

03-06-75

National Agreement dated 3-06-75, remains in effect through 12-31-77 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

- Article I - General Wage Increases
- Article II - Cost-of-Living Adjustment
- Article III - Holidays

Section 1. In 1976, Christmas Eve will be added to the list of paid holidays for employees receiving holiday pay.

Section 2. The National Carriers' Conference Committee, on behalf of the carriers party to this Agreement, may exercise a national option prior to 1-01-76 to substitute Good Friday for the birthday holiday effective 1-01-76 for the employees represented by the Brotherhood of Locomotive Engineers.

- Article IV - Employee Information
- Article V - Health & Welfare Benefits
- Article VI - National Dental Plan
- Article VII - National Health Legislation
- Article VIII - General Provisions

Section 1 - Court Approval

Section 2 - Effect of this Agreement

Side Letters

BLE
March 6, 1975

AGREEMENT

DATED MARCH 6, 1975

between railroads represented by the
NATIONAL CARRIERS' CONFERENCE COMMITTEE

and

employees of such railroads represented by the
BROTHERHOOD OF LOCOMOTIVE ENGINEERS



A G R E E M E N T

THIS AGREEMENT, made this 6th day of March, 1975, by and between the participating carriers listed in Exhibit A, attached hereto and made a part hereof, and represented by the National Carriers' Conference Committee, and the employees of such carriers shown thereon and represented by the Brotherhood of Locomotive Engineers, witnesseth:

IT IS HEREBY AGREED:

ARTICLE I - GENERAL WAGE INCREASES

Section 1 - First General Wage Increase

(a) Effective January 1, 1975, all standard basic daily and mileage rates of pay of employees represented by the Brotherhood of Locomotive Engineers in effect on December 31, 1974 shall be increased by an amount equal to 10 percent.

(b) In computing the percentage increases under paragraph (a) above, 10 percent shall be applied to the standard basic daily rates of pay, and 10 percent shall be applied to the standard mileage rates of pay, respectively, applicable in the following weight-on-drivers brackets, and the amounts so produced shall be added to each standard basic daily or mileage rate of pay:

Passenger - 600,000 and less than 650,000 pounds

Freight - 950,000 and less than 1,000,000 pounds
(through freight rates)

Yard Engineers - Less than 500,000 pounds

Yard Firemen - 250,000 and less than 300,000 pounds
(separate computations covering five-day rates and other than five-day rates)

(c) Effective January 1, 1975 and prior to the application of the general wage increase under paragraph (a) of this Section 1, the standard 5-day yard rates of pay for firemen (helpers), hostlers and hostler helpers shall be adjusted to the respective rates set forth in Appendix 1, which is a part of this Agreement.

(d) The standard basic daily and mileage rates of pay produced by application of the increases provided for in this Section 1 are set forth in Appendix 1A, which is a part of this Agreement.

Section 2 - Second General Wage Increase

Effective October 1, 1975, all standard basic daily and mileage rates of pay of employees represented by the Brotherhood of Locomotive Engineers in effect on September 30, 1975, shall be increased by an amount equal to 5 percent, computed and applied in the same manner as the first general wage increase provided under Section 1(a) above. The standard basic daily and mileage rates of pay produced by application of this increase are set forth in Appendix 2, which is a part of this Agreement.

Section 3 - Third General Wage Increase

Effective April 1, 1976, all standard basic daily and mileage rates of pay of employees represented by the Brotherhood of Locomotive Engineers in effect on March 31, 1976, shall be increased by an amount equal to 3 percent, computed and applied in the same manner as the first general wage increase provided under Section 1(a) above. The amount of any cost-of-living allowance which may be in effect will not be included with basic rates in computing the amount of this increase. The standard basic daily and mileage rates of pay produced by application of this increase are set forth in Appendix 3, which is a part of this Agreement.

Section 4 - Fourth General Wage Increase

Effective July 1, 1977, all standard basic daily and mileage rates of pay of employees represented by the Brotherhood of Locomotive Engineers in effect on June 30, 1977 shall be increased by an amount equal to 4 percent, computed and applied in the same manner as the first general wage increase provided under Section 1(a) above. The amount of any cost-of-living allowance which may remain in effect after a portion of the allowance has been incorporated into basic rates pursuant to Article II, Section 1(d), will not be included with basic rates in computing the amount of this increase. The standard basic daily and mileage rates of pay produced by application of this increase will be published as soon as the amount to be incorporated into basic rates effective June 30, 1977, referred to above, is known.

Section 5 - Application of Wage Increases

(a) All arbitraries, miscellaneous rates or special allowances, based upon mileage, hourly or daily rates of pay, as provided in the schedules or wage agreements, shall be increased commensurately with the wage increases provided for in this Article I.

