

SUMMARY OF TENTATIVE RLBC(BRS)/NCCC AGREEMENT

The following is an outline summary of the major elements of the tentative agreement reached February 28, 2007, between the Rail Labor Bargaining Coalition and the National Carriers' Conference Committee. This outline is not intended to provide a comprehensive description or analysis of the Agreement.

The BRS will hold a General Chairmen's meeting on March 20, 2007, to provide detailed information to the General Chairmen. It is expected that the General Chairmen will approve the tentative agreement to be sent to BRS members working under the national agreement for ratification.

If approved by the General Chairmen, information explaining the tentative agreement in detail will be mailed along with the ratification ballot in late March or early April.

Wages:

Signalmen can expect to receive retroactive pay of more than \$2600 per employee (calculation based on Signalman working no overtime) after the Health & Welfare offsets. The actual amount each employee receives will be based on the starting rate of pay and number of hours worked during the period July 1, 2005 (date of first wage increase) to the effective date of the agreement.

General Wage Increases:

July 1, 2005 — 2.5%

July 1, 2006 — 3.0%

July 1, 2007 — 3.0%

July 1, 2008 — 4.0%

July 1, 2009 — 4.5%

The current Signalman's base rate of \$21.25 per hour will increase to \$25.10 by the end of the agreement.

Health & Welfare:

- In-network availability expanded to cover more than 90% of members
- Changes to in-network co-pays to pay for network expansion as follows:

Visit to family doctor changes from \$15 to \$20

Visit to specialist changes from \$15 to \$35

ER visit changes from \$30 to \$50

- Prescription drugs:
 - Retail — \$10 generic; \$20 brand name; \$30 non-formulary
 - Mail order — \$20 generic; \$30 brand name; \$60 non-formulary
- Employee cost-sharing payments change from the current \$100 to 15% of monthly premium.
- Cost-sharing adjustments on January 1, 2008; January 1, 2009, and January 1, 2010.
- Employee cost-sharing will be capped on January 1, 2010 using the lesser of:
 - (a) the contribution rate using the 15% formula on January 1, 2010, or
 - (b) the greater of the January 1, 2009 contribution rate or \$200.Employee cost-sharing contributions will not increase again until the next contract is ratified.

Supplemental Sickness Benefits:

- Expand the 20-day notification requirement to 60 days.

Work Rules:

- No work rule changes

There are no work rule changes to this agreement, and the carriers have agreed to dismiss the lawsuit against the BRS upon ratification.

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