONS				
Deductible	NO	NO	YES	YES
Preventive and Diagnostic Restorations Only	YES	YES	NO	NO
First Person	\$35.00	\$35.00	\$35.00	\$50.00
Second Person	\$35.00	\$35.00	\$35.00	\$50.00
Third Person	\$35.00	\$35.00	\$35.00	N/A
Plan Payment %				
Class I - Preventive and Diagnostic	100	90	80	100
Class II - Basic Restoration	80	75	70	75
Class III - Major Restoration	50	50	50	50
Class IV - Orthodontics	50	50	50	50
Maximum Payment Level	P.P.O.	DDN	UCR (Usual, Customary & Reasonable)	DDN/UCR
Annual Maximum I, II, III	\$1,500.00	\$1,500.00	\$1,500.00	\$1,000.00
Lifetime Maximum IV (Orthodontia)	\$1,000.00	\$1,000.00	\$1,000.00	\$750.00
ELIGIBILITY	12 Months After Enrolling In Basic Plan			12 Months (New Hire Only)

Attachment 3b

RETIREE MEDICAL

BASIC PLAN

	<u>Proposed</u>	<u>Current</u>
Lifetime Limit	None	\$75,000
Annual Limit	\$100,000	Unused portion of Lifetime limit
Deductible/Person	\$200	\$100
Minimum age for Retirement	60	61
Minimum time spouse is married to retiree prior to retirement	1 Year	1 Day
Contribution if retiree is under age 62	10%	-0-
Contribution for spouse under age 62 when retiree is under 65	25%	-0-
Contribution for spouse under age 62 when retiree is over 65	25%	100%
Contribution for spouse between 62 and 65 when retiree is over 65	-0-	100%

Attachment 4

RAIL BARGAINING

LIFE INSURANCE

**Age/Smoker/Non-Smoker Rated
Supplemental Life Options only.**

\$25,000 or \$50,000 or \$5,000 frozen subscribers

**Supplemental Accidental Death
(Independent Option)**

**\$25,000 or \$50,000 or \$5,000 frozen subscribers
only.**

Attachment 5

SUPPLEMENTAL LIFE - MONTHLY PREMIUM

AGE	COMBINED RATE	COMBINED @\$5000	LIFE ONLY RATE	LIFE ONLY @\$25,000	LIFE ONLY @\$50,000	COMBINED @\$25,000	COMBINED @\$50,000
Under 30	\$0.105	\$0.53	\$0.06	\$1.50	\$3.00	\$2.63	\$5.25
30-34	\$0.125	\$0.63	\$0.08	\$2.00	\$4.00	\$3.13	\$6.25
35-39	\$0.145	\$0.73	\$0.10	\$2.50	\$5.00	\$3.63	\$7.25
40-44	\$0.165	\$0.83	\$0.12	\$3.00	\$6.00	\$4.13	\$8.25
45-49	\$0.235	\$1.18	\$0.19	\$4.75	\$9.50	\$5.88	\$11.75
50-54	\$0.385	\$1.93	\$0.34	\$8.50	\$17.00	\$9.63	\$19.25
55-59	\$0.625	\$3.13	\$0.58	\$14.50	\$29.00	\$15.63	\$31.25
60-64	\$0.755	\$3.78	\$0.71	\$17.75	\$35.50	\$18.88	\$37.75
65-69	\$1.095	\$5.48	\$1.05	\$26.25	\$52.50	\$27.38	\$54.75
70-74	\$1.655	\$8.28	\$1.61	\$40.25	\$80.50	\$41.38	\$82.75
AD&D				\$1.13	\$2.25		

PAYROLL DIRECT DEPOSIT PROGRAM

The Direct Deposit Program is an easy and convenient method of banking, and offers you a variety of ways to achieve your financial goals through regular systematic savings. With direct deposit you may wish to establish an amount for savings, and the net amount of each pay check can be deposited into a checking account of your choice. Instead of a payroll check, you will receive a direct deposit advice as confirmation of the deposits detailing all pay transactions and deductions gross to net. As a participant in the Direct Deposit Program, all regular and supplemental payments (e.g., allowances and overtime) will be made via direct deposit. The guidelines established for NJ TRANSIT's Direct Deposit Program are as follows:

ELIGIBILITY:

Employees are eligible to participate after completion of three months of service.

ENROLLMENT:

For your convenience, a Direct Deposit Application form accompanies this memo. These forms are available from the Payroll Department and can be mailed to you request. Application forms must be received by the Payroll Department at least two pay periods in advance of the pay date that your direct deposit is to be effective, therefore, in order to have direct deposit on _____ 1998 this enrollment form must be returned to the Payroll Department no later than _____ 1998.

