

June 8, 2007

Mr. Chris Silvera  
Secretary-Treasurer  
2243 Jackson Avenue  
Long Island City, New York 11101

**Re: The Defined Benefit Retirement Program for Represented Employees of  
the Commuter Rails**

Dear Mr. Silvera:

The International Brotherhood of Teamsters (hereinafter "Union") and the Metro North Commuter Railroad (hereinafter "MNR") agree that pursuant to Section 12.1.03(h) of the Defined Benefit Retirement Program and subject to the following terms and conditions, split employment shall constitute credited service.

- 1) All release time prior to July 1, 2007 shall be administered as follows:
  - a) The Union shall have designated the individual as being on full or part time release time from MNR for Union business purposes and have been employed by MNR for at least five years prior to the designation;
  - b) The Union shall make the employer contributions to the Plan and such contributions shall be computed using an agreed upon contribution rate based upon a rate as determined by the Plan's Actuary. The salary used to determine the Union's contributions will not exceed \$119,945.75 (hereinafter the "Salary Cap") for the period beginning January 1, 2000 through December 31, 2000; and, beginning January 1, 2001 through December 31, 2001 the Salary Cap shall be \$123,544.12; and, beginning January 1, 2002 through December 31, 2003 the Salary Cap shall be \$127,250.45, and, beginning January 1, 2004 through December 31, 2004 the Salary Cap shall be \$131,067.96; and, beginning January 1, 2005 through December 31, 2005 the Salary Cap shall be \$135,000.00; and, beginning January 1, 2006 through December 31, 2006 the Salary Cap shall be \$139,050.00. The Salary Cap shall be based on the combined MNR and Union salaries;

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- c) The employer contribution, as determined by paragraph (b), shall be multiplied by 8.00% per annum, the MTA Defined Benefit Plan valuation interest rate;
  - d) Neither the Member nor the Union shall contribute based on any portion of total salary (MNR and Union combined) over and above the applicable Salary Cap;
  - e) The total salary (MNR and Union combined) used in all benefit calculations shall also be subject to the Salary Caps;
  - f) The Union's payment of its contributions with interest, as determined by paragraphs b and c, will be made in the manner and time frame as prescribed by the Actuary of the MTA Defined Benefit Plan;
  - g) Failure to comply with the Actuary's specifications will result in non-recognition of such service credit.
- 2) All release time on or after - July 1, 2007 shall be administered as follows:
- a) The union shall have or may designate an individual to be covered by this agreement who must be on full or part time release time from MNR for Union business purposes and have been employed by MNR for at least five years;
  - b) The Union shall make the employer contributions to the Plan and such contributions shall be computed using an agreed upon contribution rate based upon a rate as determined by the Plan's Actuary. The salary used to determine the Union's contributions will not exceed the Salary Cap of \$144,612.00, for the period beginning January 1, 2007 through December 31, 2007; and, beginning January 1, 2008 the Salary Cap shall increase by the General Wage Increases negotiated by and between the parties as part of collective bargaining. The Salary Cap shall be based on the combined MNR and Union salaries;
  - c) The Union shall withhold the individual employee's contributions subject to the applicable Salary Cap, and such individual's contributions will not be subject to the pick-up provision of the Program;

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- d) Neither the Member nor the Union shall contribute based on any portion of total salary (MNR and Union combined) over and above the applicable Salary Cap;
- e) The total salary (MN and Union combined) used in all benefit calculations shall also be subject to the applicable Salary Cap;
- f) The Union's payment of its and the individual's contributions will be made in the manner and time frame as prescribed by the Actuary of the MTA Defined Benefit Plan;
- g) Failure to comply with the Actuary's specifications will result in non-recognition of such service credit.

3. The foregoing provisions shall be applicable as of the date of this letter.

Very truly yours,

Gary J. Dellaverson  
Director, Labor Relations

I Concur:

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F. Christophe Silvera, IBT - Secretary-Treasurer