

AGREEMENT
BETWEEN
MTA METRO-NORTH COMMUTER RAILROAD
AND
ITS EMPLOYEES REPRESENTED BY THE
INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS

EFFECTIVE: JANUARY 1, 1995 - DECEMBER 31, 1998

IAM
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PREAMBLE

The Provisions hereinafter set forth (including this Scope) shall constitute an agreement between MTA Metro-North Commuter Railroad and employees of said Company represented by the International Association of Machinists and Aerospace Workers and shall govern the hours of service, rate of pay and working conditions of such employees.

SCOPE

I. It is understood that this Agreement shall apply to those who perform the work specified in this Agreement on MTA Metro-North Commuter Railroad, except where such work, as of the effective date of this Agreement, is covered by existing agreements with other organizations.

II. EXCEPTION:

Motor Vehicles as outlined in Award 3 of Public Law Board No. 3651.

III. DEFINITIONS:

A. The term "mechanic" as used in this Agreement shall refer to the Machinist Class.

B. Each lettered group constitutes a class of the Machinist's Craft as that term is used in this Agreement:

- (1) Machinists
- (2) Machinist Helpers
- (3) Machinist Apprentices

C. The term "union representative" refers to an individual certified by the organization.

IIIA. CONTRACTING OUT:

This Rule shall be effective September 1, 1983.

Except in emergencies, employees will perform normal and routine maintenance. Metro-North will have repair work performed by its employees instead of being contracted out, provided that: the work can be performed with existing facilities, the skilled manpower is available on the property, and the cost of such work is competitive with outside manufacturers as to the quality, price, and time of performance, and will not conflict with the performance of normal maintenance.

Metro-North will not contract out as a means of reducing the workforce.

No contractor or vendor shall perform work in the existing facilities without prior notice to the Union.

Metro-North shall establish a joint Metro-North-Union Committee to facilitate communication between the parties as to work being considered for contracting out, and the advisability of having such work performed by present employees. The Committee may make recommendations to Metro-North concerning the contracting out of work. The Committee shall be made up of an equal number of representatives of Metro-North and the Union. The Committee shall keep written minutes and shall meet monthly, unless no contracting out proposal is pending.

Before any work, as described above, is contracted out, Metro-North shall provide the Committee with copies of the information submitted to the prospective bidders on the items proposed to be contracted out, thus enabling the Union representatives to prepare and submit a proposal for the performance of such work by Metro-North's employees within the time frame afforded the prospective bidders to

submit a bid. The information to the Committee shall be furnished it not later than the information is made available to the prospective bidder. Failure to notify the Union Representative of the Committee as referred to herein will be a basis for the imposition of an appropriate penalty under the grievance procedure hereunder.

The designated Union Representative must notify Metro-North within five (5) days from the receipt of notice of the proposed subcontracting of a desire to discuss the proposal. Upon receipt of such notice, Metro-North shall give the Union at least ten (10) days' notice of a conference to discuss the proposed subcontracting. If the parties are unable to reach an agreement at such conference, Metro-North may proceed to subcontract the work and Union through its General Chairman may process the dispute as a grievance directly to the Director of Labor Relations, or the highest officer of Metro-North designated to receive such claims, within thirty (30) days of the date of such conference.

Grievances arising under this Rule shall be handled by one of the following methods:

1. By the Impartial Arbitrator selected by the parties under Rule 4-Q-1 of their agreement; or

2. By a special board of adjustment which shall be established in accordance with the provisions of the Railway Labor Act, as amended, for the purpose of adjusting and deciding disputes which may arise under this subcontracting agreement. The parties are in agreement that such disputes are not subject to Section 3, second, of the Railway Labor Act, as amended.

3. Should the parties be unable to agree on one of the above procedures, the Arbitrator shall retain jurisdiction for sixty (60) days after the issuance of this Award to

resolve any remaining dispute as to the grievance and arbitration procedure.

IV. MACHINISTS' CLASSIFICATION OF WORK:

Work of the Machinists' Craft shall consist of the following: the rates of pay for such work are set forth in the Rate Schedule, Appendix "A", and Graded Work Classification, Appendix "B".

A. Mechanics

Machinists' work shall consist of building, installing, maintaining, repairing, dismantling, assembling, adjusting, testing and inspecting machinists' work, on all machinery, including pumps, bearing, pinions, gears, sheave wheels, mechanical couplings, compressors, air equipment, lubricator and injector work on steam, diesel-electric, electric, and other types of locomotive or self-propelled unit; air brake equipment of cars; valves; torches and gauges for acetylene equipment; machinists' work on cars, refrigeration equipment, air conditioning, train control, cab signal equipment, speed control equipment, roadway equipment, hydraulic elevators, cranes, hoists, elevators, moving stairs, turntable tractors, internal combustion engines, air motors, steam engines, automotive equipment, tools (such as mechanical, pneumatic and hydraulic, and mechanical work on electrically operated tools).

The laying out, fabricating, fitting and fastening together of parts, adjusting, shaping, boring, including journal brasses, turning, slotting, milling, grinding, skilled drilling and reaming, polishing for electro plating, in connection with machinists' work. Tool and die making, tool grinding and machine grinding, axle truing, axle, wheel and tire turning and boring; wheel and gear mounting and dismantling; removing or applying journal roller bearings in wheel shop or other similar shop or department. Building

and repairing of scales when performed in scale shop; repairing and adjusting mechanical clocks, timing devices and instruments; repairing and maintaining shafting. The inspection and testing of engines and locomotives and self-propelled units generally recognized as machinists' work. The removing, replacing, grinding, bolting and breaking of all joints on superheaters. Autogenous welding in connection with machinists' work.

The operation of tools and machines when used in the performance of machinists' work, including drill presses using a facing, boring, or turning head or milling apparatus, travograph, radiograph, reflectoscope.

Restoring worn parts by metalizing process for subsequent machining or grinding. Operating magnetic particle testing machines. All other work generally recognized as work of the Machinist Craft.

The foregoing does not include work classified as Helpers' work in this Agreement. It is understood, however, that where, as of the effective date of this Agreement, Mechanics' positions have been established for the performance of dismantling covered by the Helpers' classification, those positions shall not be abolished solely for the purpose of substituting Helpers for Mechanics.

B. Helpers

1. Machinery oiling including general shop oiling and care of and repair to belting.

2. Box packing, lubricator and grease cup filling and oiling including the sponging, oiling and the application of grease to all journals, all bearings on locomotives and tenders, applying cellar bolts and studs, plates, springs and screens.

3. Applying and removing couplings between locomotive and tender, including draw bars, safety bars, stoker connections, steam heat, air, water and electric headlight connections.

4. Application, removal and adjustment of water scoops and water scoop rigging.

5. Dismantling all classes of equipment for scrap; dismantling all or any parts of the locomotive and tender for repairs when working under the direction of a mechanic.

6. Spring rigging when working under the direction of a mechanic, including application, removal and adjustment and repairs to rigging, saddles and equalizer.

7. Brake rigging when working under the direction of a mechanic, including application, removal and adjustment and repairs to rigging, cylinders and fulcrums.

8. Draft rigging, on locomotives and tenders, including application and removal of couplers, coupler brackets or parts.

9. Operating wheel shell and bushing presses, bolt threading machines, nut tapping and facing machines, drill presses (not equipped with facing, boring or turning head or milling apparatus, or so equipped and not ordinarily used) boring machines for car, engine truck and trailer bearings, cut off and power hack saw, buffing machine, polishing rods and motion parts and miscellaneous work, when used in connection with work of the Machinist craft.

10. Attending tool room in Machine Shops, including issuing, cleaning and caring for all tools, and the grinding of drills and machine tools on grinders provided for this work.

11. Grinding angle cocks when done on special machine provided for this work, including stripping and applying handles and renewing keys.

12. Stripping and mounting air brake, signal, steam heat and water hose and all work necessary to prepare for use.

13. All gas and electric cutting that may be assigned.

Except as otherwise determined by a joint jurisdiction committee, it is further understood and agreed in the application of this Machinist's Classification of Work that any work specified herein which is being performed on the property of any former component railroad by employees other than Machinists may continue to be performed by such other employees at the locations at which such work was performed by past practice or agreement on the effective date of this Agreement; and it is also understood that work not included within this Machinist's Classification of Work which is being performed on the property of any former component railroad by Machinists will not be removed from such Machinists at the locations at which such work was performed by past practice or agreement on the effective date of this Agreement.

V. INCIDENTAL WORK:

When a mechanic or mechanics of 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 mechanic or mechanics 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 work involved in the assignment. Work shall be regarded as "incidental"

when it involves the removal and replacing or the disconnecting and connection of parts and appliances such as wires, piping, covers, shielding and other appurtenances from or near 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 a work assignment the carrier may nevertheless assign the work as it feels it should be assigned and proceed or continue with the work and assignment in question, however, the Shop Committee may request 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. If it does, a claim will be honored by the Carrier for the actual time at pro rata rates required to perform the incidental work.

RULE NO. 1 -- EMPLOYMENT

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 one hundred fifty (150) days after applicants begin work. In the event of applicants giving materially false information this time limit shall be extended to two (2) years.

(c) A wage progression for new hires other than qualified journeymen will be established in accordance with the following schedule:

| Length of Employment | Percent of Applicable Wage/Salary Rate |
|----------------------|----------------------------------------|
| 1st year | 70% |
| 2nd year | 75% |
| 3rd year | 80% |
| 4th year | 85% |
| 5th year | 90% |
| 6th year | 100% |

A wage progression for qualified journeymen hired after January 1, 1983 will be established in accordance with the following schedule:

| Length of Employment | Percent of Applicable Wage/Salary Rate |
|----------------------|----------------------------------------|
| 1st year | 80% |
| 2nd year | 90% |
| 3rd year | 100% |

Furloughed Conrail employees who transfer to Metro-North under the terms of the Implementing Agreement dated July 27, 1982 shall not be subject to either of the wage progressions above provided they were hired by Conrail on or before December 31, 1982. However, if such employees would have continued to be covered by the wage progression under the terms of the Conrail Agreement, they shall transfer to Metro-North subject to the Conrail wage progression.

Furloughed Conrail employees whose Conrail date of hire is after December 31, 1982 shall be subject to the

wage progression set forth above, but shall receive credit for the period of time worked for Conrail.

RULE NO. 2--SELECTION OF POSITIONS

2-A-1. (a) In the exercise of seniority, the senior employee shall, if sufficient ability is shown, be given preference to positions desirable to them. A nonwritten 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; an 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 on Tuesday but not later than the second Tuesday from the date they occur, for a period of five (5) calendar days. Advertisements 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 Tuesday is a holiday the bulletin will be issued on the following day).