Direct deposit is limited to two bank accounts, either checking or savings accounts may be used. Your direct deposit options must cover your total net pay. Employees electing direct deposit may not elect to also receive a paycheck.

TIMING OF DEPOSITS TO YOUR ACCOUNT:

Direct Deposit: Generally, cleared funds for a payroll direct deposit transaction will be credited to your account on the date of the paycheck. Some out of state banks may credit your account on the banking day following the paycheck date.

Regular Payroll Checks: In comparison, deposited payroll checks will normally clear the bank within one or two banking days. This means that you cannot withdraw funds deposited to your account by check and these funds do not earn interest until the check has cleared.

SPECIAL BANKING SERVICES:

Many banks offer an extensive package of special banking services to employees who elect Payroll direct deposit with their bank. Such services frequently include: reduced rates on loans, free checking account, free money market account, free ATM card, bank by phone, no fee VISA or MasterCard credit card, bonus rates on certificates of deposit, savings and investment plans, discount brokerage services, etc. You should ask your bank if they offer such employee banking packages with these services and comparison shop among the financial institutions in your area.

Attachment 6 pg 1

I encourage you to consider participating in NJ TRANSIT's Payroll Direct Deposit Program and to take advantage of the special banking services that are offered by many of the financial institutions in our area. **DIRECT DEPOSIT...**

SAVES TIME - No rush to get to the bank or waiting on long lines in the bank.

FAST - Your net pay is deposited as cash and is immediately accessible.

SURE - Automatically deposited even when you are away.

SAFE - Eliminates lost or stolen checks.

EASY - Simply complete the application form.

Attachment 6 pg 2

**MEMORANDUM OF UNDERSTANDING
BETWEEN
TRANSPORT WORKERS UNION OF AMERICA
BROTHERHOOD OF RAILWAY CARMEN
Division of TCU
AND
NEW JERSEY TRANSIT RAIL OPERATIONS**

The parties hereby agree to the following terms and conditions of employment for a new labor agreement (“Agreement”) for the period July 1, 2001 through June 30, 2004.

This Memorandum of Understanding is subject to ratification by the membership of the Brotherhood of Railway Carmen Union and final approval by the New Jersey Transit Board of Directors.

This Agreement amends the current Collective Bargaining Agreement between the parties. The rules of the BRC NJTRO Collective Bargaining Agreement are changed only to the extent indicated herein and remain otherwise unchanged and in full force until changed in accordance with the Railway Labor Act as amended. The rule changes set forth in this Memorandum of Understanding shall be effective upon the date of ratification unless otherwise specified.

1. Wages

Effective July 1, 2001, all current wage rates shall be increased by three (3%) percent.

Effective July 1, 2002, all current wage rates shall be increased by three and one half (3½%) percent.

Effective July 1, 2003, all current wage rates shall be increased by three and one half (3½%) percent.

2. Moratorium

There shall be a moratorium on the serving of Section 6 Notices until April 1, 2004 any changes not to become effective July 1, 2004.

This Memorandum of Understanding constitutes the complete agreement of the parties with respect to changes in the Collective Bargaining Agreement reached between the undersigned on June 22, 2000.

For the Organization:

(original signed by)
Alex I. Wybraniec
Special Representative
Brotherhood of Railway Carmen
Division of TCU

(original signed by)
Carlos M. Sosa
Local Chairman
Brotherhood of Railway Carmen
Division of TCU

(original signed by)
Dave Rehbein
Vice Local Chairman
Brotherhood of Railway Carmen Division
Division of TCU
Transport Workers Union of America

For the Company:

(original signed by)
William B. Murphy
Assistant General Manager
Labor Relations/Administration

(original signed by)
Frederick T. Danser III, Esq.
Special Counsel

(original signed by)
Peter McMahon
President, Local 2001
Transport Workers Union of America

(original signed by)
Joseph T. Haley
Vice President, Local 2001
Transport Workers Union of America

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE TRANSPORT WORKERS UNION OF AMERICA
AND
THE BROTHERHOOD OF RAILWAY CARMEN DIVISION OF
TRANSPORTATION COMMUNICATIONS INTERNATIONAL UNION
REPRESENTING
CARMEN AND CAR APPEARANCE MAINTAINERS
AND
NEW JERSEY TRANSIT RAIL OPERATIONS

The parties hereby agree to the following terms and conditions of employment for a new labor agreement ("Agreement") for the period of July 1, 2004, through June 30, 2011. This Memorandum of Understanding is subject to ratification by the membership of The Transport Workers Union of America and The Brotherhood of Railway Carmen and final approval by the New Jersey Transit Board of Directors.

