

Brotherhood of Railroad Signalmen

LONG ISLAND GENERAL COMMITTEE #42

20 GRANT PLACE • PATCHOGUE, NY 11772
631-587-0024 • FAX: 631-587-1758



CHRISTOPHER E. NATALE
GENERAL CHAIRMAN



Date: December 19, 2003

To: All BRS Members

From: Christopher Natale

Re: New Contract

Brothers,

It is my pleasure to announce to you that the General Committee has signed a contract subject to your ratification. There will be a special meeting on January 9, 2004 from 8:00am to 12:00pm and then from 4:00pm to 8:00pm for voting. You can also mail your ballot as long as it is received no later than January 22, 2004. If you do not receive a ballot contact Leonard Jones at (631) 968-5699. Please make every attempt to either make this meeting or return your ballot ASAP so that we can get your new benefits in place without delay.

Fraternally yours,

Christopher Natale
General Chairman

—

CONTRACT SIGNED
THE BROTHERHOOD OF RAILROAD SIGNALMEN NEW CONTRACT

Pending ratification the General Committee has signed a 4 year contract with the LIRR

WAGES AND TERMS OF AGREEMENT

Term: January 1, 2003 through December 31, 2006

Wage Increases: Pro Rated lump sum payment of \$1000 for all members who performed service in 2003

January 1, 2004	3%
January 1, 2005	3%
January 1, 2006	3%

New Pension Plan
For All Members Hired After January 1, 1988

Effective January 1, 2004, all members hired after January 1, 1988 will be placed in the MTA Defined Benefit Pension Plan. This is a defined benefit plan in which you are provided with a specific dollar amount upon retirement. It is based on length of service and final average compensation.

The plan is designed as follows:

- 1) are age 62 and have completed at least 5 years of credited service, or
- 2) are age 55 and have completed at least 30 years of credited service.

This plan also has an early retirement on a reduced basis if you are age 55 and have completed at least 10 years of credited service.

Pension Plan Formula

If an employee retires with more than 20 years of credited service, his benefit will be calculated as follows; FINAL AVERAGE COMPENSATION x 2% PER YEAR UP TO 30 YEARS AND 1.5% FOR EVERY YEAR OVER 30

If an employee retires with less than 20 years of service, the employee would receive 1.67% for every year of service.

This plan has a Rail Road Retirement offset of Tier 2 portion only.

SICK LEAVE CHANGES AND ENHANCEMENTS

- Effective January 1, 2004, members who call off sick will be paid from the first day.
- Members will not be required to submit sick leave forms unless their absence under the contract require a doctor's note.
- In the event of a catastrophic illness there will be no cap on the amount of available days you can use in a calendar year.
- Second chance for a sick leave buy-out. Members who do not qualify under the current rules for a sick leave buy-out will now have the opportunity to bank sick leave for a new buy-out. Effective January 1, 2004, until the date you retire you can start over. If you work for five years and accrue 60 sick days sick leave, as long as you do not use more than half you will be paid for half of the remaining days at the rate of pay at seperation.
- The first three days off for an on-duty injury will be charged to the sick bank.

STABILIZATION OF FORCES

Job stabilization is increased to by 48 months to January 1, 1995.

Detach Ballot Here

Ballot

This contract shall be ratified

Yes _____

No _____

This Agreement executed at Jamaica, New York, this December 19, 2003, by and between The Long Island Rail Road Company (LIRR) and its employees represented by the Brotherhood of Railroad Signalmen (BRS), is subject to ratification by the Brotherhood of Railroad Signalmen membership and approval by the MTA Board.

The following constitutes the terms of agreement, which amends and modifies the collective bargaining agreements covering employees represented by the Brotherhood of Railroad Signalmen. The provisions of the existing collective bargaining agreements shall continue in effect unless specifically changed by the terms of the agreement below:

1. WAGES

- a. The LIRR shall pay as soon as practicable and following membership and MTA Board ratification, a one-time non-recurring lump sum payment of \$1,000 to each employee who meets the eligibility requirements specified below.