An advertisement may be cancelled at any time prior to award being made. In the event an advertisement is cancelled, notice to that effect, and the reason therefore, 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 Rule 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) The provisions of this Rule will not be applied to permit apprentices to bid or apply for advertised positions until their apprenticeship has been completed, nor will the provisions of said rule apply to the positions of apprentices.

(d) Advertised positions may be filled temporarily pending an award.

(e) An employee transferred from a position on one (1) 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 (1) 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 (1) shift to another as the result of displacement through reduction in force will be paid overtime rates for the first shift of such change.

(f) Furloughed employees with seniority in the craft and class who are furloughed from the class in which the position or vacancy exists, or who are furloughed from a

lower class, will be considered as having bid for any vacancy headquartered within (30) miles of his point of hire. If entitled to the position of vacancy, it will be awarded to him and he will be recalled from furlough.

If no bids are received in accordance with the above, application from other employees will be considered for mechanic assignments in the following order:

1. Senior qualified applicants working in the craft.
2. Senior qualified applicants under Rule 3-C-7.
3. Senior qualified apprentices in the craft.
4. Senior qualified helpers in the craft.

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

(h) 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 a copy to the interested local committee prior to the time and date on which the bulletin is closed.

(i) An employee shall be considered as furloughed when he is unable to obtain any position in the craft within thirty (30) miles from his point of hire, unless he chooses to exercise seniority outside the 30-mile limit.

2-A-2. (a) Effective March 1, 1988 employees shall be permitted two (2) bid awards in subsequent twelve (12) month periods. If an employee awarded a bid position is subsequently disqualified from that position, such award shall not be counted. If an employee has been displaced or had his/her position abolished bids to a vacancy, it shall not count as one (1) of the two (2) bids.

(b) Other than as provided in paragraph (a) of this Regulation, 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 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.

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 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 Rule 3-C-3.

3. Other employees displaced in the application of this Rule may exercise seniority in accordance with Rule 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 Rule 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. If his former position was that of a helper, he shall be paid at the minimum rate of mechanic.

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 Rule 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 employee 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 qualifies 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 Rule 3-C-3.

2-A-4. (a) Day-to-day vacancies in regular assigned positions (including vacation vacancies not filled by vacation relief employees) or in positions temporarily vacant pending award, if filled, may be filled by agreement between the General Foreman and the union representative or otherwise the following procedures will apply:

1. In filling a mechanic position where a higher grade rate is involved, the position shall be offered in seniority order, to the qualified mechanics regularly employed at a lower grade rate, working on the trick and at the location where the position exists.

2. If a mechanic position cannot be filled in accordance with paragraph 1, it shall be filled by the junior qualified available mechanic working on the trick and at the location where such position exists.

3. Any vacancy created by following the procedure described in paragraph 1 or 2, or any vacancy not filled by such procedure, may be filled with an employee in the machinist craft not holding a bulletined position.

4. If the vacancy cannot be filled by paragraph 1, 2 or 3, it may be filled by Rule 5-E-1.

RULE NO. 3--SENIORITY

3-A-1. (a) Seniority of mechanics 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 be carried to and shown on the roster in the seniority district where first employed as apprentices, and

their seniority standing as mechanics will date from the first day employed as apprentices.

(b) Seniority of helpers will date from the first day employed as helpers.

(c) Employees entering the mechanic's class without seniority as helper shall not acquire seniority in the helper class. Helpers acquiring mechanic positions shall forfeit helper seniority.

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

(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 in the class from which promoted.

3-B-1. No change will be made in existing seniority districts except by agreement between the Director-Labor Relations and the interested General Chairman.

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 five (5) working days in advance, except no advance notice to employees shall be required before temporarily abolishing positions or making temporary force reductions under emergency caused by 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 to a labor dispute between the Company and any of its employees.

(c) When operations are restored after emergencies all employees will report to pre-emergency positions at the start of the first full shift thereafter.

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

3-C-3. (a) Subject to the provisions of paragraph (c), employees whose positions are abolished shall, within five (5) working days after being notified that their positions are abolished, exercise their seniority.

Subject to the provisions of paragraph (c), other employees affected by such exercise of seniority shall, within five (5) 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 five (5) 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 shall, subject to paragraph (c), within five (5) working days after reporting for duty, exercise seniority. If the employee's position has been filled or abolished during his absence, he shall be afforded a day's pay on the date of his return to duty and on such day may be used to perform any work covered by this agreement without penalty.

(c) Employees failing to exercise seniority in their craft or class within thirty (30) miles from their point of hire will forfeit seniority.

(d) Employees unable to exercise seniority under paragraph (c) of this Rule and who elect not to exercise other seniority shall be furloughed.

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

3-C-5. In the restoration of forces seniority will govern in accordance with Rule 3-A-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 sixty (60) days duration, within ten (10) calendar days after a Certified U.S. Mail notice is mailed to the last recorded address, will forfeit all seniority, unless they present sufficient proof that circumstances beyond their control prevented such return.

3-C-7. (a) Furloughed machinists of Metro-North and Conrail will be given preference for employment in the machinists' craft and class.

(b) Metro-North furloughed machinists will be given first option to any vacancies that arise.

(c) As provided in the Implementing Agreement dated July 27, 1982, furloughed Conrail machinists who desire employment must make application to the Director-Labor Relations, with a copy to the General Chairman.

(d) Nothing in this Rule shall be construed to alter or modify the Implementing Agreement dated July 27, 1982.

3-D-1. (a) Employees covered by this Agreement who have been or are hereafter appointed to a supervisory or non-agreement position, shall retain previously acquired seniority and shall continue to accumulate such seniority while occupying such position.

(b) Appointed employees shall be subject to the maintenance of membership requirements of the Union Shop Agreement in order to retain and accumulate seniority, except when they are required to belong to another union. The Union will be advised quarterly of employees appointed under this paragraph.

(c) Appointed employees 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 seniority in accordance with the provisions of Rule 3-C-3.

(d) All appointed employees presently required to maintain union membership under the former PRR-System Federation 152 Agreement will continue to be subject to the maintenance of membership requirements of the Union

Shop Agreement in order to retain and accumulate seniority.

3-E-1. After conference with the General Chairman or his representative, seniority rosters shall be prepared for each class, showing the name, employee number, seniority date, status (leave of absence, promoted, disability, annuity or furlough) and relative standing of each employee in the Metro-North seniority district.

3-E-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 1st and posted in January of each year. An employee shall have sixty (60) calendar days from date his name first appears on the roster to appeal his roster date or relative standing thereon, 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 sixty (60) 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 and the General Chairman.

3-E-3. No change in seniority standing of any employee shall be made on the part of the Company without conference and agreement with the General Chairman or his designated representative. 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-F-1. (a) Subject to agreement, in writing, between the proper official of the Company and the 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 Rule 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 mechanic or helper, 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 mechanic or helper holding seniority in the craft to which a disabled employee has been assigned, provided that there is no other position as mechanic or helper in the craft for which such senior employee is qualified.

(d) Employees displaced in the application of this Rule may exercise seniority in accordance with Rule 3-C-3.

Effective upon full and final ratification, all employees promoted to official, supervisory, or excepted positions from crafts or classes represented by IAM shall be required to maintain their IAM membership or pay an appropriate monthly fee, not to exceed monthly union dues, in order to retain and continue to accumulate seniority. Supervisors whose payments are delinquent shall be given a written notice by the General Chairman of the amount owed and allowed ninety (90) days from the date of such notice of cure the delinquency in order to avoid seniority forfeiture.

Employees promoted prior to the effective date of this Agreement to official, supervisory, or excepted positions from crafts or classes represented by IAM shall retain their current seniority but shall be required to pay regular monthly dues or an appropriate monthly fee, not to exceed monthly union dues, in order to accumulate additional seniority.

RULE NO. 4--TIME ALLOWANCE

4-A-1. Eight (8) consecutive hours' work, exclusive of the meal period shall constitute a day.

4-B-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 employee's 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 twenty-four (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 so relieved, he will be paid overtime.

(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 Rule 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 week, except as otherwise provided in Rule 4-B-2 (b) or 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 Rule 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 forty (40) hours per week, nor shall time paid for in the nature of arbitraries of 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 computations 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-B-2. (a) Work performed on the following legal holidays, namely:

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

or the day observed shall be paid for at the time and one-half rate with a minimum of three (3) hours. (Christmas Eve will be the day before Christmas is observed and New Year's Eve will be the day before New Year's Day is observed.)

(b) An employee will be prohibited from working on his rest days unless he has worked all the hours of his assignment in that work week. Work performed by an employee on his assigned rest day, or days, shall be paid for at the overtime rate subject to Rules 4-B-1 and 4-E-1, 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 rules will not be counted as qualifying service under this paragraph nor will it be paid for under the provisions hereof.

(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) In the assignment of employees to work on their rest days or on holidays on which they are not scheduled to work, the provisions of Rule 5-E-1(b) will apply.

4-B-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 Rule 4-B-2.

Subject to the applicable qualifying requirements in paragraph (b) hereof, other than regularly assigned employees shall be eligible for the paid holidays or pay in lieu thereof, provided (1) compensation for service paid him by the Company is credited to eleven (11) or more of the thirty (30) calendar days immediately preceding the holiday and (2) he has had a seniority date for at least sixty (60) calendar days or has sixty (60) calendar days of continuous active service preceding the holiday beginning with the first day of compensated service, provided employment was not terminated prior to the holiday by resignation, for cause, retirement, death, non-compliance with a union shop agreement, or disapproval of application for employment.

(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 to the full workdays immediately preceding and following such holiday. If the holiday falls on the last day of a regularly assigned employee's workweek, 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 Rule means the employee's spouse, child, parent, parent-in-law, brother or sister.

All others for whom holiday pay is provided in paragraph (a) hereof shall qualify for such holiday pay if on the day preceding and the day following the holiday they satisfy one (1) or the other of the following conditions:

- (i) Compensation for service paid by the Company is Credited; or
- (ii) Such employee is available for service. Note: "available" as used in subsection (ii) above is interpreted to mean that an employee is available unless he lays off of his own accord or does not respond to a call, pursuant to the rules of the applicable agreement, for service.

(c) When any of the holidays enumerated in Rule 4-B-2, or the day 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 Rule 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 ten (10) recognized holidays, or the day observed.

(d) Special qualifying provision for employees qualifying for both the Christmas Eve and Christmas Day holiday and/or for both 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 if on the "workday" or the "day", as the case may be, immediately preceding the Christmas 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 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 may qualify for holiday pay for either Christmas Eve or Christmas Day under the provisions applicable to holidays generally.

An employee who meets all other qualifying requirements will qualify for holiday pay for both New Year's Eve and New Year's Day if on the "workday" or the "day", as the case may be, immediately preceding

the New Year's Eve holiday he fulfills the qualifying requirements applicable to the "workday" or the "day", as the case may be, immediately following the 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 New Year's Eve and New Year's Day may qualify for holiday pay for either New Year's Eve or New Year's Day under the provisions applicable to holidays generally.

