MEMORANDUM OF UNDERSTANDING

BETWEEN

MTA METRO-NORTH

And

THE TRANSPORT WORKERS UNION OF AMERICA

Representing

All Carmen, Helpers and Coach Cleaners

The parties hereby agree to the following amendments and changes to the Collective Bargaining Agreement for the period January 1, 1992, through December 31, 1994.

This Memorandum of Understanding is subject to ratification by the membership of the Transport Workers Union of America and final approval by the Metropolitan Transportation Authority Board of Directors.

MEMORANDUM OF UNDERSTANDING

THIS AGREEMENT is made this 6th day of January, 1995 by and between the MTA Metro-North and the employees represented by the Transport Workers Union of America:

ARTICLE I - GENERAL WAGE INCREASES

SECTION 1 - FIRST GENERAL WAGE INCREASE

Effective January 1, 1992, all rates of pay irrespective of the method of payment (hourly, daily, etc.), in effect on December 31, 1991 shall be increased by two and one-half (2½) percent.

SECTION 2 - SECOND GENERAL WAGE INCREASE

Effective January 1, 1993, all rates of pay irrespective of the method of payment (hourly, daily, etc.) in effect on December 31, 1992, shall be increased by two and one-half (2½) percent.

SECTION 3 - THIRD GENERAL WAGE INCREASE

Effective January 1, 1994, all rates of pay irrespective of the method of payment (hourly, daily, etc.) in effect on December 31, 1993, shall be increased by three and one-half (3½) percent.

SECTION 4 - ELIGIBILITY OF WAGE INCREASES

The January 1, 1992, January 1, 1993 and January 1, 1994 retroactive percentage wage payments shall be granted only to current employees for service performed in 1992, 1993 and 1994 and on a pro-rated basis for employees who during 1992, 1993 and 1994 either retired, died, may have been dismissed and subsequently reinstated with seniority restored.

ARTICLE II - PENSION PLAN

Upon final separation from employment at Metro-North (resignation or retirement) employees will be entitled to receive a lump sum distribution of their vested balance in their Defined Contribution Pension Plan account. Annuity options will be increased from 2 to 4 and employees will have the option to transfer funds 4 times per year.

ARTICLE III - SUPPLEMENTAL SICK

Upon full and final ratification, employees covered by the Supplemental Sickness Benefit Agreement shall be entitled to the following combined benefit limits:

Classification	Basic	RUIA	Maximum
Class I	$926	$674	$1,600
Class II	$749	$674	$1,423
Class III	$595	$674	$1,269

Classification	Maximum Monthly Amount
Class I	$1716
Class II	$1525
Class III	$1361

ARTICLE IV - SINGLE DAY VACATIONS

Amend the current single day vacation agreement to provide that the minimum notice requirement to request a single day vacation is two (2) days.

ARTICLE V - EXPUNGEMENT OF DISCIPLINE

Add to Rule 6 the following:

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.

ARTICLE VI - OVERTIME MEAL ALLOWANCE

Amend Rule 4-F-1(f) to provide for an overtime meal allowance of $7.00.

ARTICLE VII - SAFETY SHOE ALLOWANCE

Provide to all employees who are required by Metro-North to wear safety shoes an annual allowance of $50.

ARTICLE VIII - MARTIN LUTHER KING DAY

Consistent with the requirements of service, employees will be permitted, upon 48 hours notice, to utilize a personal or vacation day or an authorized unpaid day off to observe Martin Luther King Day.

ARTICLE IX - BEREAVEMENT LEAVE

Add to Rule 4-c-4, bereavement leave, entitlement for the death of step-children, grandparents and grandchildren.

ARTICLE X - ON -THE-JOB INJURY MEDICAL PAYMENTS

Metro-North will have the right to offset health and welfare benefits paid against any right of recovery an employee injured on duty may have against Metro-North.

ARTICLE XI - WELDER AND INSPECTOR DIFFERENTIALS

The current welder and inspector differentials shall be increased from 12 cents per hour to 17 cents per hour and shall be incorporated into the hourly base rate of these positions. Metro-North may upgrade the qualification's required to hold positions receiving this increase.

ARTICLE XII - SENIORITY RETENTION

Revised Rule 3-D-1 to read:

> (a) Employees now filling or promoted to official, supervisory or excepted positions shall retain all their seniority rights and

shall continue to accumulate seniority provided they remain members in good standing with the TWU. If such an employee fails to remain a member in good standing, the duly accredited representative shall so notify the Director - Labor Relations. Within thirty (30) days after receipt of notification, any such employees will forfeit their seniority unless, within the thirty (30) day period, the employees involved remit all monies due the Union.

(b) Employees promoted prior to the effective date of this Agreement to official, supervisory, or excepted positions from crafts or classes represented by the TWU shall retain their current seniority but shall be required to remain a member in good standing in order to accumulate additional seniority.

ARTICLE XIII - MORATORIUM

(a) The Agreement shall be effective January 1, 1992 and shall remain in effect through December 31, 1994 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(b) The parties to this agreement shall not serve nor progress prior to October 1, 1994 (not to become effective before January 1, 1995) any notice or proposal for the purpose of changing agreements.

This Memorandum of Understanding is subject to ratification by the membership of the TWU and final approval by the Metropolitan Transportation Authority Board of Directors.

For the Transport Workers Union of America:

Thomas McAdam
International Vice President
Director Railroad Division

Timothy Grandfield
International Representative

Peter McMahon
President, Local #2001

For Metro-North:

Raymond Burney
Director-Labor Relations

Donald N. Nelson
President

Metro-North Railroad

January 5, 1995

Mr. Peter McMahon
President - TWU #2001
129 Main Street
Irvington, NY 10533

Mr. Timothy Grandfield
President - TWU #2055
22 Pardee Place
Madison, CT 06443

Re: Alternative Grievance/Discipline Resolution Agreement

Dear Sirs:

At our last session of Collective Bargaining Negotiations, you requested that we provide you with an outline of some suggestions to be incorporated into an alternative grievance/discipline procedure. Since the current Railway Labor Act and Collective Bargaining Agreement provisions have resulted in a system of claims, grievances and discipline that is overburdened, time consuming and characterized by long delays to the resolution of issues, the following are a few proposed solutions to improve the process:

1. Shorten Time Limits - The 30 day time limits referenced in rule 4-O-1, 4-O-1(c), 4-O-1(e), 4-O-1(f) and 6-A-5(b) shall be reduced to 15 days.

2. Settlement Conferences - A pre-arbitration conference shall be held at least annually.

3. System Board - A system board composed of four (4) members; two (2) selected by the Company and two (2) selected by the Union shall be created to settle cases after the appeal has been decided and prior to arbitration. The Board will meet three times annually.

Very truly yours,

Raymond Burney
Director - Labor Relations