In order to be eligible to receive the above referenced lump sum payment, the employee must have been on the payroll on January 1, 2003 and December 31, 2003. However, employees who have been on the payroll during 2003 for less than twelve months (retirees, new hires or otherwise off pay status) for one month or more shall have their lump sum prorated based on the number of months on the payroll over a denominator of

twelve. Fifteen days or more on the payroll in a month shall constitute a month of service. Fourteen days or less shall not. Example: an employee retires on September 1, 2003. Such employee had eight months on the payroll and shall receive 8/12ths of the lump sum amount. Employees who were terminated or voluntarily resigned during 2003 shall not be entitled to the lump sum payment or any prorata share of the lump sum payment.

- b. Effective January 1, 2004, the hourly and daily wage rates and annual salaries in effect on December 31, 2003 shall be increased by (3) percent.
- c. Effective January 1, 2005, the hourly and daily wage rates and annual salaries in effect on December 31, 2004 shall be increased by (3) percent.
- d. Effective January 1, 2006, the hourly and daily wage rates and annual salaries in effect on December 31, 2005 shall be increased by (3) percent.
- e. The January 1, 2004 retroactive payment shall be granted only to current employees for service performed in 2004, and on a prorated basis for employees who, during 2004: 1) retired; 2) died; 3) resigned while having a vested right to a pension under the Long Island Rail Road Plan Pensions; 4) were dismissed and subsequently reinstated or rehired with seniority restored.

2. PENSION PLAN

- a. Effective January 1, 2004, employees hired between January 1, 1988 and December 31, 2003, and who are participants of the LIRR Money Purchase Pension Plan (also known as the "Vanguard Plan" or "Plan"), shall cease making employee contributions to said Plan and the LIRR shall also cease making contributions to said Plan.

- b. Such employees and all employees hired after December 31, 2003 shall commence participation in a new defined benefit program within the MTA Defined Benefit Plan ("New Program") and such New Program shall have the same terms and conditions as those applicable to non-represented employees of the LIRR in the MTA Defined Benefit Plan except as follows:
 - i. Current employees as of January 1, 2004 shall receive service credit for all service during which such employees made contributions to the Vanguard Plan and all employer contributions and the earnings attributable to such contributions credited to such employees in the Vanguard Plan for such service shall be transferred to the MTA Defined Benefit Plan.
 - ii. All employees shall make 3% member contributions to the New Program until they have contributed for 10 years from the date of participation in the New Program.

- c. Employee contributions made to the Vanguard Plan shall remain in the Vanguard Plan. The parties agree to seek approval from the Internal Revenue Service to allow employees to transfer, at the employee's request, their contributions from the Plan to the MTA Deferred Compensation 457 Plan or 401K Plan.
- d. Current life insurance provisions defined in the collective bargaining agreement shall continue in addition to the death benefits provided by the New Program.

3. SICK LEAVE AMENDMENTS

- a. The parties agree to amend the agreements to discontinue the deduction from sick pay of the daily benefits an employee is entitled to under the Railroad Retirement and Unemployment and Sickness Act. Such employee who receives sick pay from the Carrier which is not so reduced shall not apply for daily benefits under the Act for those days paid.
- b. The parties agree to amend the agreements to provide that employees shall be paid for sick days taken beginning with the first day sick provided the employee has sufficient sick days in his/her sick leave bank.