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

4-C-1. Bereavement leave, not in excess of three (3) consecutive workdays, 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, step-children, grandparents and grandchildren. 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 officials in the usual manner. Any restrictions against blanking jobs or realigning forces will not be applicable when an employee is absent under this Provision.

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 with a minimum of one (1) hour.

4-E-1. Employees called, who report for work, shall be paid not less than three (3) hours'.

4-F-1. (a) There may be one (1), two (2) or three (3) 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 Rule 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 period. A meal allowance of \$7.00 shall be granted to the employee which will be received with his regular pay. Subsequent meal periods, in accordance with the terms referred to above, 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. A meal allowance of \$7.00 shall be granted to the employee which will be received with his regular pay.

4-G-1. (a) 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, at straight time and overtime rates in accordance with Rule 4-B-1.

(b) If during the time on the road an employee is given opportunity to rest (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 section (a) of this Rule.

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

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

4-H-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-I-1. When an employee is assigned temporarily for part of his assigned tour of duty to perform work (not covered by Rule 4-H-1) 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.

4-J-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-K-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.

4-L-1. 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 position for each day lost less the amount allowed him for jury service for each such day, excepting allowances paid by the court for meals, lodging or transportation, 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. The number of days for which jury duty pay shall be paid is limited to a maximum of sixty (60) days in any calendar year.

3. No jury duty pay 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 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 on which jury duty:

- (a) ends within four (4) hours of the start of his assignment; or
- (b) is scheduled to begin during the hours of his assignment or within four (4) hours of the beginning or ending of his assignment.

6. On any day that an employee is released from jury duty and four (4) 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 paid not less than three (3) hours at the time and one-half rate.

(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) 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 Rule 3-C-1 and who are released from duty shall be paid for time actually worked with a minimum of four (4) hours' pay.

(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.

4-O-1. (a) A claim or grievance must be presented in writing by an employee or on his behalf by his union representative to the employee's General Foreman or other designated official within sixty (60) days from the date of the occurrence on which the claim is based. Should any claim or grievance be denied, the General Foreman shall, within sixty (60) days from the date same is filed, so notify, in writing, whoever filed the claim or grievance (the employee or his representative). If not so notified the claim will be allowed as presented.

(b) A claim or grievance denied in accordance with paragraph (a) shall be considered closed unless it is listed for discussion with the designated Labor Relations staff person by the employee or his union representative within sixty (60) days after the date it was denied. A claim or grievance listed ten (10) days prior to the date of a scheduled monthly meeting with the Local Committee will be discussed at such meeting. When a claim or grievance is not allowed the designated labor relations staff person will so notify, in writing, whoever listed the claim or grievance (employee or his representative) within sixty (60) days after the date the claim or grievance was discussed of the reason therefore. When not so notified the claim will be allowed.

(c) A claim or grievance denied in accordance with paragraph (b) will be considered closed unless it is listed for discussion with the Director-Labor Relations by the employee or his union representative within sixty (60) days

after the date it was denied. A claim or grievance listed ten (10) days prior to the date of a scheduled system meeting will be placed on the docket for discussion at such meeting.

(d) When a claim or grievance is not allowed, the Director-Labor Relations will so notify, in writing, the General Chairman (and the employee, if the employee listed the claim or grievance) within sixty (60) days after the case was discussed at a scheduled system meeting of the reason therefore. When not so notified, the claim or grievance will be allowed.

(e) A claim or grievance denied in accordance with paragraph (d) will be considered closed unless within six (6) months from the date of the decision of the Director-Labor Relations proceedings are instituted before the parties' Special Board of Adjustment.

(f) The time limits specified in Paragraphs (b), (c) and (d) may be extended by agreement in any particular case. When the U.S. Mail is used, the postmark will govern in determining compliance with the various time limits.

Any claim allowed or closed by failure to comply with an applicable time limit shall not be considered as a precedent or waiver of the contentions of either party as to other similar claims or grievances.

(g) A claim may be filed at any time for an alleged continuing violation and all rights of the claimant(s) involved shall be protected by the filing of one claim or grievance based thereon so long as such alleged violation, if found to be such, continues. However, no monetary claim shall be allowed retroactively for more than sixty (60) days prior to the filing thereof.

(h) When a claim or grievance for compensation is allowed, the employee and his union representative shall be advised, in writing, the amount and payroll involved.

(i) In addition to claims and grievances, other matters may be handled at the monthly meetings with the designated Labor Relations staff person and the Director-Labor Relations.

4-P-1. Metro-North and the Union will appoint, by mutual consent, a Special Board of Adjustment, who will have exclusive jurisdiction over all final appeals in claims for compensation, discipline proceedings, or any dispute concerning the interpretation of this Agreement. The neutral member of the Board, hereinafter designated "Impartial Arbitrator" shall be subject to replacement by mutual consent of the parties at any time, and after the Impartial Arbitrator has served for one (1) year, by unilateral determination of either Metro-North or the Union at that time, and every one (1) year thereafter. If the office of Impartial Arbitrator should become vacant, the parties will designate a new Arbitrator as soon as practicable.

In the event the funding provided by the National Mediation Board for the Impartial Arbitrator is depleted, the Union and Metro-North will meet to discuss whether or not to continue to employ an Impartial Arbitrator through other means.

RULE NO. 5--HANDLING OF EMPLOYEES

5-A-1. (a) The Company will establish for all employees covered by this Agreement, subject to the exceptions contained in this Rule, 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 in the same seniority district, 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 Rule and requires that some of such employees work Tuesday to Saturday instead of Monday to Friday, and the employees contend 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 Paragraphs (e), (f) and (g) of this Rule, the following procedures shall be used:

1. All possible regular relief assignments shall be established pursuant to Paragraph (g) of this Rule.

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 Rule 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.

Workforce Scheduling

The parties agree that shifts of four (4), ten (10) hours can be established by mutual agreement.

Metro-North will have the right to establish multiple start times on a shift. Metro-North can exercise this right twice (2) each calendar year at each location. This provision shall not affect contractual restrictions on the range of starting times, nor shall it amend the Carrier's obligation to inform the union of its intended changes.

Night Work

If Metro-North establishes new weekend and night work assignments in the Maintenance of Way Department on regularly scheduled shifts, the provisions in the Metro-North/IAM Agreement will be modified to permit the scheduling of any necessary support functions to be performed by IAM members. Employees in these new gangs will be entitled to receive the same differential received by other Metro-North employees on these new shifts.

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 respective 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 (1) or two (2) shift forces shall be governed by the length of their lunch periods.

5-D-2. Exceptions to Rule 5-D-1 shall be necessary when the normal starting times are varied from as indicated in Rule 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) Records will be kept of overtime worked and men called, with the purpose in view of distributing the overtime equally among the employees in so far as their qualifications will permit, and consistent with Rule 4(B). Such distribution shall be subject to negotiation between the local officer and the local representative, as it shall be defined by local agreement.

5-F-1. None but mechanics or apprentices regularly employed as such shall do work specified as that to be assigned to fully qualified Machinists except employees assigned to fill vacancies in the mechanics class in accordance with Rule 2-A-4.

5-F-2. At points where there is not sufficient work to justify employing a mechanic of each craft, the mechanic

or mechanics employed at such points will so far as they are capable of doing so, perform the work of any craft not having a mechanic employed at that point. Any dispute as to whether or not there is sufficient work to justify employing a mechanic of each craft, and any dispute over the designation of the craft to perform the available work shall be handled as follows: At the request of the General Chairman, the parties will undertake a joint check of the work done at the point. If the dispute is not resolved by agreement, it shall be handled as a grievance and pending the disposition of the dispute the Company 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.

5-G-1. A training and/or apprentice program shall be established.

5-H-1. Mechanics' helper work is any work in his craft that he is capable of performing in assisting a mechanic or an apprentice, or any work to which he may be assigned which is recognized as helper's work in his craft.

RULE NO. 6--DISCIPLINE

6-A-1. (a) Except as provided in Rule 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 only if their retention in service could be detrimental to themselves, another person or the Company.

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, and a copy shall be given to the union representative.

6-A-3. (a) An employee who is accused of an offense, and who is directed to report for a trial in connection therewith, shall be given reasonable advance notice, in writing, of the exact offense for which he is to be tried and the time and place of the trial. The trial shall be scheduled to begin within thirty (30) calendar days from the date the employee's General Foreman or equivalent officer had knowledge of the employee's involvement. A copy of this notice will be given to his union representative. For a valid reason, a trial may be postponed for a reasonable period at the request of the Company, the employee or his union representative.

(b) If he desires to be represented at such trial, he may be accompanied by a union representative(s). The accused employee or his union representatives (not to exceed two (2)) shall be permitted to question witnesses insofar as the interests of the accused employees are

concerned. Actual, pertinent witnesses to the offense will be requested to attend the trial by the Company. The 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.

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 not later than thirty (30) calendar days after the trial is completed and at least fifteen (15) calendar 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. The employee and his union representative shall be given a copy of the notice of discipline and the trial record.

(b) (1) If the discipline is suspension, the period of suspension shall be deferred if within the succeeding six (6) month period following notice of discipline the accused employee does not commit another offense for which discipline is subsequently imposed.

(2) If, within such succeeding six (6) month period, the employee commits one (1) or more offenses for which discipline is subsequently imposed, the initial suspension shall be served and suspensions resulting from offenses committed during the six (6) month period shall not be deferred. However, should the employee be disciplined by suspension for an offense committed subsequent to a six (6) month period, the first such occurrence shall be the basis for the succeeding six (6) month period referred to in paragraph (b) (1) of this Rule.

(3) If the discipline is suspension, the time the employee is held out of service shall be:

(A) Considered part of the period of suspension for the offense if the suspension is served.

(B) Considered time lost without compensation if the suspension is not served.

6-A-5. (a) An 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 Rule will be subject to Rule 6-A-4 (b) (1), (2) and (3).

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

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.

RULE NO. 7--APPEALS

7-A-1. (a) Appeal from discipline must be made in writing by the employee or on his behalf by his union representative to the designated labor relations staff person within fifteen (15) calendar days after receipt of written notice of discipline. This appeal, where 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.

(b) At hearing on appeal, an employee may, if he desires to be represented at such hearing, be accompanied by his union representative. The appeal shall be held on the date of the scheduled monthly grievance meeting.

(c) After the appeal has been acted upon by the designated Labor Relations Staff person, the employee and his union representative shall be promptly advised, in writing, of his decision. If the decision in cases of suspension is to the effect that suspension will be imposed, either in whole or for a reduced period, the stay referred to in paragraph (a) shall be lifted and the suspension imposed, subject to paragraph (b) of Rule 6-A-4.

