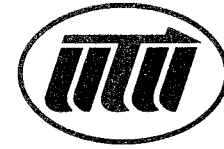


# **united transportation union**



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MICHAEL J. CANINO  
General Chairman  
R.M. BILELLO  
Vice General Chairman  
LAWRENCE G. MIELKE  
Secretary

GENERAL COMMITTEE OF ADJUSTMENT 505  
~~200 W. Main St., Suite 103~~, Babylon, NY 11702  
Phone (631) 661-3500 • FAX (631) 661-2180  
New address: 200B W. Main St., Ste. 3

**Local Chairmen**  
R. CARERE  
R. CELEBRE  
P. DAMM  
J. MELO  
V. PORCARO  
D. VANDENBURG

May 25, 2006

Dear Brothers and Sisters:

In less than seven months, the term of our current contract with the LIRR will expire. Under the Railway labor Act, there is a moratorium which says that sixty (60) days prior to the expiration of the existing agreement, the parties shall submit their respective Section Six Notices to one another. In other words, our Organization as well as the MTA/LIRR will make known its contract demands in writing to each other.

Throughout the past twelve (12) years, an extraordinary amount of time and money has been spent developing and cultivating political relationships. These relationships have helped our ship to maintain an even keel and most importantly, allowed our members to enjoy peaceful and productive negotiations with beneficial results. As we all know, times are changing rapidly. The political landscape that we operate in today will be a distant memory in a few short months. The fiasco between the TWU and the MTA is not over yet. Unfortunately, the ramifications will be felt for many years to come. How long they will pay for their pension and how much medical benefits will cost them remains to be seen! Furthermore, on Metro-North, 70% of the employees are in their fourth year of working without a contract, and the employees that do have a contract are contributing 3% of all their wages into their pension for life, while the new hires are forced to pay over \$170 a month for medical benefits. Outside our world of transportation, defined benefit pension plans are going the way of the horse and buggy. Since 1985, over 75% of the defined benefit pension plans in America have been either eliminated or frozen, and in the past five months alone, Verizon, General Motors and IBM have said they will close their plans!

The MTA has made it perfectly clear that it can no longer absorb the rising cost of benefits and I have made it even clearer that we are not the TWU. We are the UTU and our members are under the Railway Labor Act, not the Taylor Law. We understand that a strike is the last resort - generally no one wins, however, we will do whatever is necessary to protect the pockets of our members.

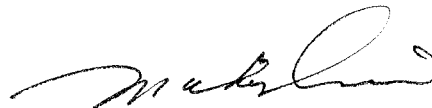
In preparation for the upcoming negotiations, I have met with the Committee on several occasions. I have been keeping them abreast of what is taking place at the MTA regarding the Transit Authority and

Metro-North contracts. In addition, our discussions have focused on the development of a pro-active course of action for our upcoming negotiations. One thing we all agree on is that without adequate funds, we cannot function in the best interest of our members. We believe that this round of negotiations will likely run the gamut of the Railway Labor Act; therefore, we must be prepared to do whatever is necessary. This may include hiring an actuary or an economist or possibly an experienced legal representative to make certain presentations before any Presidential Emergency Board should these negotiations take us that far.

After much discussion and careful consideration, the Committee has unanimously determined that a seventy-five dollar assessment is necessary in order for our Organization to proceed through the next round of contract negotiations in a financially responsible manner. This assessment will be deducted from the June 8, 2006 paycheck. We are all aware that in this day and age the last word anyone wants to hear is "assessment", but we must remember that we are not facing a player that is almost out of chips. The MTA is a formidable opponent and without backing, we will not be sitting at the table when the game ends.

Once again, I must thank you. Our many successes would not have been possible without your financial support, which is our strength!

Fraternally,

A handwritten signature in black ink, appearing to read "Michael J. Canino". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Michael J. Canino  
General Chairman