Sick leave forms shall no longer be required unless a doctor's note is required for the illness, in which case a completed sick leave form must be submitted by the employee. Should the employee not submit a doctor's note as required, he/she shall be paid for the sick days taken provided there are sufficient days in his/her bank. However, such employee shall be considered as not in compliance with the agreement and such absence shall be considered an absence unauthorized.

c. The parties agree to amend the agreements to delete the catastrophic requirement in order to use more than 72 or 90 sick days in a calendar year.

d. The parties agree to amend the sick leave buy out provision as follows:

For those employees who do not qualify for a sick leave buy out at retirement or resignation with 10 years of service based on their career accrual shall, effective January 1, 2004, establish a sick leave buy out entitlement that will pay a non-pensionable lump sum severance payment upon voluntary separation or retirement of 50% of the value of all accrued but unused sick days from January 1, 2004 provided that the number of the accrued but unused sick days since January 1, 2004 is at least 50% of the total number of sick days posted to the employee's bank since January 1, 2004.

e. The agreement shall be modified to provide that an employee who is injured on duty either for an initial occurrence or re-occurrence shall be compensated in the following manner:

- i. The first three days of lost time following the accident or injury shall be paid and the three days shall be deducted from the employee's sick leave bank. Subsequent lost days shall be paid as Disability Accident and shall not be deducted from the employee's sick leave bank.
- ii. The employee at his/her option may have the first three days paid and deducted as vacation or personal leave days provided the employee has such days accrued. If the employee has no accrued sick days in his/her bank, such days shall be taken from his/ her vacation or personal day accrual.
- iii. The Carrier shall have a lien against any subsequent settlement or award and all paid days described in the above paragraphs whether D/A, sick, vacation or Personal Day shall not be reimbursed to the employee's bank or entitlement.

4. STABILIZATION OF FORCE

The January 1, 1991 stabilization date shall be moved to January 1, 1995.

5. DURATION

Unless otherwise specified above, all provisions of this agreement shall become effective upon ratification of the membership of the Brotherhood of Railroad

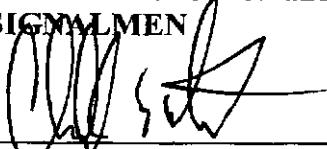
Signalmen and the approval of the MTA Board. The term of the agreement shall be from January 1, 2003 through December 31, 2006.

6. MORATORIUM

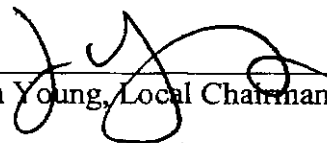
There shall be a moratorium on the service of notice pursuant to Section 6 of the Railway Labor Act until December 1, 2006, not to be effective before January 1, 2007.

IN WITNESS WHEREOF parties hereto sign this Agreement at Jamaica, New York, that day and year first above written.

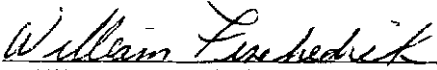
**BROTHERHOOD OF RAILROAD
SIGNALMEN**



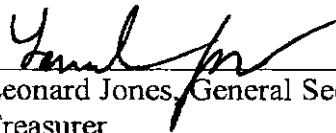
Christopher Natale, General Chairman



Jon Young, Local Chairman

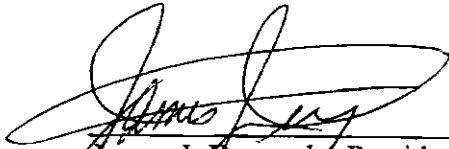


William Fishedick, Local Chairman

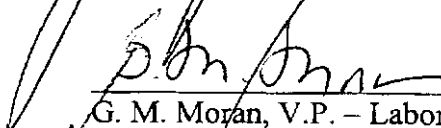


Leonard Jones, General Secretary/
Treasurer

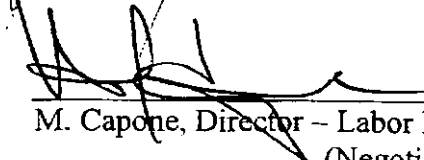
FOR THE LONG ISLAND RAIL ROAD



James J. Dermody, President



G. M. Moran, V.P. – Labor Relations



M. Capone, Director – Labor Relations
(Negotiations)

Jamaica Station
Jamaica, NY 11435-4380
718 558-7544

James J. Dermody
President

Gerard M. Moran
Vice President - Labor Relations



Long Island Rail Road

December 19, 2003

Mr. Christopher Natale, General Chairman
Brotherhood of Railroad Signalmen
20 Grant Place
Patchogue, NY 11772

Dear Mr. Natale:

This is to confirm our understanding reached during recently concluded bargaining sessions.