(d) Further appeal will be subject to the provisions of paragraphs (c), (d), (e), and (f) of Rule 4-O-1 except that in case of dismissal, the General Chairman may appeal directly to the Director-Labor Relations, provided the appeal is made within sixty (60) days after the date of the decision of the designated Labor-Relations staff person.

(e) When an employee is later exonerated, the charge shall be stricken from his record and he shall be compensated for the 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. Insurance, vacation, and other benefits to which the exonerated employee may be entitled will be restored without impairment.

(f) In the event of failure to comply with the time limits of Rules 6 or 7, discipline shall be either dropped or further appeal forfeited as the case may be.

7-A-2. In the application of Rules 6-A-2, 6-A-3 and 7-A-1, his union representative may attend the proceedings, even though the employee may not desire to be represented.

7-A-3. When it is considered that an injustice has been done with respect to any matter other than discipline, the employee affected or the union representative as that term is defined in this Agreement, on his behalf, may within ten (10) 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, such decision may then be handled by the union representative with the Director-Labor Relations.

RULE NO. 8--MISCELLANEOUS

8-A-1. The Company will provide a place in all shops and enginehouses, where, under lock and key, union representatives may post notices relative to social events and union meetings. Other notices must receive prior written approval by the supervisor.

8-B-1. (a) Employees injured while at work will not be required to make accident reports before they are given medical attention, but will make them as soon as

practicable thereafter. Proper medical attention will be given at the earliest possible moment.

(b) Employees relieved from duty due to an on-duty injury while at work will be paid for the full day.

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. Notice shall be posted at all shops, yards and enginehouses, showing location of first aid equipment 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 State laws require a more frequent paying off condition. Should the regular payday fall on one of the holidays specified in Rule 4-B-2, or on days when the shops are closed down, employees shall be paid on the preceding day.

8-D-2. Where there is a shortage equivalent to one (1) day's pay or more in the pay of an employee, a check shall be issued upon request to cover the shortage.

8-D-3. Employees leaving the service of the Company shall be furnished with a time voucher covering all time due.

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 mains and tunnel sumps; cleaning of cars and locomotives when caustic or similar solution is used; locomotive washing machine operation; locomotive boilerwashing 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 employees required to do cutting or burning with acetylene gas and oxygen; rubber gloves to employees who are required to work on high voltage circuits.

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-E-4. As a result of the conversion from standard to metric, any necessary tools shall be made available to employees by the Company.

The Company shall reimburse or replace an employee for stolen personal tools provided such theft was not due to the employee's negligence.

8-F-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.

Employees will not be required to work on engines or cars outside of shops during inclement weather, if shoproom and pits are available. This does not apply to work in engine cabs or emergency work on engines or cars set out for or attached to trains.

8-G-1. Employees who have been working on hot work shall not be required to work on cold work until given sufficient time to cool off.

Cleaners/Tools Allowance

There will be a cleaners/tool allowance for employees who are either responsible for providing their own tools or

whose position primarily entails cleaning duties to be established as follows:

Effective January 1996, to be paid during the same payroll period as the shoe allowance---\$50.00.

Effective January 1997, to be paid during the same payroll period as the shoe allowance---\$100.00.

Effective January 1998, to be paid during the same payroll period as the shoe allowance---\$150.00

SAFETY SHOE ALLOWANCE

There will be provided to all employees who are required by Metro-North to wear safety shoes an annual allowance of \$50.

8-H-1. (a) The parties to this Agreement pledge to comply with all safety and health requirements in accordance with State and Federal Laws.

(b) The parties to this Agreement pledge to comply with Federal and State Laws dealing with non-discrimination against any employee. This obligation to not discriminate in employment includes, but is not limited to, placement, upgrading, transfer, demotion, rates of pay or other forms of compensation, selection for training including apprenticeship, lay-off or termination.

(c) 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.

(d) The Company shall not discriminate against any of its employees who are selected as representatives of the union 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 union will be granted leave of absence when delegated to represent other employees.

(e) Local union representatives shall not be required to lose time from their regular assignment when representing employees covered by this Agreement at trials or investigations or for attending local conferences or scheduled monthly meetings with the designated Labor Relations staff person.

The foregoing shall not apply to more than two (2) union representatives at any one trial, investigation, conference or meeting.

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 designated Labor Relations staff person 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 designated Labor Relations staff person and the appropriate union representative.

(d) Employees of the Company who become full-time duly accredited representatives of employees of the Company or are employed exclusively by the union shall be considered on leave of absence until thirty (30) days after release from such employment.

(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 Director-Labor Relations and the appropriate union representative.

8-I-2. An employee unable to report for work or detained from work for any cause must notify his shop or work location as soon as possible.

8-J-1. Employees in service covered by this Agreement shall not be required to submit to periodical physical examination unless required by State or Federal Law. In the event a question arises as to the physical condition of an employee, he may be examined by a physician designated by the Company at its expense.

Before an employee is disqualified for further service such employee individually or through his union representative may request a reexamination by competent medical authority (to be promptly selected between the parties who will jointly participate in the expense).

8-K-1. (a) Employees will be paid at the straight time rate of pay for time attending related training sessions held during or outside of regular work hours.

(b) In connection with classroom instruction, the Company will arrange and pay for lodging facilities, where

necessary, that will be of adequate quality and with the assignment of not more than two (2) employees to a room beginning on the night before the training classes begin, continuing throughout the time classes are in session. Employees who will not occupy such lodging facilities and employees who will not attend scheduled classroom sessions must notify the designated Instructor in advance.

(c) Transportation between the Company-arranged place of lodging and the classroom facility will be made available by the Company.

(d) The Company will arrange for transportation and will reimburse the employees for reasonable meal expenses for travel from their headquarters to the lodging at the classroom training location and return. If transportation is not provided by the Company and his personal transportation is authorized and used, mileage will be allowed for one (1) round-trip between the employee's regular headquarters and the lodging facility at the classroom training location at the established mileage rate.

(e) Participants in the classroom training sessions staying in the lodging facilities provided by the Company will have all meals provided from the first day of the session up to the dinner meal on the last day of the session. This does not apply to classroom training sessions at home point.

RULE NO. 9--VACATIONS

9-A-1. The "National" Vacation Agreement of December 17, 1941, as amended, and agreed-upon interpretations thereon, between certain Eastern, Western and Southeastern carriers and their employees represented by various cooperating railroad labor

organizations shall apply to the employees covered by this Agreement.

Vacation Leave Entitlement

(1) Effective with vacation accrual for 1997 but not to available for use until the 1998 vacation year, vacation entitlement shall be changed as follows:

(a) Each employee having nineteen (19) years or more in 1998 of continuous service with Metro-North will be qualified for an annual vacation of twenty-five (25) days with pay, or pay in lieu thereof. This entitlement is subject to existing qualifying requirements and shall include compensated service at predecessor Railroads.

(b) Each employee having fourteen (14) years or more in 1998 of continuous service with Metro-North will be qualified for an annual vacation of twenty (20) days with pay, or pay in lieu thereof. This entitlement is subject to existing qualifying requirements and shall include compensated service at predecessor Railroads.

(c) Each employee having seven (7) years or more in 1998 of continuous service with Metro-North will be qualified for an annual vacation of fifteen (15) days with pay, or pay in lieu thereof. This entitlement is subject to existing qualifying requirements and shall include compensated service at predecessor Railroads.

(d) There will be no change in the vacation entitlement for employees with less than seven (7) years of continuous service.

(2) Effective with vacation accrual for 1998, but not to be available for use until the 1999 vacation year, employees shall accrue vacation at the same rate as that currently prevailing for the same class of employees at the

Long Island Rail Road. For the purpose of this provision, the employee birthday holiday shall not be considered part of the vacation entitlement. Once the schedule goes into effect on Metro-North, any changes to be made are subject to negotiations between the parties.

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.

RULE NO. 10--PERSONAL HOLIDAY

10-A-1. Effective January 1, 1983, employees shall be entitled to one (1) personal holiday in addition to the holidays provided in Rule 4-B-2(a) of this Agreement.

10-A-2. The personal holiday provided under this Rule may be taken upon forty-eight (48) hours' advance notice from the employee to the Carrier officer provided, however, such days may be taken only when consistent with the requirements of the Carrier's service.

10-A-3. Martin Luther King - Consistent with the requirements of service, employees will be permitted, upon forty-eight (48) hours notice, to utilize a personal or vacation day or an authorized unpaid day off to observe Martin Luther King Day.

(1) Effective January 1, 1996, employees with thirty (30) or more years of service shall be entitled to two (2) additional days. Employees with twenty-five (25) but less than thirty (30) years of service shall be entitled to one (1) additional day.

(2) Effective January 1, 1998, the personal leave day schedule set forth in Appendix F, Article X shall be amended as follows:

- (a) An employee with zero (0) years of continuous service but less than three (3) years of continuous service shall receive zero (0) days.
- (b) An employee with three (3) years of continuous service but less than twenty (20) years of continuous service shall be entitled to three (3) personal leave days on forty-eight (48) hours notice and consistent with needs of service.
- (c) An employee with twenty (20) years of continuous service but less than twenty-five (25) years of continuous service shall be entitled to four (4) personal leave days on forty-eight (48) hours notice and consistent with needs of service.
- (d) An employee with twenty-five (25) years or more of continuous service shall be entitled to five (5) personal leave days on forty-eight (48) hours notice and consistent with needs of service.
- (e) An employee with thirty (30) years or more of continuous service shall be entitled to one (1) birthday holiday on forty-eight (48) hours notice and consistent with needs of service.
- (f) An employee having reached an anniversary date during a particular calendar year will be considered as having reached such anniversary date as of January 1st of that year.

RULE NO. 11--APPROVED LEAVE STATUS

In recognition of the substantial increases and modernization of the contractual leave provisions, employees shall maintain an approved leave status at all times. Employees must be on approved leave status such as sick, vacation, personal, union, or authorized leave of absence. Any absence not authorized will be designated absent without permission.

(a) Sick Leave Plan

The current sick leave plan is replaced with the following:

- (1) Commencing January 1, 1996, each employee will be posted with an annual allotment of twelve (12) sick days. Sick days may be accumulated and carried over year to year. Sick banks are not subject to any maximum accumulation or cap.
- (2) Employees shall 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 members provided that the employee is primarily responsible for the care of such family member.
- (3) There is no waiting period or exclusionary period prior to payment. Sick leave shall be paid at ninety (90) percent of the daily rate. As a condition of receiving sick pay, employees shall not file for or receive any benefits from the Railroad Retirement Board pursuant to the Railroad Unemployment Insurance Act.

(b) Supplemental Sick Leave Program

There shall be provided by the Carrier a supplemental sick program which, after the employee has exhausted his/her sick bank shall pay the current supplemental sickness amount for a maximum of one (1) year. In the event the employee has utilized more than half of his/her sick time prior to the onset of the illness there will be a fourteen (14) day waiting period. Supplemental payments may be collected in addition to benefits under Railroad Unemployment.