This agreement amends the agreement between The Transport Workers Union of America and The Brotherhood of Railway Carmen and New Jersey Transit Rail (NJTRO) amended through June 30, 2004. The rules in the agreement are changed only to the extent indicated herein and remain otherwise unchanged and in full force until changed in accordance with the provisions of the Railway Labor Act, as amended. The rule changes set forth in this Memorandum of Understanding shall be effective upon date of ratification unless otherwise specified.

**Memorandum of Understanding
The Transport Workers Union of America
and the Brotherhood of Railway Carmen
Page 2**

1. Wages

Effective January 1, 2005, all current wage rates shall be increased as follows:

Effective January 1, 2005, all current wage rates will be increased by one and one half (1.5%)

In addition, effective January 1, 2005, all employees represented by the Organization, except those dismissed for cause, will receive a lump sum payment of five hundred dollars (\$500)*

Effective July 1, 2005, all current wage rates shall be increased by one and one half (1.5%) percent.

Effective July 1, 2006, all current wage rates shall be increased by one and one half (1.5%) percent.

Effective January 1, 2007, all current wage rates shall be increased by two (2%) percent.

Effective July 1, 2007, all current wage rates shall be increased by two (2%) percent.

Effective January 1, 2008, all current wage rates shall be increased by two (2%) percent.

Effective July 1, 2008, all current wage rates shall be increased by three (3%) percent.

Effective July 1, 2009, all current wage rates shall be increased by three (3%) percent.

Effective July 1, 2010, all current wage rates shall be increased by three (3%) percent.

The wages payable due to the one and a half (1.5%) percent general wage increase effective January 1, 2005 through June 30, 2005, and the wages payable due to the one and a half (1.5%) percent general wage increase effective July 1, 2005 through June 30, 2006, and one and a half (1.5%) percent general wage increase effective July 1, 2006 through December 31, 2006, and the two (2%) percent wage increase effective January 1, 2007 to June 30, 2007 and the two (2%) percent wage increase effective January 1, 2008 to June 10, 2008 will be paid on or before July 10, 2008. As regards to the \$500.00 lump sum payment employees must have worked a minimum of 1,000 hours in calendar year 2004 to receive payment which shall be payable on or before June 12, 2008. The new hourly rate effective January 1, 2008 will go into effect on June 11, 2008.

Regarding the one and a half (1.5%) percent general wage increase effective January 1, 2005, and the one and a half (1.5%) percent wages general wage increase effective July 1, 2005, the one and a half (1.5%) percent effective July 1, 2006, and the two (2.0%) percent wage increase effective January 1, 2007, and the two (2%) percent wage increase effective January 1, 2008, it is agreed that retired employees and employees who otherwise left service (except for those dismissed for cause, who if reinstated will receive the increase due) will receive such payments for all hours compensated during such periods.

**Memorandum of Understanding
The Transport Workers Union of America
and the Brotherhood of Railway Carmen
Page 3**

2. Health and Welfare Modification

The provisions of this Section 2 shall apply effective sixty (60) days following ratification with respect to hospital, surgical and medical benefits, and life and accidental death and dismemberment insurance benefits for active employees covered by this agreement as of the date of ratification:

- a. Modify COBRA entitlement of surviving spouse of active employee who is not eligible for retirement to provide six (6) months of free coverage, and thirty (30) months of COBRA coverage.
- b. Surviving spouse of active employee with at least thirty (30) years of service and at least (sixty) 60 years of age prior to death will be eligible for retiree health plan benefits.
- c. Choice of Supplemental Life Insurance of \$25,000 or \$50,000 may be made at any time when proof of insurability is provided.
- d. Effective on the 1st of the month following ratification, employee contribution towards individual health care premium will be \$75.00 per month.

**\$75 Per Month
Weekly Contribution
Before Tax \$18.75
After Tax \$11.25 (for illustration purposes only)**

The increase in the employee contribution toward individual health insurance contributions shall be as reflected in the chart below:

<u>Effective Date</u>	<u>Employee Contribution Per Month</u>	<u>Weekly Before Tax</u>	<u>Weekly After Tax*</u>
July 1, 2008	\$77.25	\$19.31	\$11.59
July 1, 2009	\$79.57	\$19.89	\$11.94
July 1, 2010	\$81.95	\$20.49	\$12.29

* for illustration purposes only

- e. Effective with the date of ratification, the traditional health plan will not be available for enrollment to new hires. Effective July 2008, current employees will have one last opportunity to enroll in the traditional health plan. Upon completion of the 2008 enrollment period, the traditional health plan will not be available for any future enrollment(s).