(b) In determining new hourly rates, fractions of a cent will be disposed of by applying the next higher quarter of a cent.

(c) Daily earnings minima shall be increased by the amount of the respective daily increases.

(d) Existing money differentials above existing standard daily rates shall be maintained.

(e) In local freight service, the same differential in excess of through freight rates shall be maintained.

(f) The differential of \$4.00 per basic day in freight and yard service, and 4c per mile for miles in excess of 100 in freight service, will be maintained for engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required. Such differential will continue to be applied in the same manner as the local freight differential.

(g) In computing the increased rates of pay effective January 1, 1975 under Section 1 for firemen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of 100 miles or less which are therefore paid on a daily basis without a mileage component, whose rates had been increased by "an additional \$.40" effective July 1, 1968, 10 percent of the daily rates exclusive of the local freight differential and any other money differential above existing standard daily rates but including the \$.40 increase, in effect for such firemen December 31, 1974 applicable in the weight-on-drivers bracket 950,000 and less than 1,000,000 pounds shall be added to each applicable weight-on-drivers daily rate of pay. The same procedure shall be followed in computing the increases of 5 percent effective October 1, 1975, 3 percent effective April 1, 1976, and 4 percent effective July 1, 1977. The rates produced by application of the standard local freight differential and the above-referred-to special increase of "an additional \$.40" to standard basic through freight rates of pay are set forth in Appendixes 1, 2 and 3.

(h) Other than standard rates:

(i) Existing basic daily and mileage rates of pay other than standard shall be increased, effective as of the effective dates specified in Sections 1 through 4 hereof, by the same respective percentages and amounts as set forth therein, computed and applied in the same manner as the standard rates were determined; except that the special adjustment for 5-day yard firemen (helpers), hostlers and hostler helpers provided in Section 1(c) hereof shall not serve to increase above the rates shown in Appendix 1 other than standard rates of pay of 5-day yard firemen (helpers), hostlers and hostler helpers which already include the equivalent of the adjustment provided in Section 1(c) or some portion thereof.

(ii) The differential of \$4.00 per basic day in freight and yard service, and 4c per mile for miles in excess of 100 in freight service, will be maintained for engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required. Such differential will continue to be applied in the same manner as the local freight differential.

(iii) Daily rates of pay, other than standard, of firemen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of 100 miles or less which are therefore paid on a daily basis without a mileage component, shall be increased as of the effective dates specified in Sections 1 through 4 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as provided in paragraph (g) above.

(i) Wage rates resulting from the increases provided for in Sections 1, 2, 3 and 4 of this Article I, and in Section 1(d) of Article II, will not be reduced under Article II.

ARTICLE II - COST-OF-LIVING ADJUSTMENTSection 1 - Amounts and Effective Dates of Cost-of-Living Adjustments

(a) Cost-of-living adjustments will be determined from the "Consumer Price Index - United States city average for urban wage earners and clerical workers - All Items - Unadjusted" (1967 = 100) as published by the Bureau of Labor Statistics, U. S. Department of Labor, and hereinafter referred to as the BLS Consumer Price Index. The first cost-of-living adjustment shall be made effective January 1, 1976 based on the BLS Consumer Price Index for September 1975 as compared with such index for March 1975. Further cost-of-living adjustments shall be made effective the first day of each sixth month thereafter based on the BLS Consumer Price Indexes for the respective months shown in the following table, as provided in paragraphs (f) and (g):

<u>BLS Consumer Price Index for</u>	<u>Effective Date of Adjustment</u>
September 1975	January 1, 1976
March 1976	July 1, 1976
September 1976	January 1, 1977
March 1977	July 1, 1977

(b) While a cost-of-living allowance is in effect, such cost-of-living allowance will apply to straight-time, overtime, vacations, and holidays, and to special allowances and arbitraries, in the same manner as basic wage adjustments have been applied in the past.

(c) The amount of the cost-of-living allowance, if any, which will be effective from one adjustment date to the next may be equal to, or greater or less than, the cost-of-living allowance in effect in the preceding adjustment period.

(d) (i) Effective December 31, 1976, 75 percent of the cost-of-living allowance then payable will be incorporated into basic rates of pay for all purposes, and the cost-of-living allowance will be reduced by 75 percent.

(ii) Effective June 30, 1977, the remainder of the cost-of-living allowance resulting from application of paragraph (d)(i), less the amount of any downward adjustment in the cost-of-living allowance effective January 1, 1977 by reason of a decline in the BLS Consumer Price Index, will be incorporated into basic rates of pay for all purposes, and the cost-of-living allowance will be reduced commensurately.

(iii) Effective December 31, 1977, 50 percent of the cost-of-living allowance then payable will be incorporated into basic rates of pay for all purposes, and the cost-of-living allowance will be reduced by 50 percent.

