



Metro-North Railroad

July 18, 2007

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

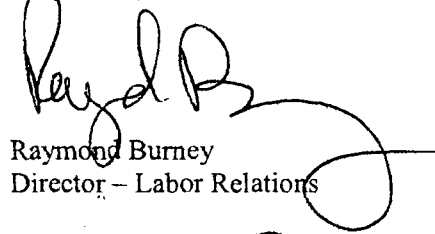
Re: Hand Held Ticketing Devices

Dear Sir:

This will confirm our agreement regarding the introduction of ticket issuing machines for on-board personnel at Metro-North. ACRE has been very cooperative in the 2006 Pilot program and understands the importance of this customer service initiative. Union representatives will continue to participate in the development and implementation of this initiative.

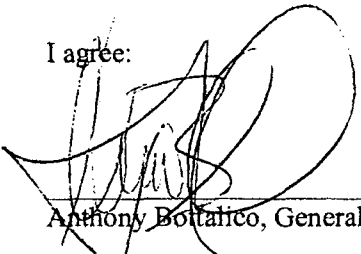
It is agreed by the parties that Metro-North has the authority to utilize these devices to modernize the on-board revenue collection procedures. It is further agreed that ACRE has waived its demand for any additional compensation for its members to utilize this device or any future technological device that is used by our train crews to sell tickets, collect revenue, issues receipts, etc.

Very truly yours,



Raymond Burney
Director – Labor Relations

I agree:



Anthony Bottalico, General Chairman – ACRE 1