(c) Sick Leave Reimbursement Plan

Any employee who leaves the Carrier's service for any reason, other than termination for cause, with a minimum of ten (10) years of company seniority shall be entitled to a cash severance payment of fifty (50) percent of the value of all accumulated but unused sick days, provided that the number of accumulated but unused sick days is at least fifty (50) percent of the total number of sick days posted to the employee's bank.

(d) Sick Leave Verification

Current sick leave procedures and rules shall remain in effect except as amended as follows:

- (a) Payment in cases of a bona fide sickness or disability will be made in accordance with Metro-North payroll procedures. In cases of doubt, the employee may be required to prove to Metro-North's satisfaction, preferably in the form of doctor's certificate, that the sickness or injury is bona fide.
- (b) Every application for sick leave for a period over four (4) days with pay shall be accompanied by

medical proof satisfactory to Metro-North and upon a form to be furnished by Metro-North, 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.

- (c) Across the board demands for doctor's notes will not be permitted.

(e) On-The-Job Injury Medical Payments

Employees injured on the job who file suit under FEOLA cannot recover for past medical expenses that had been paid by Metro-North.

(f) 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 |

(g) Life Insurance

Effective January 1, 1998 the Group Life Insurance provided by Metro-North will be increased from \$28,00 to \$100,000.

(h) 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 two (2) to four (4) and employees will have the option to transfer funds four (4) times per year.

(i) Defined Contribution Pension Plan

Effective January 1, 1999, Metro-North will increase the contribution made to the Defined Contribution Pension Plan for Agreement Employees for employees who have completed nineteen (19) years of service from four percent (4%) to seven percent (7%). The increased contribution will be effective the first full pay period following the employees nineteenth (19th) anniversary date.

(j) 401(K) Plan

The Carrier will offer an optional 401K program for 1997 subject to legal and administrative review.

(k) Connecticut Participating Provider Committee

Within sixty (60) days following full and final ratification of this Agreement by both parties, the parties will meet to form a committee to review and resolve the issue of "participating providers list" in Connecticut. Metro-North is not obligated to incur any additional cost in

connection with the review and/or recommendation regarding the participating provider issues.

RULE NO. 12--WAGES

12-A-1. Effective January 1, 1995, employees will be compensated at 2% above the prevailing rate on Metro-North on December 31, 1994.

12-A-2. Effective January 1, 1996, employees will be compensated at 2½% above the prevailing rate on Metro-North on December 31, 1995.

12-A-3. Effective January 1, 1997, employees will be compensated at 3½% above the prevailing rate on Metro-North on December 31, 1996.

12-A-4. Effective January 1, 1998, employees will be compensated at 2% above the prevailing rate on Metro-North on December 31, 1997.

RULE NO. 13--MORATORIUM CLAUSE

13-A-1. There shall be a moratorium on the serving of Section 6 Notices until July 1, 1998, any changes not to become effective before January 1, 1999.

Signed at New York, New York, this 11th day of
December 1995.

For:

INTERNATIONAL
ASSOCIATION OF
MACHINISTS AND
AEROSPACE WORKERS

For:

METRO-NORTH

/s/William F. Mitchell
General Chairman

/s/Raymond Burney
Director-Labor Relations

LETTER 1

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Holiday Pay

Dear Sir:

In the negotiation of Rule 4-B-3(b) of the Agreement effective January 1, 1983, it was understood that an employee who requests and receives permission to leave early on the workdays preceding and following a holiday will qualify for the holiday pay provided in paragraph (a) of Rule 4(B)3. Permission shall not be withheld unless requested unreasonably or excessively.

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

LETTER 2

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Qualifications

Dear Sir:

In the negotiation of Rule 2-A-1(a), it was agreed that Metro-North will meet with the Union to formulate the tests to be administered.

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

LETTER 3

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Claims and Grievances

Dear Sir:

Claims and grievances pending on the property on or before December 31, 1982 will be brought under the Conrail procedures prevailing on the property on December 31, 1982.

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

LETTER 4

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Working on Rest Days

Dear Sir:

In the negotiation of Rule 4-B-2(b) of the Agreement effective January 1, 1983, it was agreed that the Union will provide an employee to work on his rest days in the event the list of eligible employees is exhausted.

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

LETTER 5

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Bidding Rule

Dear Sir:

In the negotiation of Rule 2-A-2(a) of the Agreement effective January 1, 1983, it was understood that this Rule shall only apply to vacancies resulting from death, retirement or leave of absence.

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

LETTER 6

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Incidental Work

Dear Sir:

In the negotiation of the incidental work rule, there was discussion about the meaning of the word "appurtenances." In adopting the rule, the parties agreed that the General Chairman will meet with the Vice-President of Operations in the event any dispute arises with respect to the meaning of the word "appurtenances."

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

LETTER 7

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Abolishing Jobs

Dear Sir:

In the negotiation of Rule 3-C-3 it was agreed that five (5) working days referred to therein start on the first working day following the date the position is actually abolished or from the date the employee is actually displaced.

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

LETTER 8

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Employees Transferring to
the Machinists' Craft

Dear Sir:

If an employee seeks to transfer to the machinists' craft from another craft, he shall be subject to the following two-year wage progression:

| <u>Length of Employment in Machinists' Craft</u> | <u>Percent of Applicable Wage/Salary Rate</u> |
|------------------------------------------------------|---------------------------------------------------|
| 1st year | 80% |
| 2nd year | 90% |
| 3rd year | 100% |

except that where such an employee is subject to the four-year new hire wage progression set forth in Rule 1(c) of this Agreement, he shall complete at least two years of the

new hire progression before becoming subject to the wage progression set out above.

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

LETTER 9

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Definition of Journeymen

Dear Sir:

For purposes of this Agreement, a journeyman shall be defined as anyone who (a) has completed a four-year, bona fide machinists' apprenticeship program; or (b) has had four years of full-time practical experience in the craft, and can provide proof thereof (by means of a card or certificate).

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Filling Vacancies

Dear Sir:

In the negotiation of Rule 2-A-4 it was agreed that no employee will be moved excessively under the terms of this provision. In the event the procedures under the Rule are not followed, the General Chairman and the Vice-President of Operations will meet to discuss corrective actions.

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

LETTER 11

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: New Hires

Dear Sir:

In the negotiation of Rule 1-A-1(b), it was agreed that the term, "materially false information," concerns only information regarding an applicant's physical condition."

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

November 22, 1983

Mr. J. E. Burns, Jr., President
Directing General Chairman
International Association of
Machinists and Aerospace Workers
2600 Dixwell Avenue
Hamden, CT 06514

Letter re: Health and Welfare Benefits

Dear Sir:

In the negotiation of the Agreement effective January 1, 1983, it was agreed that Metro-North would administer and control all health and welfare benefit programs, with the right to select an insurance carrier.

It was further agreed that the current level of coverage would be maintained and that a vision care program would be instituted.

Very truly yours,

/s/Peter Stangl, President
Metro-North

Accepted:

/s/Joseph E. Burns, Jr.

May 18, 1988

Mr. Joseph E. Burns, Jr.
President & Directing General
Chairman - IAM
P.O. Box 4324
2600 Dixwell Avenue
Hamden, CT 06514

Re: Establishment of a Joint Committee

Dear Mr. Burns:

This will confirm our understanding reached during recent negotiations with respect to the establishment of a joint committee to study the feasibility of the Machinists Craft performing the maintenance work on the Carrier's truck and auto fleet.

It is agreed by the parties that within ninety (90) days of full and final ratification of this Agreement the aforementioned joint committee shall be established. The Committee shall consist of three (3) representatives of the Carrier and two (2) representatives of the Organization.

It is further agreed that the results of said Committee shall be submitted to the Chief Mechanical Officer for a final determination.

Copies of time study and final determination will be furnished to the Director - Labor Relations and the General Chairman. The final report will be published by the Carrier.

The Carrier will provide necessary technical support and facilities to the committee.

Union representatives will suffer no loss of compensation for serving on the committee.

Very truly yours,

/s/James B. Isenberg
Vice President - Human Resources

MEMORANDUM OF UNDERSTANDING
COVERING MECHANICAL TECHNICIANS

a. The classification of "Mechanical Technicians" is established.

b. Such classification shall include the following requirement:

Know-how and ability to teach apprentices or trainees and journeymen in all phases of mechanical work and all equipment utilized by mechanics in the Metro-North system. The duties will also encompass teaching journeymen the proper techniques to be utilized by them in developing apprentices or trainees.

c. Positions in these technical classifications may be established when determined by Metro-North. Employees assigned to such position shall be selected by Metro-North from employees covered by the agreement between Metro-North and the International Association of Machinists and Aerospace Workers.

d. All positions covered by this section must include teaching other employees. When employees filling these positions are not teaching, Metro-North may assign such employees to other work of the craft.

e. The rate of compensation for all positions covered by this section shall be 50 cents per hour over the journeymen's rate of pay. It is understood that employees shall normally work and be compensated for forty straight time hours per week. These hours need not be consecutive or on the same shift each day, except when the employees are used to perform mechanical work as a journeymen in the facility.

f. In addition to the foregoing, Machinists employed in either of the technical capacity described above shall be subject to all provisions of the Agreement, except for the following:

Advertisement, displacement, starting time, rest day and hours of assignment, provided, however, that the overtime provisions shall apply after completion of forty (40) hours' work in any week.

g. In the event that employees holding positions covered by this section vacate the positions and exercise seniority as a Machinist, they will then be covered by all the applicable provisions of agreements then in force between Metro-North and the International Association of Machinists and Aerospace Workers.

h. The General Chairman and Manager of Labor Relations will meet to determine the positions to be established under this Agreement and whether they meet the criteria of this Agreement.

i. "Mechanical Technicians" will be furloughed in accordance with their journeymen seniority in the event of a reduction in force.

j. It is understood that when positions are available, employees covered by this Agreement at the facility where the position exists, will be notified of the position and will be given the opportunity to make application. The local management and local committee will review all applications, and determine the best qualified applicant; if fitness and ability are equal, seniority will govern. In the event of a failure to agree, or in the event no qualified applications are received, the management will make the final decision.

k. Employees in the category above will not be called for overtime as a journeymen when other journeymen are available for such overtime work at the point.

l. There will be no more than ten (10) Mechanical Technicians for the period of this Agreement.

RATE SCHEDULE

MECHANICS

| <u>GRADE RATE</u> | <u>1/1/86</u> | <u>1/1/87</u> | <u>1/1/88</u> |
|-------------------|---------------|---------------|---------------|
| A | \$14.53 | \$15.18 | \$15.94 |
| B | 14.43 | 15.08 | 15.83 |
| C | 14.28 | 14.92 | 15.67 |
| E | 14.10 | 14.73 | 15.47 |
| HELPERS | \$12.29 | \$12.84 | \$13.48 |

DIFFERENTIALSLEAD MECHANICS

A differential of 12 cents per hour above the rate of their assignment will be paid to Mechanics who, in addition to performing the work of their craft, also perform duties such as directing movements over inspection pits, directing dispatchment of locomotives or assigning men.