**Memorandum of Understanding
The Transport Workers Union of America
and the Brotherhood of Railway Carmen
Page 4**

- f. Employees may elect to establish a Health Care Flexible Spending Account (FSA) or a Dependent Care Flexible Spending Account (FSA) with minimum and maximum annual employee contributions as noted below.

	<u>Minimum</u>	<u>Maximum</u>
Health Care FSA	\$240	\$1000
Dependent Care FSA	\$240	\$5000

Funds remaining in a Flexible Spending Account at the end of a calendar year may not be carried into the following year and are not refundable.

- g. Carrier will provide a \$500 annual contribution to a Healthcare Flexible Spending Account (FSA) to those employees that waive all other healthcare coverage and provide proof that they have other healthcare coverage. Such employee shall not be required to pay the contribution set forth in paragraph (d) above.

- h. Dental Benefit:

Effective sixty (60) days following ratification, the annual maximum benefit of the Triple Option PPO Plan will be increased to \$2,000 for the following:

Class I – Preventative and Diagnostic
Class II – Basic Restoration
Class III – Major Restoration

- i. Eye Care: Rule 9

Effective as soon as practicable following ratification, the eye care provision will be changed as follows:

The maximum eye care allowances will be increased as follows:

\$75.00 for Prescription Eye Glasses or contact lenses
\$100.00 for Bi-focals or more complex prescriptions.

The maximum allowances for an eye examination will be increased to \$75.00. This payment will be made for an annual eye examination.

- j. Effective as soon as practicable following ratification, oral contraceptives will be covered under the plan for female employees and eligible female dependents.
- k. Effective upon ratification, employees that retire following ratification shall be eligible to receive retiree medical coverage under the Basic Plan, for the employee and his/her spouse, beginning at age 60, at no cost to the retiree or spouse.

**Memorandum of Understanding
The Transport Workers Union of America
and the Brotherhood of Railway Carmen
Page 5**

3. Sick Leave Modifications:

Sick Leave Plan will be modified as follows:

- a. Employees hired after date of ratification will be subject to the following sick leave plan:
 - (1) Employees hired after the date of ratification will be eligible for one (1) sick day after six (6) months of service with one (1) additional sick day each January 1st thereafter, for a maximum allotment of five (5) days.
 - (2) Employees with five (5) or more years of service will receive an annual allotment of five (5) days.
 - (3) Sick days may be accumulated and carried over from year to year.
 - (4) There is no waiting period or exclusionary period prior to payment. Sick leave shall be paid at the employee's current rate of pay based on an eight-hour workday.
- b. Applicable to all employees: Effective date of ratification, all employees will have the option, in December, of each year, of receiving 100% payment for the unused sick days (up to 5 days) from the current year allotment, or placing the unused sick days in his/her sick leave reserve.
- c. Sick Leave Reimbursement (applicable to all employees):

Any employee who leaves NJ Transit service for any reason, other than termination for cause, with a minimum of ten years of continuous service at the time of separation shall be entitled to a cash severance payment of ninety (90%) percent of the daily rate of pay of all accumulated but unused sick days, to a maximum of \$15,000.

4. Supplemental Sickness:

Effective as soon as practicable following ratification, the NJ Transit Supplemental Sickness Benefits Plan will be amended. The "Basic Benefit Amount" provided for under the Plan shall be revised to reflect wage rates in effect as of July 1, 2007. Thereafter, on the first day after the final date of each contract term, the "Basic Benefit Amount" will be revised again to reflect the wage rates in effect as of the final date of the contract term.

**Memorandum of Understanding
The Transport Workers Union of America
and the Brotherhood of Railway Carmen
Page 6**

5. Bereavement: (Rule) 4-C-4

Add grandparents and grandchildren to the bereavement leave list of relatives.

6. Tool Allowance:

Increase annual tool allowance from \$150.00 to \$175.00 effective July 2008.

7. Job Consolidation:

The parties have agreed to consolidate all positions as outlined in Attachment No. 1 and the corresponding attachment. The new rate will be effective June 11, 2008.