(e) The cumulative amount of the cost-of-living allowance which may be in effect at any time shall not exceed the maximum amount shown in the following table:

<u>Adjustment Date</u>	<u>Maximum Cumulative Allowance</u>
January 1, 1976	12 cents per hour
July 1, 1976	28 cents per hour
January 1, 1977	45 cents per hour, as adjusted by Note 1.
July 1, 1977	68 cents per hour, as adjusted by Note 2.

Note 1 - Less 75 percent of the allowance which had been payable as of December 31, 1976 prior to application of paragraph (d)(i).

Note 2 - Less the entire amount of the allowance payable as of December 31, 1976 which was incorporated into basic rates pursuant to paragraphs (d)(i) and (d)(ii).

(f) (i) The cost-of-living allowance effective January 1, 1976, July 1, 1976, and January 1, 1977 will be one cent per hour for each full-four-tenths point by which the BLS Consumer Price Index for the respective month shown in the first column of paragraph (a) exceeds such index for March 1975, but will not be more than the maximum amount for the respective date shown in paragraph (e).

(ii) In determining the cost-of-living allowance effective January 1, 1977, there will be deducted from the amount determined under paragraph (f)(i) above 75 percent of the cost-of-living allowance which had been payable as of December 31, 1976 prior to application of paragraph (d)(i).

NOTE: As soon as the BLS Consumer Price Index for March 1975 becomes available, a table will be prepared showing the amount of the cost-of-living allowance, prior to the December 31, 1976 incorporation into basic rates of 75 percent of the allowance then payable, for each BLS Consumer Price Index figure.

(g) The cost-of-living allowance effective July 1, 1977 will be the allowance effective January 1, 1977, increased by one cent per hour for each full three-tenths point by which the BLS Consumer Price Index for March 1977 exceeds such Index for September 1976. If the BLS Consumer Price Index for March 1977 is less than such index for September 1976, the cost-of-living allowance effective July 1, 1977 will be the allowance effective January 1, 1977, reduced by one cent per hour for each full three-tenths point by which the BLS Consumer Price Index for March 1977 is less than such index for September 1976. If the amount of the cost-of-living allowance which became effective January 1, 1977 was limited by operation of the 45-cent maximum in paragraph (c) above, the increase or reduction will be applied to the amount of the cost-of-living allowance which would have become effective January 1, 1977 in the absence of such 45-cent maximum. In any event the cost-of-living allowance effective July 1, 1977 will not be more than 68 cents per hour less the entire amount of the allowance payable as of December 31, 1976 which was incorporated into basic rates pursuant to paragraphs (d)(i) and (d)(ii).

NOTE: As soon as the BLS Consumer Price Index for September 1976 becomes available, a table will be prepared showing the amount of the cost-of-living allowance for each BLS Consumer Price Index figure.

(h) Continuance of the cost-of-living adjustment is dependent upon the availability of the official monthly ELS Consumer Price Index in its present form and calculated on the same basis as the Index for March 1975, except that, if the Bureau of Labor Statistics, U. S. Department of Labor, should during the effective period of this Agreement revise or change the methods or basic data used in calculating the ELS Consumer Price Index in such a way as to affect the direct comparability of such revised or changed index with the index for March 1975 or the index for September 1976, then that Bureau shall be requested to furnish a conversion factor designed to adjust the revised index to the basis of the index(es) for March 1975 and/or September 1976, described in paragraph (a) of this Section 1.

Section 2 - Application of Cost-of-Living Adjustments

In application of the cost-of-living adjustments provided for by Section 1 of this Article II, the cost-of-living allowance will not become part of basic rates of pay except as provided in Section 1(d). In application of such allowance, each one cent per hour of cost-of-living allowance will be treated as an increase of 8 cents in the basic daily rates of pay produced by application of Sections 2, 3 and 4 of Article I and by Section 1(d) of this Article II. The cost-of-living allowance will otherwise be applied in keeping with the provisions of Section 5 of Article I.

ARTICLE III - HOLIDAYS

Section 1. In 1976, Christmas Eve (the day before Christmas is observed) will be added to the list of paid holidays for employees receiving holiday pay.

Section 2. The National Carriers' Conference Committee, on behalf of the carriers party to this Agreement, may exercise a national option prior to January 1, 1976 to substitute Good Friday for the birthday holiday effective January 1, 1976, for the employees represented by the Brotherhood of Locomotive Engineers.

ARTICLE IV - EMPLOYEE INFORMATION

Commencing June 1975, the carriers will provide each General Chairman with a list of employees who are hired or terminated, their home addresses, and Social Security numbers if available, otherwise the employees' identification numbers. This information will be limited to the employees covered by the collective bargaining agreement of the respective General Chairmen. The data will be supplied within 30 days after the month in which the employee is hired or terminated. Where railroads can not meet the 30-day requirement, the matter will be worked out with the General Chairman.

