

Peter A. Cannito  
President



January 15, 2004

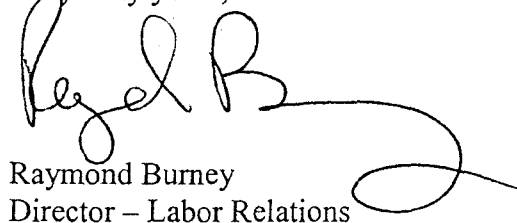
Mr. Anthony Bottalico  
General Chairman - ACRE - Div. 1  
420 Lexington Avenue, Suite 215  
New York, New York 10017

Re: **Rule 7(d)**

Dear Mr. Bottalico:

This letter will confirm our discussions in collective bargaining that the Job Protection date of January 1, 1991 set forth in Rule 7(d) will be moved forward forty-eight (48) months to January 1, 1995.

Very truly yours,



Raymond Burney  
Director - Labor Relations



January 15, 2004

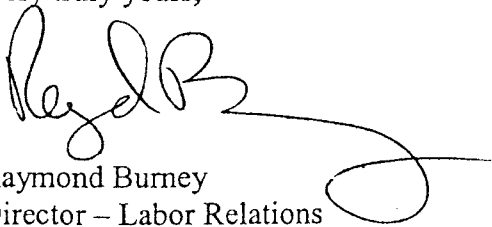
Mr. Anthony Bottalico  
General Chairman - ACRE - Div. 1  
420 Lexington Avenue, Suite 215  
New York, New York 10017

Re: **Retiree Health Benefits**

Dear Mr. Bottalico:

Retired Metro-North employees are ineligible for health and welfare benefits under the Empire Plan when they become eligible for Medicare benefits. Metro-North agrees to seek agreement from the Empire Plan administrators to allow retired Metro-North employees to continue enrollment in the Empire Plan with the retiree paying the full cost of this continued enrollment directly to the Empire Plan.

Very truly yours,



Raymond Burney  
Director - Labor Relations



January 15, 2004

Mr. Anthony Bottalico  
General Chairman - ACRE - Div. 1  
420 Lexington Avenue, Suite 215  
New York, New York 10017

Re: **Committee on Personnel Issues**

Dear Mr. Bottalico:

During our negotiations that resulted in the conversion from the Defined Contribution Pension Plan to the Defined Benefit Pension Plan, many issues concerning attrition and training agreements arose that were too complex to address at the bargaining table. This will confirm our agreement to establish a committee to review the issues that arise from the implementation of this new Defined Benefit Pension Plan. This committee will examine the effects this new Defined Benefit Pension Plan will have on the attrition rate and the training requirements to ensure that Metro-North maintains the appropriate level of qualified employees in the workplace.

Any resolutions or initiatives that amend or modify the Collective Bargaining Agreement will require mutual consent.

Very truly yours,

A handwritten signature in black ink, appearing to read "Raymond Burney", with a long, sweeping flourish extending to the right.

Raymond Burney  
Director - Labor Relations



January 15, 2004

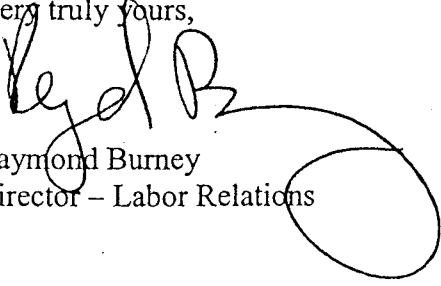
Mr. Anthony Bottalico  
General Chairman - ACRE - Div. 1  
420 Lexington Avenue, Suite 215  
New York, New York 10017

Re: **Vacation Preference Selections**

Dear Mr. Bottalico:

This will confirm our agreement that vacation preferences will be posted in weekly increments.

Very truly yours,



Raymond Burney  
Director - Labor Relations



January 15, 2004

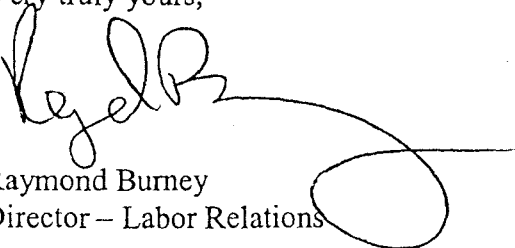
Mr. Anthony Bottalico  
General Chairman - ACRE - Div. 1  
420 Lexington Avenue, Suite 215  
New York, New York 10017

**Re: Deposit of \$1,000 Lump Sum Directly into Deferred Compensation Plan**

Dear Mr. Bottalico:

This will confirm that Metro-North will examine the legal and administrative implications of allowing employees, at their choice, to have the \$1,000 lump sum payment for 2003 deposited directly into an MTA Deferred Compensation Plan account.

Very truly yours,



Raymond Burney  
Director - Labor Relations



## Metropolitan Transportation Authority

State of New York

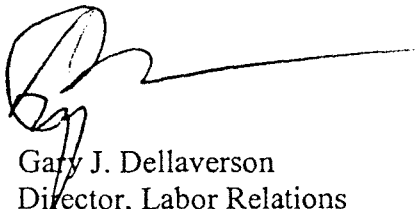
January 21, 2004

Anthony Bottalico  
General Chairman  
Association of Commuter Rail Employees  
420 Lexington Avenue  
Suite 215  
New York, NY 10017

Dear Mr. Bottalico:

This letter will confirm our discussions during the recently completed negotiations for a new collective bargaining agreement regarding the financial impact of employee contributions to the new Defined Benefit Pension Program. MTA's consulting actuaries determined that the cost of limiting the 3% employee contribution for 10 years of service was .009 of the affected payroll (.9%).

Very truly yours,



Gary J. Dellaverson  
Director, Labor Relations