8. Clothing Allowance:

Increase annual clothing allowance provided to Car Appearance Maintainers from \$50.00 to \$75.00 effective July 2008.

9. Moratorium

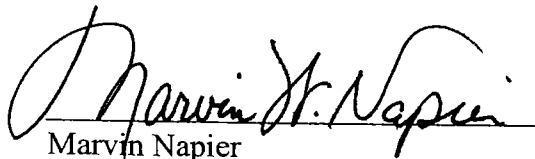
There shall be a moratorium on the serving of Section 6 Notices until April 1, 2011, any changes not to become effective before July 1, 2011.

This Memorandum of Understanding constitutes the complete agreement of the parties with respect to changes in the Collective Bargaining Agreement reached between the undersigned on June 19, 2007.

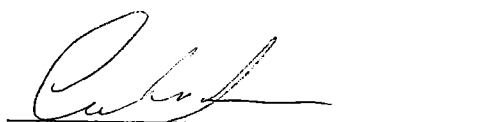
**Memorandum of Understanding
The Transport Workers Union of America
and the Brotherhood of Railway Carmen
Page 7**

For the Organization:

Brotherhood of Railway Carmen



Marvin Napier
Assistant General President



Carlos Sosa
Special Representative

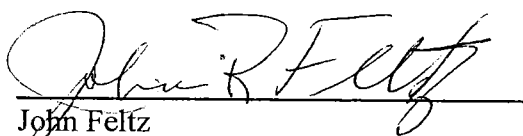


Dave Rehbein
Local Chairman

Transport Workers Union of America



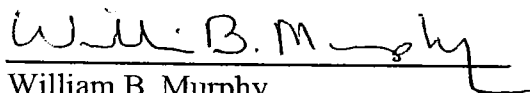
Peter McMahon
President Local 2001



John Feltz
Executive Vice President

For the Company:

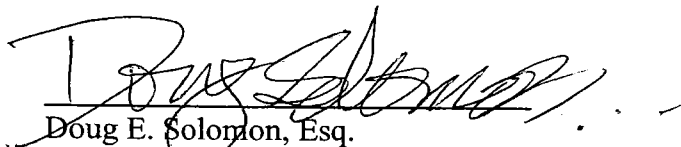
New Jersey Transit Rail Operations



William B. Murphy
Deputy General Manager



Agnes T. Duncan
Manager, Labor Relations



Doug E. Solomon, Esq.
Labor Counsel, NJTRO

ATTACHMENT #1
BRC/TWU WAGE RATES WITH CONSOLIDATION

BRC/TWU Classification	Current Rate	1/1/2005	7/1/2005	7/1/2006	1/1/2007	7/1/2007
		1.50%	1.50%	1.50%	2.00%	2.00%
Lead Technician	\$24.12	\$24.48	\$24.85	\$25.22	\$25.73	\$26.24
Lead Carmen	\$23.73	\$24.09	\$24.45	\$24.81	\$25.31	\$25.82
Technician	\$22.89	\$23.23	\$23.58	\$23.94	\$24.41	\$24.90
Grade A	\$21.63	\$21.95	\$22.28	\$22.62	\$23.07	\$23.53
Grade B	\$21.39	\$21.71	\$22.04	\$22.37	\$22.81	\$23.27
Grade C (1) (E)	\$18.23	\$18.50	\$18.78	\$19.06	\$19.44	\$19.83
Grade C (2)	\$17.92	\$18.19	\$18.46	\$18.74	\$19.11	\$19.50

BRC/TWU Classification	Consol. Title	Rate Type	New Rate After Ratif*	1/1/2008	7/1/2008	7/1/2009	7/1/2010
				2.00%	3.00%	3.00%	3.00%
Lead Technician	Tech	Incumbent	\$26.64	\$27.17	\$27.99	\$28.83	\$29.69
Lead Carmen	Tech	Position	\$26.24	\$26.76	\$27.57	\$28.39	\$29.25
Technician	Tech	Position	\$26.24	\$26.76	\$27.57	\$28.39	\$29.25
Grade A	Carmen	Incumbent	\$23.79	\$24.27	\$24.99	\$25.74	\$26.52
Grade B	Carmen	Position	\$23.53	\$24.00	\$24.72	\$25.46	\$26.23
Grade C (1) (E)	CAM	Incumbent	\$20.16	\$20.56	\$21.18	\$21.82	\$22.47
Grade C (2)	CAM	Position	\$19.83	\$20.23	\$20.83	\$21.46	\$22.10

* Consolidated rates shall be effective on or before the third pay period following ratification.