In the event the Carrier reaches subsequent agreements with other unions, in the current round of bargaining, which provide for superior provisions on the below described subjects, the Carrier will offer an option to the Brotherhood of Railroad Signalmen for equivalent treatment on such matters.

The matters which the option embraces are as follows:

1. Wages
2. Pensions
3. Health & Welfare Benefits
4. Vacations, Holidays, Personal Leave or Sick Leave
5. Stabilization Date Beyond January 1, 1995
6. Moratorium Date

As an illustration of the working of the above described arrangement, in the event another Union trades a valuable work rule for equivalent dollars to be added to the pattern wage settlement, the Brotherhood of Railroad Signalmen will be offered the option of trading one of their valuable work rules for its equivalent value in wages.

Sincerely,

A handwritten signature in black ink, appearing to read "G.M. Moran".

G.M. Moran
Vice President - Labor Relations

Jamaica Station
Jamaica, NY 11435-4380
718 558-7544

James J. Dermody
President

Gerard M. Moran
Vice President - Labor Relations



Long Island Rail Road

December 19, 2003

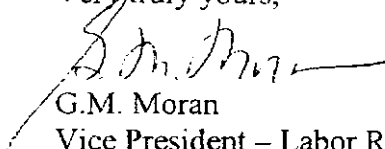
Mr. Christopher Natale, General Chairman
Brotherhood of Railroad Signalmen
20 Grant Place
Patchogue, NY 11772

Dear Mr. Natale :

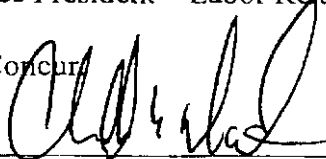
This letter will confirm our discussions during the recently completed negotiations for a new collective bargaining agreement regarding the MTA's proposed corporate restructuring. We agree that the proposed restructuring provides potential opportunities for the MTA to operate more efficiently. We also agree that the best way to maximize those efficiencies is through cooperative efforts and good faith discussions which acknowledge the legitimate concerns of the work force regarding seniority, earnings, job security and the like.

We commit to using our best efforts to ensure that these discussions take place in a harmonious atmosphere and reach a timely and mutually acceptable conclusion.

Very truly yours,


G.M. Moran
Vice President - Labor Relations

I Concur



Christopher Natale, General Chairman
Brotherhood of Railroad Signalmen

Jamaica Station
Jamaica, NY 11435-4380
718 558-7544

James J. Darmody
President

Gerard M. Moran
Vice President - Labor Relations



Long Island Rail Road

December 11, 2003

Mr. Christopher Natale, General Chairman
Brotherhood of Railroad Signalmen
20 Grant Place
Patchogue, NY 11772

Dear Mr. Natale:

This letter will confirm our understanding concerning the allocation of certain employer and employee contributions to the union member's pension plan as of January 1, 2004. This agreement was reached in furtherance of sound labor relations and as a necessary part of the discussions during recent ongoing negotiations for a new collective bargaining agreement.

We agree that as of January 1, 2004, all employer contributions which the employer is obligated to make under the existing collective bargaining agreement to the LIRR Money Purchase Plan, shall cease. The employer's future obligation shall be as follows:

1. If the parties reach an agreement entitling these employees to participate in a new program under the MTA Defined Benefit Plan, the employer will contribute an amount to be actuarially determined for the period commencing January 1, 2004; or
2. in the alternative, if the parties reach an agreement that does not include a new pension plan, the employer will contribute the percentage agreed to in the new collective bargaining agreement to the existing LIRR Money Purchase Plan.