ARTICLE V - HEALTH AND WELFARE BENEFITS

Subject to the Letter of Understanding of March 6, 1975 (Attachment 1), the benefits now provided under Group Policy Contract GA-23000 are to be continued during the three-year period commencing January 1, 1975, the railroads to pay the premium cost offset by such amounts as may be available from the Special Account. Details of the Agreement covering the foregoing to be worked out by the parties by July 1, 1975.

ARTICLE VI - NATIONAL DENTAL PLAN

A National Dental Plan will be established to be effective March 1, 1976 with features as described in Memorandum identified as "Description of National Dental Plan" (Attachment 2). The plan will be established and administered as follows:

- (a) The entire cost of the dental plan will be borne by the railroads.
- (b) The railroads and the unions will jointly invite insurers to submit proposals, and will select the insurer which submits the most favorable proposal to issue an insurance contract to the railroads as the policyholder.
- (c) The insurer will furnish financial data, statistical and actuarial reports, and claim experience information to the unions in the same detail and at the same time that it furnishes such data to the railroads.
- (d) Any dividends or retroactive rate refunds or credits will be paid into a special fund established for such purpose, to be held by the insurer. Withdrawals may be made from such fund only to provide dental care benefits to employes unless otherwise agreed to.
- (e) No notices relating to dental benefits or the financing thereof shall be served prior to January 1, 1977 (not to become effective before January 1, 1978). If no agreement thereon is reached prior to January 1, 1978 the railroads parties to this agreement will continue payments to the insurer of the dental plan at the rates previously established as the premium rates under such plan until the payment rates are changed or modified under the provisions of the Railway Labor Act, and the policyholder railroads will make arrangements to provide such benefits as can be financed from such payments.

ARTICLE VII - NATIONAL HEALTH LEGISLATION

In the event that national health legislation is enacted during the three-year period commencing January 1, 1975, benefits and payments will be integrated so as to avoid duplication, and any savings resulting from such integration will be credited to the Special Account maintained in connection with the health and welfare plan or to the special fund referred to in Article VI (d), or will be apportioned between such Account and such fund, according to the source of such savings.

ARTICLE VIII - GENERAL PROVISIONSSection 1 - Court Approval

This Agreement is subject to approval of the courts with respect to participating carriers in the hands of receivers or trustees.*

Section 2 - Effect of this Agreement

(a) The purpose of this Agreement is to fix the general level of compensation during the period of the Agreement and is in settlement of the dispute growing out of notices served upon the carriers listed in Exhibit A by the Brotherhood of Locomotive Engineers dated on or about September 16, 1974 (Wages) and August 1, 1974 (Health and Welfare).

(b) This Agreement shall be construed as a separate agreement by and on behalf of each of said carriers and their employees represented by the organization signatory hereto, and shall remain in effect through December 31, 1977 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) The parties to this Agreement shall not serve nor progress prior to January 1, 1977 (not to become effective before January 1, 1978) any notice or proposal for changing any matter contained in:

(1) this Agreement,

(2) paragraph (a) of Article XIV of the Agreement of May 13, 1971, except that notices may be served regarding vacations or holidays so long as they do not relate to length of paid vacations in excess of the maximum provided in the national agreement, or number of paid holidays in excess of the maximum provided in the national agreement,

* With respect to the Penn Central Transportation Company, the power of attorney to the National Carriers' Conference Committee was conditioned upon the right of the trustees to approve the agreement, and the trustees have so approved.

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(3) except as hereinafter provided in paragraph (d) of this Section 2, the following items, as to which the parties will meet on a voluntary basis during the term of this Agreement, and which they will endeavor to resolve:

Basis of pay - road service
 Graduated rates - road & yard service
 Arbitraries - road & yard service
 Road-yard proposals not disposed of in the May 13, 1971 Agreement
 Hostler assignments
 Holidays for road service employees
 Manning - slave units
 Mileage rates for miles over 100
 Rates of pay - short turnaround passenger service
 Overtime
 Guarantees
 Shift differential
 Sick leave

(4) or regarding bereavement or funeral pay

and any pending notices which propose such matters are hereby withdrawn.

(d) If either party (National Carriers' Conference Committee or B.L.E. national committee) signatory to this Agreement decides that the procedure set forth in paragraph (c)(3) of this section should no longer be continued, the individual carriers in concert or the B.L.E. committees in concert may after December 31, 1975 serve national (but not local) Section 6 notices on a matter or matters listed in such paragraph (c)(3), which notices will be the subject of national handling.