WELDERS

The current welder and federal 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 Mechanics in Grades "B", "C" and "E" who also perform welding.

Metro-North may upgrade the qualification's required to hold positions receiving this increase.

APPENDIX "B"

GRADED WORK CLASSIFICATION OF
MECHANICS, HELPERS AND APPRENTICES
IN THE M. OF E. DEPARTMENT.
MACHINISTS' WORK

| GRADED WORK CLASSIFICATION | EXPLANATION |
|------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| *A-Grade Time setting and time studying | Men qualified to determine time and methods to perform any and all operations. |
| *B-Grade Laying out. Grade diemaking and sinking. Tool making. | <p>Men regularly assigned to this work and responsible for accuracy of work. (Not assistants or helpers.) Does not apply to men laying out by templates only.</p> <p>Men qualified to lay out and perform all work in the manufacture of dies from rough or roughed out stock. (Not assistants or helpers.)</p> <p>Men qualified to lay out, machine and completely finish all tools from rough or roughed out stock. (Not assistants or helpers.)</p> |
| *C-Grade Instrument work, including Time, Temperature and, Electrical recording or indicating instruments Clocks, Stop | One who is specially skilled and assigned to the work of repairing these instruments and who is required to make and assemble the detail parts thereof in completing such repairs. This rate does not apply to assistants |

| GRADED WORK CLASSIFICATION | EXPLANATION |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Watches, Optical Instruments and the special recording equipment on Dynamometer car.</p> <p>Repairs to plant, road machinery and equipment.</p> <p>(Milling)</p> <p>Spiral gears, bevel gears, electric tractor pinion gears, stub tooth gears, inspector's wheel mounting gauges, Road Foreman's tire gauges, coupler contour gauges.</p> | <p>or helpers nor to men who may be assigned to make repairs by dismantling and assembling, using repair parts from stock. Pressure gauges and work of that character not included.</p> <p>Men or high grade skill qualified and assigned to do all-around work on miscellaneous repairs to tools, machinery and equipment, including setting up and erecting. (Rate not to be paid to ordinary floor hands assisting in this work.)</p> <p>Work assigned to machines as specified.</p> |
| <p>*C-Grade (Cont.)</p> <p>(Lathe)</p> <p>Form cutters for automatic machine, form cutters for flue tools, relieving staybolt taps, relieving.</p> | <p>Work assigned to machines as specified.</p> |
| <p>Scale beammen.</p> | <p>Highly skilled men qualified and</p> |

| GRADED WORK CLASSIFICATION | EXPLANATION |
|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | assigned to the calculation of levers and weights required for sealing beams, sealing of beams and scales and any other work in connection with new or repaired scales. |
| Locomotive inspecting – Federal certificates. | Machinists inspectors who are qualified and regularly assigned to an responsible for certifying to reports and tests made by them as required by Federal Locomotive Inspection Laws. |
| Operating Reflectoscope machine. | Men qualified to perform all work that may be assigned to such machine. |
| *E-Grade | |
| (Lathe) | |
| Boiler taps, hand taps, thread gauges, finished on grinder, hollow milling tools, trepanning tools for test specimens. | Work assigned to machines as specified. |
| (Shaper) | |
| Scale fulcrums for track scales, form cutters for drill presses, form cutters for boring tool, wheel and tire contour | Work assigned to machines as specified. |

| GRADED WORK CLASSIFICATION | EXPLANATION |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| gauges tram gauges. | |
| Scale builders | Skilled men qualified and assigned to working up all details for completing scales (except calculating levers and weights and sealing scales) in connection with new or repaired scales. |
| Work specified below and work requiring similar skill: Erecting shop floor work. Roundhouse floor work. Vise shop work. | This grade of work covers general work on erecting enginehouse and vise work, with the exception of work covered by the lower grades. |
| Machine work on: All planers to and including 56", except standard frame planers. All slotters except standard frame slotters. | All work that may be assigned to machines specified. |
| All plain vertical, universal and slot millers except special machines. Boring mills except car, engine truck and tender wheel boring machines. | All work that may be assigned to machines specified. |

| GRADED WORK CLASSIFICATION | EXPLANATION |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Finishing grinders. Gear Cutters. Semi-automatic machines working stock over 3". Profiling machines. | |
| All engine lathes on following specified work and work requiring similar skill: Precision gauges, die work, crosshead pins finished to fit, crossheads, knuckle joint pins finished to fit, piston rods, piston centers, cylinder bushings, piston valve bushings, lift shafts, piston valve stems, main rod brasses and side rod bushings finished to fit rods, armature shafts, gears and steering knuckles, and generator shafts and pulleys. | Work as specified. |
| All shapers on following specified | Work as specified. |

| GRADED WORK CLASSIFICATION | EXPLANATION |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| <p>work and work requiring similar skill:</p> <p>Precision gauges, die work finishing to size brass bearings, front end main rod keys and liners, pads and clamps and lift shaft bearings.</p> | |
| <p>Locomotive Inspecting.</p> | <p>Men assigned to inspecting locomotives, steam heat, air brakes and appurtenances.</p> |
| <p>Operating travograph. Operating radiograph.</p> | <p>All work that may be assigned to machines specified.</p> |
| <p>Cleaning and oiling triple valves.</p> | <p>Men assigned to the work specified.</p> |
| <p>Operating wheel boring machines (car, engine, truck and tender).</p> <p>Operating grinding machines, rough.</p> <p>Operating drill press, ordinary, using a facing, boring or turning head or</p> | <p>All work that may be assigned to machines specified.</p> |

| GRADED WORK CLASSIFICATION | EXPLANATION |
|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| milling apparatus. | |
| Operating turret lathe. Engine Lathes. Operating shapers. | All work that may be assigned to machine specified. |
| Grinding and polishing. | Men qualified and assigned to grinding and polishing for electroplating. Does not include grinding or polishing machines for other than electro-plating. |
| Plating – silver, nickel, copper. | Men qualified and assigned to mixing of all plating solutions and capable of pickling and plating. |
| Operating screw and semi-automatic machines working stock 3” and under. | Working all bar stock of the size specified or under, including all other general work which may be assigned. |
| Operating drill press-radial, using a facing, boring or turning head or nulling apparatus. | All work that may be assigned to machines specified. |
| Operating semi-automatic machine-for boring journal bearings. | All work that may be assigned to machines specified. |
| Operating axle lathe, | All work that may be assigned to |

| GRADED WORK CLASSIFICATION | EXPLANATION |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| center and end drives. Operating full automatic machines. | machines specified. |
| Operating all standard frame planers and planers above 56". Operating all standard frame slotters. Operating 2, 3 and 4-head special milling machines. | This grade applies only to these machines and the men assigned thereto. |
| (Milling) | |
| Spiral surface mills, end mills, staybolt taps, boiler taps, form cutters for flue tools, form cutters for piston keys, form cutters for automatic machine. | Work assigned to machines as specified. |
| * Fully qualified mechanic's work. | |

APPENDIX "C"

MEMORANDUM OF UNDERSTANDING IN
CONNECTION WITH THE
AGREEMENT EFFECTIVE JANUARY 1, 1983 BETWEEN
METRO-NORTH
COMMUTER RAILROAD COMPANY AND THE
INTERNATIONAL ASSOCIATION
OF MACHINISTS AND AEROSPACE WORKERS

1. The Schedule Agreements of the former component railroads and all amendments, supplements and appendices to these agreements (including so called National Agreements, with the exceptions of those listed below) and all other previous agreements which are in conflict with the Agreement effective May 1, 1979, are terminated insofar as they apply to employees of the Machinist Craft:

- A. Agreement of October 7, 1971 establishing so-called Off Track Vehicle Insurance effective January 1, 1972.
- B. Agreement of May 9, 1973 establishing a Plan for Supplemental Sickness Benefits effective July 1, 1973.
- C. Agreement of March 12, 1975 establishing a National Dental Plan effective March 1, 1976.
- D. Article V of the Agreement of August 19, 1954, and memorandum of the same date providing for the establishment of a plan for group hospital, surgical and medical insurance and subsequent agreement provisions amending that plan.
- E. Union Shop Agreement dated August 29, 1952.

2. The provisions of this Agreement shall apply to the extent Metro-North Commuter Railroad Company may be required by a State or other subsidy to operate certain lines of railroads not conveyed to the Metro-North Commuter Railroad Company.

3. The implementing Agreement of July 27, 1982 between the International Association of Machinists and Aerospace Workers and Metro-North Commuter Railroad Company shall remain in effect.

4. (In connection with Rule 2-A-4)

The term "location" as used in Rule 2-A-4 means a complete facility, such as an engine house or car shop, except at major facilities it will be by department unless otherwise agreed-upon between Director-Labor Relations and the union representative.

5. Contracts with outside concerns in effect as of the date of this Agreement which are in conflict with this Agreement may be continued but not renewed.

6. Nothing in this Agreement shall be construed in any manner to supersede the provisions of Title V of the Regional Rail Reorganization Act of 1973, as amended.

APPENDIX "D"

PROCEDURE FOR THE TERMINATION OF SENIORITY

The seniority of employees coming within the scope of the Agreement entered into by and between the Metro-North Commuter Railroad Company and its employees in the Maintenance of Equipment Department represented by the International Association of Machinists and Aerospace Workers:

1. Employees who have attained the age of seventy (70) years or who shall attain the age of seventy (70) years before July 1, 1979, shall have their seniority terminated effective June 30, 1979.

2. Each employee who reaches the age of seventy (70) subsequent to June 30, 1979, shall have his seniority terminated effective the last day of the month in which his 70th birthday occurs, or on June 30th of the year in which his 70th birthday occurs, whichever is the later.

3. Employees whose seniority has been terminated under the provisions of this procedure shall not be re-employed by the Company for service within the Machinist Craft.

4. Neither this procedure, nor any provision contained herein, nor any application thereof, shall be considered or used as a basis for any time or money claim against the Company.

APPENDIX "E"

THIS AGREEMENT is entered into as of the 1st day of January, 1983, in accordance with Section 2, Eleventh of the Railway Labor Act, as amended, by and between METRO-NORTH COMMUTER RAILROAD COMPANY (hereinafter referred to as the "Company") and the employees of said Company of the classes represented by the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (hereinafter referred to as the "Organization").

DUES DEDUCTION

1. Subject to the conditions herein set forth, the Company will withhold and deduct from wages due employees represented by the Organization, 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 Organization.