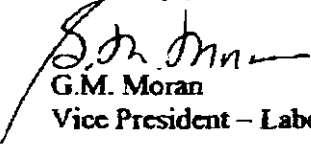
Additionally, beginning January 1, 2004, all employee contributions regularly made by employees shall continue to be made, but such contributions shall be segregated in a Vanguard fund that is specially designated for that purpose. All pre-2004 employer contributions, including interest, shall be invested in the designated Vanguard investment option. If the parties reach an agreement entitling these employees to participate in the

Mr. Christopher Natale
Page 2
December 11, 2003

new program under the MTA Defined Benefit Plan, these contributions shall be transferred to the MTA Defined Benefit Plan as employee contributions. If the parties reach an agreement that does not include a new pension plan, all monies contained in this Vanguard Account shall be invested pursuant to the employee's investment options in the LIRR Money Purchase Plan.

This agreement shall remain in effect until a final collective bargaining agreement is reached and ratified by both parties. At which time, the monies will be disbursed in accordance with the terms and conditions of that agreement. We commit to using our best efforts to ensure that the negotiations of these pension issues will take place in a harmonious atmosphere and reached in a timely and mutually acceptable manner.

Very truly yours,


G.M. Moran
Vice President - Labor Relations

I Concur:



Christopher Natale, General Chairman
Brotherhood of Railroad Signalmen

12-16-03
Date

CONTRACT SIGNED
THE BROTHERHOOD OF RAILROAD SIGNALMEN NEW CONTRACT

Pending ratification the General Committee has signed a 4 year contract with the LIRR

WAGES AND TERMS OF AGREEMENT

Term: January 1, 2003 through December 31, 2006

Wage Increases: Pro Rated lump sum payment of \$1000 for all members who performed service in 2003

January 1, 2004	3%
January 1, 2005	3%
January 1, 2006	3%

New Pension Plan
For All Members Hired After January 1, 1988

Effective January 1, 2004, all members hired after January 1, 1988 will be placed in the MTA Defined Benefit Pension Plan. This is a defined benefit plan in which you are provided with a specific dollar amount upon retirement. It is based on length of service and final average compensation.

The plan is designed as follows:

- 1) are age 62 and have completed at least 5 years of credited service, or
- 2) are age 55 and have completed at least 30 years of credited service.

This plan also has an early retirement on a reduced basis if you are age 55 and have completed at least 10 years of credited service.

Pension Plan Formula

If an employee retires with more than 20 years of credited service, his benefit will be calculated as follows; FINAL AVERAGE COMPENSATION x 2% PER YEAR UP TO 30 YEARS AND 1.5% FOR EVERY YEAR OVER 30

If an employee retires with less than 20 years of service, the employee would receive 1.67% for every year of service.

This plan has a Rail Road Retirement offset of Tier 2 portion only.

CONTRACT SIGNED
THE BROTHERHOOD OF RAILROAD SIGNALMEN NEW CONTRACT

Pending ratification the General Committee has signed a 4 year contract with the LIRR

WAGES AND TERMS OF AGREEMENT

Term: January 1, 2003 through December 31, 2006

Wage Increases: Pro Rated lump sum payment of \$1000 for all members who performed service in-2003

January 1, 2004	3%
January 1, 2005	3%
January 1, 2006	3%

New Pension Plan
For All Members Hired After January 1, 1988

Effective January 1, 2004, all members hired after January 1, 1988 will be placed in the MTA Defined Benefit Pension Plan. This is a defined benefit plan in which you are provided with a specific dollar amount upon retirement. It is based on length of service and final average compensation.

The plan is designed as follows:

- 1) are age 62 and have completed at least 5 years of credited service, or
- 2) are age 55 and have completed at least 30 years of credited service.

This plan also has an early retirement on a reduced basis if you are age 55 and have completed at least 10 years of credited service.

Pension Plan Formula

If an employee retires with more than 20 years of credited service, his benefit will be calculated as follows; FINAL AVERAGE COMPENSATION x 2% PER YEAR UP TO 30 YEARS AND 1.5% FOR EVERY YEAR OVER 30

If an employee retires with less than 20 years of service, the employee would receive 1.67% for every year of service.

This plan has a Rail Road Retirement offset of Tier 2 portion only.