(e) Pending notices properly served under the Railway Labor Act covering subject matters not specifically dealt with in Section 2(c) of this Article VIII and which do not request compensation need not be withdrawn and may be progressed under the provisions of the Railway Labor Act, as amended. Similarly, new proposals properly served under the Railway Labor Act covering subject matters not specifically dealt with in Section 2(c) of this Article VIII and which do not request compensation may be served and progressed under the provisions of the Railway Labor Act, as amended.

(f) The Standing Committee procedure established under Article XII of the May 13, 1971 Agreement and continued under Article III of the April 27, 1973 Agreement is hereby discontinued.

(g) This Article will not debar management and committees on individual railroads from agreeing upon any subject of mutual interest.

SIGNED AT WASHINGTON, D. C. THIS 6th DAY OF MARCH, 1975.

FOR THE PARTICIPATING CARRIERS LISTED IN EXHIBIT A:

FOR THE EMPLOYEES REPRESENTED BY THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS:

M. W. Hering
Chairman

B. H. Harkin

E. L. Bell

J. H. [Signature]

J. C. de Batts

J. L. [Signature]

W. H. [Signature]

J. R. [Signature]

C. [Signature]

C. E. [Signature]

Earl Olson

George J. [Signature]

[Signature]

LOCOMOTIVE ENGINEERS (MOTORMEN) -- YARD SERVICE

WEIGHT ON DRIVERS (pounds)		Standard Basic Daily Rates	
		Six- or Seven- Day Work Week	Five-Day Work Week
Less than	500,000	\$49.85	\$55.54
500,000 and less than	550,000	50.06	55.79
550,000 and less than	600,000	50.24	56.01
600,000 and less than	650,000	50.42	56.22
650,000 and less than	700,000	50.60	56.44
700,000 and less than	750,000	50.78	56.65
750,000 and less than	800,000	50.96	56.87
800,000 and less than	850,000	51.14	57.08
850,000 and less than	900,000	51.32	57.30
900,000 and less than	950,000	51.50	57.52
950,000 and less than	1,000,000	51.68	57.74
1,000,000 pounds and over: For each additional 50,000 pounds or fraction thereof		Add \$.18	Add \$.215

RATE
EFFECTIVE
January 1, 1975

LOCOMOTIVE ENGINEERS (MOTORMEN) -- YARD SERVICE

WEIGHT ON DRIVERS (pounds)		Standard Basic Daily Rates	
		Six- or Seven- Day Work Week	Five-Day Work Week
Less than	500,000	\$52.34	\$58.32
500,000 and less than	550,000	52.55	58.57
550,000 and less than	600,000	52.73	58.79
600,000 and less than	650,000	52.91	59.00
650,000 and less than	700,000	53.09	59.22
700,000 and less than	750,000	53.27	59.44
750,000 and less than	800,000	53.45	59.65
800,000 and less than	850,000	53.63	59.87
850,000 and less than	900,000	53.81	60.08
900,000 and less than	950,000	53.99	60.30
950,000 and less than	1,000,000	54.17	60.52
1,000,000 pounds and over: For each additional 50,000 pounds or fraction thereof		Add \$.18	Add \$.215

RATE
EFFECTIVE
OCTOBER 1, 1975

Differential for Engineers Working Without Firemen

For engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required, a uniform differential of \$4.00 per basic day will be added to the above rates.

Note

Additional rate tables will be prepared when the amounts of the respective cost-of-living adjustments are known. These tables will include tables of basic rates reflecting the amounts of the cost-of-living allowance resulting from the adjustment effective July 1, 1976 which are to be incorporated into basic rates effective December 31, 1976 and June 30, 1977.

LOCOMOTIVE ENGINEERS (MOTORMEN) -- YARD SERVICE

WEIGHT ON DRIVERS (pounds)	Standard Basic Daily Rates	
	Six- or Seven- Day Work Week	Five-Day Work Week
Less than 500,000	\$53.91	\$60.07
500,000 and less than 550,000	54.12	60.32
550,000 and less than 600,000	54.30	60.54
600,000 and less than 650,000	54.48	60.75
650,000 and less than 700,000	54.66	60.97
700,000 and less than 750,000	54.84	61.19
750,000 and less than 800,000	55.02	61.40
800,000 and less than 850,000	55.20	61.62
850,000 and less than 900,000	55.38	61.83
900,000 and less than 950,000	55.56	62.05
950,000 and less than 1,000,000	55.74	62.27
1,000,000 pounds and over: For each additional 50,000 pounds or fraction thereof	Add \$.13	Add \$.215

RATE
EFFECTIVE
APRIL 1, 1976

Differential for Engineers Working Without Firemen

For engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required, a uniform differential of \$4.00 per basic day will be added to the above rates.