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 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 hereinafter be furnished the Director-Payroll Operations, by the Organization, 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 order of the Organization 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 Organization 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 permitting to the Organization 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 question arising as to the correctness of the amount deducted shall be handled between the employee involved and the Organization, and any complaints against the Company in connection therewith shall be handled by the respective Organization 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 form 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. Attachments A, B and C shall be reproduced and furnished as necessary by the Organization without cost to the Company. The Organization shall assume the full responsibility for the procurement of the execution of the forms by employees, and for the delivery of said forms to the Company. Assignment and revocation of assignments 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 basis 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 Organization 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 Organization shall indemnify, defend and save harmless the Company from any and all claims, demands, losses or damage resulting from the entering into or complying with the provisions of this Agreement.

IAM
ATTACHMENT "A"

METRO-NORTH
COMMUTER RAILROAD COMPANY
UNION DUES DEDUCTION AUTHORIZATION

I hereby authorize Metro-North Commuter Railroad to deduct union dues, assessments and insurance premiums. I understand that such deductions will be taken one time per month and such sums will be remitted to the Treasurer of my Union Local in accordance with the terms of the applicable agreement.

Print Name First Middle Initial Last

Name of Union Affiliation Local Number

Date Employee Signature

EMPLOYEE DEDUCTION AUTHORIZATION

UNION DUES

(Same as other Agreement Books)

APPENDIX "F"

The following provisions of the Mediation Agreement, Case A-10800, dated December 11, 1981 between railroads represented by the National Carriers' Conference Committee and employees of such railroads represented by the I.A.M. & A.W., are incorporated hereto by reference, except that Metro-North has the right to select the insurance carrier.

1. Article III - Vacations
2. Articles V - Health and Welfare Benefits
3. Article VI - Dental Benefits
4. Article VII - Early Retirement
5. Article VIII - National Health Legislation
6. Article X - Personal Leave

EXCERPT FROM THE NATIONAL VACATION
AGREEMENT
OF DECEMBER 17, 1941 AS AMENDED

Article 1.

(a) Effective with the calendar year 1973, an annual vacation of five (5) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred twenty (120) days during the preceding calendar year.

(b) Effective with the calendar year 1973, an annual vacation of ten (10) consecutive work days with pay will be

granted to each employee covered by this Agreement who renders compensated service on not less than one hundred ten (110) days during the preceding calendar year and who has two (2) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred ten (110) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of two (2) such years, not necessarily consecutive.

(c) Effective with the calendar year 1979, an annual vacation of fifteen (15) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has nine (9) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of nine (9) of such years, not necessarily consecutive.

(d) Effective with the calendar year 1979, an annual vacation of twenty (20) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has eighteen (18) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of eighteen (18) of such years, not necessarily consecutive.

(e) Effective with the calendar year 1973, an annual vacation of twenty-five (25) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has twenty-five (25) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days (133 days in the year 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of twenty-five (25) of such years, not necessarily consecutive.

(f) Paragraphs (a), (b), (c), (d) and (e) hereof shall be construed to grant to weekly and monthly rated employees, whose rates contemplate more than five days of service each week, vacations of one, two, three, four or five work weeks.

(g) Service rendered under agreements between a carrier and one or more of the Non-Operating Organizations parties to the General Agreement of August 19, 1960, shall be counted in computing days of compensated service and years of continuous service for vacation qualifying purposes under this Agreement.

(h) Calendar days in each current qualifying year on which an employee renders no service because of his own sickness or because of his own injury shall be included in computing days of compensated service and years of continuous service for vacation qualifying purposes on the basis of a maximum of ten (10) such days for an employee with less than three (3) years of service; a maximum of twenty (20) such days for an employee with three (3) but less than fifteen (15) years of service; and a maximum of

thirty (30) such days for an employee with fifteen (15) or more years of service with the employing carrier.

* * * * *

Article 8

The vacation provided for in this agreement shall be considered to have been earned when the employee has qualified under Article 1 hereof. If an employee's employment status is terminated for any reason whatsoever, including but not limited to retirement, resignation, discharge, non-compliance with a union shop agreement, or failure to return after furlough he shall at the time of such termination be granted full vacation pay earned up to the time he leaves the service including pay for vacation earned in the preceding year or years and not yet granted, and the vacation for the succeeding year if the employee has qualified therefore under Article 1. If an employee thus entitled to vacation or vacation pay shall die the vacation pay earned and not received shall be paid to such beneficiary as may have been designated, or in the absence of such designation, the surviving spouse or children or his estate, in that order of preference.

EXCERPT FROM MEDIATION
AGREEMENT CASE A-10800

ARTICLE X - PERSONAL LEAVE

Section 1

A maximum of two days of personal leave will be provided on the following basis:

Employees who have met the qualifying vacation requirements during eight calendar years under vacation

rules in effect on January 1, 1982 shall be entitled to one day of personal leave in subsequent years;

Employees who have met the qualifying vacation requirements during the seventeen calendar years under vacation rules in effect on January 1, 1982 shall be entitled to two days of personal leave in subsequent calendar years.

Section 2

(a) Personal leave days provided in Section 1 may be taken upon 48 hours' advance notice from the employee to the proper carrier officer provided, however, such days may be taken only when consistent with the requirements of the carrier's service. It is not intended that this condition prevent an eligible employee from receiving personal leave days except where the request for leave is so late in a calendar year that service requirements prevent the employee's utilization of any personal leave days before the end of that year.

(b) Personal leave days will be paid for at the regular rate of the employee's position of the protected rate, whichever is higher.

(c) The personal leave days provided in Section 1 shall be forfeited if not taken during each calendar year. The carrier shall have the option to fill or not fill the position of an employee who is absent on a personal leave 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 with the organization signatory hereto.

Section 3

This Article shall become effective on January 1, 1982 except on such carriers where the organization representative may elect to preserve existing local rules or practices pertaining to personal leave days and so notifies the authorized carrier representative on or before such effective date.

APPENDIX "G"

METRO-NORTH'S HEALTH AND INSURANCE
PROGRAM
COST CONTAINMENT MEASURES

Pursuant to our discussions held during the recent negotiations, the following constitutes a description of the Health and Insurance Program, Cost Containment Measures.

It is understood and agreed by and between the parties that the implementation date shall be ninety (90) days following full and final ratification of this Agreement or ninety (90) days following acceptance of all these measures by all the Organization's covered by the Metro-North Health and Insurance Program, whichever is later. The measures shall include:

- Precertification and Concurrent Review
- Case Management Review
- Week-end Admissions
- Mandatory, Focused Second Opinion Surgery
- Outpatient Surgery Program
- Direct Mail Prescription Drugs
- Health Maintenance Organizations
- Dental Preferred Provider Organizations (PPO)
- Alcohol/Substance Abuse Plan

December 12, 1983

Mr. Joseph E. Burns, Jr.
President & Directing General Chairman - IAM
2600 Dixwell Avenue
Hamden, CT 06514

Dear Sir:

This refers to your letter of December 9, 1983, that confirmed the conference held on December 8, 1983 at which time we agreed to the following items which will be added to the Master Contract Working Agreement:

1. The following seniority districts are established:
 - (a) Mechanical Department
 - (b) Bridge Mechanics - Former New Haven Railroad
 - (c) Building and Bridges Department - Grand Central Terminal
 - (d) Maintenance of Way and Building and Bridge Department other than outlined in (b) and (c) above.

2. The following former New Haven Railroad M.W. Equipment Repairment (Roadway Machinists) shall be entitled to the current monthly rate of pay of \$2,871.04 subject to subsequent wage increases on an incumbent basis when working a M.W. Equipment Repairman position. The basis of pay for such incumbent rate will not be changed, i.e. additional compensation will be payable only for work in excess of fifty hours in a week, non-emergency work on a holiday or first rest day and all second rest day work:

Mr. Joseph E. Burns, Jr. -2-

December 12, 1983

| <u>Employee Number</u> | <u>Name</u> |
|------------------------|---------------|
| 712616 | C. R. Bakutis |
| 713215 | M. Caccioppo |
| 706764 | D. Gorman |
| 706787 | J. Inger |

3. Red Circled Monthly rates for Maintenance of Equipment Inspectors:

G. Shalhien, R. J. Pataky, B. Ashworth, and F. Urbasik. These employees will be allowed the following rates, which are effective April 1, 1974 with subsequent wage increases on an incumbent basis:

| | |
|--------------|---------|
| G. Shalhien | 1215.85 |
| R. J. Pataky | 1215.85 |
| B. Ashworth | 1191.78 |
| F. Urbasik | 1191.78 |

The Agreement of March 27, 1974 only applies to the payment of the above incumbent rates of pay.

Yours truly,

/s/R. B. Hoffman
Vice President - Human Resources

September 20, 1982

Mr. Joseph E. Burns, Jr.
President & Directing General Chairman - IAM
2600 Dixwell Avenue
Hamden, CT 06514

Dear Sir:

This will confirm understanding reached this date with respect to the retention of seniority for non-agreement employees transferred to Metro-North.

In order to assist in the smooth transfer of agreement and non-agreement employees, Metro-North is prepared to allow Conrail employees who are offered, and who accept, a non-agreement position with Metro-North to retain their seniority rights in the craft from which promoted, without having to bid on a Metro-North job during the Special Bulletin period of October 6th to November 3rd.

In order to assure that this will not adversely affect the ability of other Conrail employees to obtain a place on the relevant Metro-North seniority rosters, the number of persons on such Metro-North rosters will be expanded, to the extent necessary, to accommodate the relevant non-agreement officials on the appropriate roster.

Non-Agreement employees appearing on the Machinists Roster in the Metro-Region and New Haven Region, i.e. Conrail Seniority CRC2 Roster would also be included if they comply with Rule 3-D-1, paragraphs (a) and (b) of the agreement and are working out of the present Metro-Region for Conrail. We have two

employees in this status: John Kraft and Charles McMahon.

If this correctly sets forth our understanding, please indicate your concurrence by signing and returning two (2) copies of this letter.

Very truly yours,

/s/R. B. Hoffman
Vice President - Human Resources

I concur:

/s/Joseph E. Burns, Jr.

ADDENDUM TO DUES DEDUCTION AGREEMENT
between
METRO-NORTH COMMUTER RAILROAD COMPANY
and
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS

In Accordance with the provisions of the Voluntary Payroll Deduction of Political Contributions Agreement signed August 31, 1979, between carriers represented by the National Railway Labor Conference and the employees of said carriers represented by the International Association of Machinists and Aerospace Workers, the parties hereby amend the Dues Deduction Agreement of (date), as amended, to the extent necessary to provide for the deduction of employees' voluntary political contributions on the following terms and bases:

1(a) Subject to the terms and conditions hereinafter set forth, the carrier will deduct from the wages of employees voluntary political contributions upon their written authorization in the form (individual authorization form) agreed upon by the parties hereto, copy of which is attached, designated "Attachment A" and made a part hereof.