ATTACHMENT 1

NATIONAL RAILWAY LABOR CONFERENCE

1225 CONNECTICUT AVENUE, N.W., WASHINGTON, D. C. 20036/AREA CODE: 202-659-9320

WILLIAM H. DEMPSEY, Chairman

H. E. GREER, Vice Chairman

ROBERT BROWN, Vice Chairman

W. L. BURNER, Jr., Director of Research

J. F. GRIFFIN, Director of Labor Relations

D. P. LEE, General Counsel

T. F. STRUNCK, Administrator of Disputes Committees

March 6, 1975

Mr. Burrell N. Whitmire
President
Brotherhood of Locomotive Engineers
1365 Ontario Street
Cleveland, Ohio 44114

Dear Mr. Whitmire:

As I indicated during our recent discussions respecting health and welfare and related matters, while the carriers are prepared to continue the present benefits provided under Group Policy Contract GA-23000 for a three-year period commencing January 1, 1975, that willingness is conditioned upon the policyholder labor organizations' agreeing to certain changes designed to avoid unnecessary expense without affecting the benefits to the employees or participation of the organizations in the administration of this program.

The changes are:

1. Agreement by the organizations to expeditious use of the amounts in the Special Account to offset premium payments, with the objective of maintaining the necessary balance in the Account consistent with the assurance of continued Medicare premium payments.
2. Agreement in principle to adoption of a premium-plus-account approach to funding GA-23000, provided that further thorough exploration confirms the advice given us jointly by Travelers that the interests of the Policyholder will not be adversely affected.
3. Inclusion of a subrogation provision similar to that included in the several recent supplemental sickness benefits agreements.


What we have in mind, as a typical case, is this:

An employee is injured on duty. He sues the employer for \$10,000, and includes in his claim \$1,000 of medical expenses which have already been paid under GA-23000. If he wins the suit, he should collect \$9,000, not \$10,000, for otherwise he would be collecting twice for the same thing.

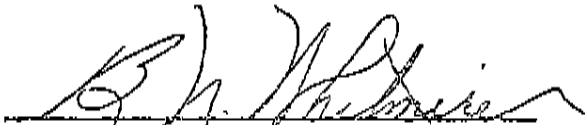
Our understanding is that, in light of the terms agreed to by the carriers, on behalf of your organization you do not object to these changes, but that you do not purport to speak for any other organizations.

If you concur, would you please sign below.

Yours very truly,


William H. Dempsey

I concur.


Burrell N. Whitmore, President
Brotherhood of Locomotive Engineers

ATTACHMENT 2

DESCRIPTION OF NATIONAL DENTAL PLAN

EFFECTIVE DATE - March 1, 1976

ELIGIBILITY

Employee - An employee of a railroad who is eligible for employee or dependent coverage under GA-23000, provided he has completed one year of service with the railroad.

Dependent - For other than orthodontia, the spouse and children of a covered employee, as they are defined in GA-23000 (i.e. unmarried children under age 19, between 19 and 25 if in school, or over 19 if physically or mentally incapacitated). For orthodontia, unmarried children under age 19.

INDIVIDUAL TERMINATION OF INSURANCE

Upon termination of railroad service; i.e., no special extensions such as those for furloughed or disabled employees as provided under GA-23000.

BENEFITS FOR OTHER THAN ORTHODONTIA

What is Payable - The plan pays the dentist's charges for covered expenses on the following basis:

75%	Group A - Preventive and Basic Services and Emergency Visits
50%	Group B - Prosthetic Services, including Crowns and Gold Restorations

Deductible - \$50 per individual for each calendar year.

Maximum - The maximum benefit for each calendar year is \$500. This maximum applies separately to each insured family member.

What Dental Expenses are Covered - The plan covers charges up to those made by most dentists in the area for the services and supplies described in the following section.

What Dental Services are Covered - The plan covers the following services and supplies, for which a charge is made by a dentist or physician, that are required in connection with the dental care and treatment of any disease or defect. In addition, the plan covers certain preventive services.

GROUP A - Preventive and Basic Services and Emergency Visits1. Oral Examinations and Prophylaxis

Routine oral examination and prophylaxis (scaling and cleaning of teeth), but not more than once for each covered person during any period of six (6) consecutive months.

2. Fluoride Treatment

The plan covers a fluoride treatment once each calendar year for children.

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3. Space Maintainers

The plan covers all space maintainers.

4. Emergency Visits

Emergency palliative treatment.

5. X-rays

Dental x-rays, including full mouth x-rays (but not more than once in any period of thirty-six (36) consecutive months), supplementary bitewing x-rays (but not more than once in any period of six (6) consecutive months) and such other dental x-rays as are required in connection with the diagnosis of a specific condition requiring treatment.

6. Extractions

The plan covers all extractions. Allowances for extraction include routine post-operative care.

7. Oral Surgery

The plan covers all necessary oral surgery. Allowances include routine post-operative care.

8. Fillings

The plan covers amalgam, acrylic, synthetic porcelain and composite fillings that are necessary to restore the structure of teeth that have been broken down by decay.

9. General Anesthetic

The plan covers a separate charge for general anesthetic in conjunction with oral surgery and periodontics.

10. Treatment of Gum Disease

The plan covers necessary periodontic treatment of the gums and supporting structure of the teeth.

11. Endodontic Treatment

The plan covers endodontic treatment, including root canal therapy.

12. Drugs

The plan covers charges for injectable antibiotics administered by a dentist or physician.

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13. Repair and Rebasing

Repair or recementing of crowns, inlays, onlays, bridgework or dentures; or relining or rebasing of dentures more than six (6) months after the installation of an initial or replacement denture, but not more than one relining or rebasing in any period of thirty-six (36) consecutive months. If the plan pays for a new denture it will not also cover the repair or rebasing of the old denture.

GROUP B - Prosthetic Services

1. Initial Installation

The plan covers initial installation of fixed bridgework, including inlays and crowns used as abutments, and partial or full removable dentures (including any adjustments during the six (6) month period following installation).

2. Replacement of Existing Prosthetic Appliances

The plan covers replacement of an existing partial or full removable denture or fixed bridgework by a new denture or by new bridgework, or the addition of teeth to an existing partial removable denture or to bridgework, but only if satisfactory evidence is presented that:

- (a) The replacement or addition of teeth is required to replace one or more teeth extracted after the existing denture or bridgework was installed, or
- (b) The existing denture or bridgework cannot be made serviceable and is more than 5 years old, or
- (c) The existing denture is an immediate temporary denture which cannot be made permanent and replacement by a permanent denture takes place within twelve (12) months from the date of initial installation of the immediate temporary denture. When a permanent denture replaces an immediate temporary denture for which benefits were provided under this plan, the allowance for both appliances will be limited to the maximum benefit for a permanent denture.

3. Crowns and Gold Restorations

The plan covers crowns, inlays, onlays and gold fillings that are necessary to restore the structure of teeth that have been broken down by decay, provided the tooth cannot be reconstructed by an amalgam, acrylic, synthetic porcelain or composite filling.

Benefit Determination - The plan covers treatment performed while insured. Treatment will be considered to have been performed when the service is actually rendered, except as specified for the following procedures:

- (a) Dentures, Full or Partial - when the impression is taken for the appliances.

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- (b) Fixed bridgework, crowns and gold restorations - when the tooth is first prepared.
- (c) Endodontics, including root canal therapy - when the tooth is opened.

Extended Benefits - For the procedures listed under Benefit Determination, benefit payments will be made for treatment performed while insured with respect to services rendered within 30 days following termination of insurance.

Dental Charges Not Covered - Covered Dental Expenses do not include and no benefits are payable for:

- ... Charges for services for which benefits are otherwise provided under surgical and major medical coverage under Group Policy Contract GA-23000.
- ... Charges for treatment by other than a legally licensed dentist or physician, except that scaling or cleaning of teeth and topical application of fluoride may be performed by a licensed dental hygienist if the treatment is rendered under the supervision and guidance of the dentist.
- ... Charges for veneers or similar properties of crowns and pontics placed on or replacing teeth, other than the ten upper and lower anterior teeth.
- ... Charges for services or supplies that are cosmetic in nature, including charges for personalization or characterization of dentures, specialized techniques, or precision attachments.
- ... Charges for the replacement of a lost, missing, or stolen prosthetic device.
- ... Charges for appliances or procedures to increase vertical dimension or occlusion.
- ... Charges for orthodontic diagnostic procedures and treatment, including appliance therapy, surgical therapy and functional or myofunctional therapy.
- ... Charges for services or supplies which are compensable under a Workmen's Compensation or Employer's Liability Law.
- ... Charges for services rendered through a medical department, clinic, or similar facility provided or maintained by the patient's employer.
- ... Charges for services or supplies for which no charge is made that the employee is legally obligated to pay or for which no charge would be made in the absence of dental expense coverage.
- ... Charges for services or supplies which do not meet or are not necessary according to accepted standards of dental practice, including charges for services or supplies which are experimental in nature.
- ... Charges for services or supplies received as a result of dental disease, defect or injury due to an act of war, declared or undeclared.

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- ... Charges for any services to the extent for which benefits are payable under any health care program supported in whole or in part by funds of the federal government or any state or political subdivision thereof.
- ... Charges for education or training and supplies used for personal oral hygiene or dental plaque control, or dietary or nutritional counseling.
- ... Charges for implantology.
- ... Charges for sealants.
- ... Charges for failure to keep a scheduled visit with the dentist or hygienist.
- ... Charges for the completion of any forms.