(b) Voluntary political contributions will be made monthly from the compensation of employees who have executed a written authorization providing for such deductions. The first such deduction will be made in the month following the month in which the authorization is received. Such authorization will remain in effect for a minimum of twelve (12) months and thereafter until cancelled by thirty (30) days advance written notice from the employee to the Brotherhood and the carrier by Registered Mail. Changes in the amount to be deducted will be limited to one change in each 12-month period and any change will coincide with a date on which dues

deduction amounts may be changed under the dues deduction agreement.

2. The General Chairman or his designated representative shall furnish the carrier, with copy to appropriate units of the Brotherhood, an initial statement by lodges, in alphabetical order and certified by him, showing the amounts of deductions to be made from each employee, such statement to be furnished together with individual authorization forms to cover, and payroll deductions of such amounts will commence in the month immediately following. Subsequent monthly deductions will be based on the initial statement plus a monthly statement showing additions and/or deletions furnished in the same manner as the initial statement required herein above.

3. Monthly voluntary political contribution deductions will be made from wages at the same time that membership dues are deducted from the employee's paycheck.

4. Concurrent with making remittance to the Organization of monthly membership dues, the carrier will make separate remittance of voluntary political contributions to the Treasurer, Machinists Non-Partisan Political League (MNPL), together with a list prepared in accordance with the requirements of the Dues Deduction Agreement pertaining to the remittance of monthly membership dues, with a copy to the General Chairman.

5. The requirements of this agreement shall not be effective with respect to any individual employee until the employer has been furnished with a written authorization of assignment of wages of such monthly voluntary political contribution.

INDIVIDUAL AUTHORIZATION FORM

Voluntary Payroll Deductions
Machinists Non-Partisan Political League (MNPL)

To: _____

Space for label showing name, address,
System Board and local lodge number.

Department

Work Location

I hereby authorize and direct my employer _____
_____, to deduct from my pay the sum of \$ _____ for each
month in which compensation is due me, and to forward that amount
to the Treasurer, Machinists Non-Partisan Political League (MNPL).
This authorization is voluntarily made on the specific understanding
that the signing of this authorization and the making of payments to
the Machinists Non-Partisan Political League (MNPL) are not
conditions of membership in the Union or of employment with the
Carrier; that the Machinists Non-Partisan Political League (MNPL) will
use the money it receives to make political contributions and
expenditures in connection with Federal, State and Local elections.

It is understood that this authorization will remain in effect for a
minimum of 12 months; and, thereafter, I may revoke this
authorization at any time by giving the Carrier and the Organization
30 days advance written notice of my desire to do so.

Signed at _____
this ___ day of ___, 19__

(personal signature)

Social Security Number

December 28, 1983

Mr. Joseph E. Burns, Jr.
President & Directing Gen. Chairman - IAM
2600 Dixwell Avenue
Hamden, CT 06514

Dear Sir:

This will confirm our understanding that grievances arising under the Contracting Out Rule shall be handled in accordance with option No. 1 of the Contracting-Out Rule which reads as follows:

"By the Impartial Arbitrator selected by the parties under Rule 4-Q-1 of the agreement."

If this correctly sets forth our understanding, please indicate your concurrence by signing and returning two (2) copies of this letter.

Very truly yours,

/s/R. B. Hoffman
Vice President - Human Resources

I concur:

/s/Joseph E. Burns, Jr.

SUPPLEMENT 1

METRO-NORTH COMMUTER RAILROAD
DEFINED CONTRIBUTION PENSION PLAN
FOR AGREEMENT EMPLOYEES

Benefits of the plan are as set forth in the Metro-North Agreement Employees Pension Plan Booklet.

MEMORANDUM OF UNDERSTANDING

BETWEEN

MTA METRO-NORTH

And

INTERNATIONAL ASSOCIATION OF MACHINISTS

AND AEROSPACE WORKERS

Representing

All Machinists

The parties hereby agree to the following amendments and changes to the Collective Bargaining Agreement for the period January 1, 1999, through December 31, 2002.

This Memorandum of Understanding is subject to ratification by the membership of the International Association of Machinists and Aerospace Workers and final approval by the Metropolitan Transportation Authority Board of Directors.

THIS AGREEMENT is made this 17th day of October, 2000, by and between the Metro-North Commuter Railroad ("Metro-North") and the employees represented by the International Association of Machinists and Aerospace Workers.

ARTICLE I – GENERAL WAGE INCREASES

SECTION 1 – FIRST GENERAL WAGE INCREASE

Effective January 1, 1999, all rates of pay irrespective of the method of payment (hourly, daily, etc.), in effect on December 31, 1998 shall be increased by two percent (2%).

SECTION 2 – SECOND GENERAL WAGE INCREASE

Effective January 1, 2000 all rates of pay irrespective of the method of payment (hourly, daily, etc.) in effect on December 31, 1999 shall be increased by three percent (3%).

SECTION 3 – THIRD GENERAL WAGE INCREASE

Effective January 1, 2001, all rates of pay irrespective of the method of payment (hourly, daily, etc.) in effect on December 31, 2000 shall be increased by three percent (3%).

SECTION 4 – FOURTH GENERAL WAGE INCREASE

Effective January 1, 2002, all rates of pay irrespective of the method of payment (hourly, daily, etc.) in effect on

December 31, 2001 shall be increased by three percent (3%).

SECTION 5 – ELIGIBILITY FOR WAGE INCREASES

The January 1, 1999 retroactive payment shall be granted only to current employees for service performed in 1999 and 2000, and on a prorated basis for employees who, during 1999 or 2000; 1) retired; 2) died; 3) resigned while having a vested right to a pension under the Metro-North Defined Benefit Pension Plan; 4) were dismissed and subsequently reinstated or rehired with seniority restored.

**ARTICLE II – DEFINED CONTRIBUTION PENSION
PLAN**

Effective January 1, 1999, Metro-North will increase the contribution made to the Defined Contribution Pension Plan for Agreement Employees for employees who have completed nineteen (19) years of service from four percent (4%) to seven percent (7%). The increased contribution will be effective the first full pay period following the employees' nineteenth (19th) anniversary date.

**ARTICLE III – DEFINED CONTRIBUTION PENSION
PLAN BOARD OF PENSION MANAGERS**

As soon as practicable Metro-North agrees to amend the Defined Contribution Pension Plan for Agreement Employees to provide for the appointment of a designee recommended by a Committee comprised of representatives from each of the certified labor

organizations at Metro-North as a voting member of the Board of Pension Managers.

ARTICLE IV – DOMESTIC PARTNERS

Metro-North will offer Domestic Partner coverage in accordance with Metro-North's Policy concerning Domestic Partners, as it may be amended.

ARTICLE V – LIFE INSURANCE

Effective January 1, 2001, the Group Life Insurance for active employees provided by Metro-North will be increased from \$28,000.00 to \$100,000.00.

ARTICLE VI– HEALTH INSURANCE OPT-OUT INCENTIVE PROGRAM

Metro-North will offer participation in the Opt-Out Incentive Program, commencing January 1, 2001, to eligible employees on the same terms and conditions as offered to non-represented employees.

Thereafter, participation in the Opt-Out Incentive program shall be offered on the same terms and conditions as it is provided to non-represented employees, as it may be amended, to active employees covered by this Agreement. The current program provides for full year payments of \$1100 for opting out of family coverage and \$550 for opting out of individual coverage.

ARTICLE VII- DENTAL BENEFITS

Effective January 1, 2001, Metro-North shall provide to active members' dental benefits at the same level of benefit as provided to non-represented active Metro-North employees.

Should the active non-represented employee benefit levels or coverage for dental benefits substantially change in the future, either Metro-North or the IAM may re-open negotiations on the impact of that change. If the parties cannot mutually agree to resolve the dispute within ninety (90) days, the issue of the mitigation of the impact of the substantial change will be submitted to binding arbitration.

ARTICLE VIII – HEARING AIDS

As soon as practicable Metro-North shall provide to all active members' hearing aid coverage in the amount of \$1,000.00 every thirty-six (36) months.

ARTICLE IX – FLEXIBLE SPENDING ACCOUNT

Effective January 1, 2001, employees represented by the IAM will be eligible to participate in the MTA sponsored Flexible Spending Account in accordance with the terms of the plan already established. Future changes to this plan are not subject to collective bargaining.

ARTICLE X – WORK RULES

SECTION I – MANDATORY DIRECT DEPOSIT OF PAYCHECK

All employees represented by the IAM must participate in Metro-North's payroll direct deposit program. Exceptions will be made only by agreement between the General Chairmen and the Director – Labor Relations. Employees granted an exception will be not be allowed time during their tour of duty to cash their paycheck.

SECTION II – FORMAL TRAINING PROGRAMS

In order to provide our workforce with the skills to become more productive and keep up with changes in technology, Metro-North will be increasing the formal training initiatives offered to the workforce. In order to ensure that limited training resources are used in the most efficient manner possible, the following elements have been agreed to:

1. Employees who attend formal training programs (such as welder certification) conducted by Metro-North or by outside concerns will be obligated to bid for and/or remain on a position that requires that newly attained skill for a definitive period of time. This "Training Commitment" period is on a sliding scale depending on the length of training provided. For each week of training provided, the employee will be obligated to remain on such a position for twelve (12) weeks time from the date the employee completes training. Employees can bid during the "Training Commitment" to another position that also requires the newly utilized skill as a job component. The Training Commitment will not prevent employees

from moving to positions with a higher rate of pay. The Director of Labor Relations and the General Chairman may also in certain circumstances, agree to waive the commitment.

2. These training programs will be offered to the senior available employee who submit an application for the training.

ARTICLE XI - MORATORIUM

(1) The Agreement shall be effective January 1, 1999 and shall remain in effect through December 31, 2002 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(2) The parties to this agreement shall not serve nor progress prior to July 3, 2002 (not to become effective before January 1, 2003) any notice or proposal for the purpose of changing agreements.

Unless otherwise specified above, all provisions of this agreement shall become effective immediately after ratification of the International Association of Machinists and Aerospace Workers membership and the approval of the Metropolitan Transportation Authority Board.

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

**FOR INTERNATIONAL
ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS**

FOR METRO-NORTH

/s/Norman Brown
General Chairman
International Association
of Machinists And
Aerospace Workers

/s/Raymond Burney
Director
Labor Relations

October 17, 2000

Mr. Norman Brown
General Chairman – IAM
2031 Garritsen Avenue
Brooklyn, NY 11229

Re: **CFR238**

Dear Mr. Brown:

This will confirm our understanding that the testing and training requirements of CFR238 as they apply to certain Machinist positions, will be addressed between the parties in our subsequent discussions. The training commitment provisions in the Memorandum of Understanding dated October 17, 2000 were not intended by the parties to apply to the CFR238 requirements.

Very truly yours,

/s/Raymond Burney
Director - Labor Relations