Optional Treatment - Occasionally, a patient may select a more expensive procedure rather than a suitable alternate procedure. In such case, plan benefits will be paid on the basis of a less expensive procedure that is consistent with good dental care.

Co-ordination of Benefits - If the individual is eligible to receive dental benefits under another program, co-ordination of benefits will be applied between the two with respect to dental charges.

BENEFITS FOR ORTHODONTIAWhat Is Payable -

The plan pays the dentist's charge at 50% of covered orthodontic expenses up to a lifetime maximum amount payable of \$500 for each child under 19 years of age.

Covered Orthodontic Treatment -

The plan covers orthodontic treatment that is required to correct malposed teeth, and which begins while the child is covered by the plan. Treatment consists of appliance therapy, surgical therapy, functional and myofunctional therapy, and includes related diagnostic procedures, surgery and extractions performed by a dentist.

Payment Sequence -

The sequence of payments for orthodontic services is determined in the following manner. If the dentist estimates that active treatment will continue for two or more years, then the total benefit is divided into eight equal portions. The first portion will be payable when the orthodontic appliance is installed and subsequent installments will be payable at 90 day intervals until the maximum has been paid or until insurance terminates. If the estimated course of treatment is less than two years, the total charge is divided into portions so as to make payments at 90 day intervals, beginning with the date the appliance is inserted.

Payment Sequence (Cont'd) -

Orthodontic benefits will be payable while treatment continues provided insurance remains in force with respect to the individual. Benefits will be payable provided the individual is covered at the beginning of the 90 day interval. Orthodontic coverage will terminate at the end of the quarter during which the child attains his 19th birthday.

If an employee's insurance is terminated and he subsequently again becomes insured, he will be entitled to any unpaid remainder of the original payable benefit, as long as active orthodontic treatment is continued. Such remainder will be payable at 90 day intervals calculated in accordance with the original payment sequence.

Orthodontic Charges Not Covered -

Since it is contemplated that this plan would be written in conjunction with a plan covering other dental services, the appropriate exclusions set forth in the description of such plan would also apply to this plan.

Co-ordination of Benefits -

If the individual is eligible to receive orthodontic benefits under another program, co-ordination of benefits will be applied between the two with respect to orthodontic charges.

NATIONAL RAILWAY LABOR CONFERENCE

1225 CONNECTICUT AVENUE, N.W., WASHINGTON, D. C. 20036/AREA CODE: 202-659-8320

WILLIAM H. DEMPSEY, Chairman	H. E. GREER, Vice Chairman	ROBERT BROWN, Vice Chairman
W. L. BURNER, Jr., Director of Research		J. F. GRIFFIN, Director of Labor Relations
D. P. LEE, General Counsel		T. P. STRUNCK, Administrator of Disputes Committees

March 6, 1975

Mr. Burrell N. Whitmire
 President
 Brotherhood of Locomotive Engineers
 1365 Ontario Street
 Cleveland, Ohio 44114

Dear Mr. Whitmire:


This confirms our understanding that an engineer who, while working as fireman, had become eligible to count in qualifying for a vacation prior service rendered for the carrier in a class or classes of service not covered by the operating employees' Vacation Agreement of April 29, 1949, may continue to count such prior service while working as engineer.

If you concur would you please sign below.

Yours very truly,


 William H. Dempsey

I concur.


 Burrell N. Whitmire, President
 Brotherhood of Locomotive Engineers

NATIONAL RAILWAY LABOR CONFERENCE

1225 CONNECTICUT AVENUE, N.W., WASHINGTON, D. C. 20036/AREA CODE: 202-698-9320

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March 6, 1975

Mr. Burrell N. Whitmire
 President
 Brotherhood of Locomotive Engineers
 1365 Ontario Street
 Cleveland, Ohio 44114

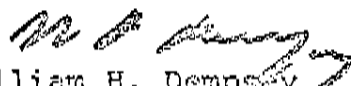
Dear Mr. Whitmire:

This is to confirm our understanding that the provisions of Article VIII, Section 2, of the Agreement of March 6, 1975, are not applicable to notices seeking to adjust compensation with respect to compensation relationships between the engineer and other members of the crew on a carrier where compensation has been changed for other members of the crew due to a change in crew consist.


Any organization (BLE) notice pending on the date of this letter of understanding which relates to the subject matter of this letter need not be withdrawn and may be progressed pursuant to the procedures of the Railway Labor Act provided that the General Chairman advises the carrier in writing that the notice is limited to the subject matter of this letter and affords the carrier a reasonable opportunity to serve for concurrent handling counter-proposals which are limited by the provisions of Article VIII, Section 2, of the Agreement of March 6, 1975.

Will you please record your confirmation by signing a copy of this letter.

Yours very truly,


 William H. Dempsey

CONFIRMED


 Burrell N. Whitmire, President
 Brotherhood of Locomotive Engineers