AGREEMENT

Between

MASSACHUSETTS BAY COMMUTER RAILROAD COMPANY, LLC

And

BROTHERHOOD OF MAINTENANCE WAY EMPLOYEES

THIS AGREEMENT is made this 14th day of June, 2011, by and between the Massachusetts Bay Commuter Railroad Company, LLC, hereinafter referred to as the Carrier or MBCR, and the Brotherhood of Maintenance Way Employees, hereinafter referred to as the Organization. Unless otherwise specified, its terms are applicable only to persons represented by the Organization. This agreement is subject to the ratification of the bargaining unit members currently employed by the Carrier. The Organization shall promptly initiate its ratification procedures and advise the Carrier of the result.

ARTICLE I - WAGES

(a) General Wage Increases.

Effective July 1, 2009, the hourly base rates of pay of employees covered by this Agreement shall be increased in the amount of two percent (2%). Subsequent general wage increases shall be as follows:

July 1, 2010 – 2.0 percent
July 1, 2011 – 2.5 percent
January 1, 2012 – 1.0 percent
July 1, 2012 – 2.5 percent
January 1, 2013 – 2.0 percent
June 30, 2013 – 2.8 percent

(b) Disposition of Fractions

Rates of pay resulting from application of this Article which end in a fraction of a cent will be rounded to the nearest whole cent; fractions less than one-half cent will be dropped, and fractions of one-half cent or more will be increased to the nearest full cent.

(c) Application of Wage Increases

The increase in wages provided for in this Article shall be applied in accordance with the wage or working conditions agreement in effect. Special allowances and differentials not included in fixed hourly (or daily) rates of pay for all services rendered, and arbitraries representing duplicate time payments, if any, will not be increased.
(d) **Cost-of-Living Adjustments ("COLA")**

The existing COLA provisions between the Organization and Carrier shall have no further force and effect, and there shall be no further COLA provisions in effect, either during the term of this Agreement or after the expiration of the moratorium period set forth herein. COLA payments which were made for six months during the period prior to December 31, 2009 shall not be reclaimed from the employees. The COLA payments which became effective on January 1, 2010 and thereafter shall be used as an offset against the wage increase set forth in Section (a) above.

(e) **Signing Bonus**

Subject to the ratification of this Agreement by July 11, 2011, each employee covered by this Agreement who has a current employment relationship with the Carrier as of the date of this Agreement, shall be entitled to a lump sum signing bonus incentive of Six Hundred Sixty-Seven Dollars ($667.00). Such signing bonus shall be made within seven (7) business days following receipt of official written notice of ratification of this Agreement in accordance with the Carrier's standard payroll practices and subject to applicable withholding taxes.

(f) **Retroactivity**

Retroactive wages shall be payable as soon as practicable following ratification of this Agreement, which shall not be more than ninety (90) days following ratification of this Agreement, in accordance with the Carrier's standard payroll practices and subject to applicable withholding taxes. Such retroactive wages shall be offset by employee cost sharing contributions set forth in Article II(b).

**ARTICLE II - HEALTH AND WELFARE**

Rule 21 “Health and Welfare” will be modified to reflect the following:

(a) **Plan Benefit Changes.**

Effective upon thirty (30) days advance notice to the employees, retirees and Organization, the following Health and Welfare Plan benefit changes shall be made:

Primary Care Physician Office Visit Co-Pay $25.00 (includes office visits to the employee’s and employee’s dependents’ Primary Care Physician - PCP includes Internal Medicine, Family Practitioner, General Practitioner, and Pediatrician) Obstetricians and Gynecologists, Certified Nurse Midwives, Nurse Practitioners and Physician Assistants who bill independently, Chiropractors, Physical, Occupational and Speech Therapists, and mental health provider.
Specialist Visit Co-pay: $35.00

Emergency Room Visit: $100.00 (reimbursed if admitted)

Inpatient Hospital Co-Pay: $80.00

Outpatient Surgery Co-Pay: $50.00

Prescription Drugs – Retail:
  Tier 1  $10.00
  Tier 2  $20.00
  Tier 3  $40.00

Prescription Drugs – Mail Order (90 day supply):
  Tier 1  $20.00
  Tier 2  $40.00
  Tier 3  $60.00

(b) **Cost-Sharing:**

1. Effective July 1, 2011, each employee covered by this Agreement shall contribute $80.00 per month to the Plan for each month that the employee has at least one (1) day of compensated service during the month. Such contribution will be deducted weekly. Subsequent increases in the employee’s contribution shall be as follows:

   January 1, 2012 – $90 per month
   July 1, 2012 – $100 per month

2. Retroactive employee cost-sharing contributions payable for the period on and after July 1, 2011 shall be offset against any payments applicable to the employee under Article I of this Agreement, provided however, that no employee or retiree will be required to make retroactive cost-sharing contributions which exceed total retroactive payments made pursuant to Article I of this Agreement.

3. Employee cost-sharing contributions made pursuant to Article II(b) shall be on a pre-tax basis under a Section 125 premium plan.

(c) **Early Retiree Health Care Coverage.**

1. Early retirees, being defined as MBCR employees covered by this Agreement who retire after thirty (30) years of service under the Railroad Retirement Act and are at least sixty (60) years old but prior to age sixty-five (65) will continue to be covered by the existing plan until a new Early Retirement Health Care Plan is
implemented which meets the criteria described below. Such coverage shall cease when the early retiree reaches age sixty-five (65). Early retirees will not be required to make any cost-sharing monthly contributions.

2. MBCR may implement a separate Early Retiree Health Care Plan provided it is more beneficial to the retirees or exactly replicates eligibility, co-insurance, deductibles, maximum out of pocket expense and covered benefits under United Health Care Plan GA-46000, as amended. The drug co-pays for the retiree plan will be as follows:

**Prescription Drugs - Retail:**

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<thead>
<tr>
<th>Tier</th>
<th>Cost</th>
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<tr>
<td>1</td>
<td>$10.00</td>
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<td>2</td>
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<td>3</td>
<td>$60.00</td>
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This new plan shall meet the “Minimum Creditable Coverage” standard for health insurance in Massachusetts pursuant to M.G.L. c. 111M, s.1, as amended, and such regulations as may be promulgated thereunder. Such Plan shall not include a Lifetime Maximum benefit; provided, however, that if in the future, a lifetime maximum is statutorily permitted, it will be no less than that in effect on GA-46000 on the date of implementation of the new Plan, subject to annual adjustment equal to the percentage increase in medical costs as reflected by the medical cost component of the All-City Consumer Price Index published by the Bureau of Labor Statistics. Employees receiving such benefits shall not be required to make any cost-sharing monthly contributions.

3. If in the future a lifetime maximum is statutorily permitted, the Carrier shall provide six (6) month’s notice to the employees before the imposition of any cap. At the time the cap is imposed, the Carrier shall further provide a supplemental health insurance plan with benefits that are substantially equivalent to or exceed the benefits provided in the supplemental health insurance plan in effect as of the date hereof. The costs of any such supplemental health insurance plan shall be borne entirely by the retiree. The
Company shall make reasonable efforts to secure an affordable plan.

(d) **Opt-Out Provisions.**

During the annual open enrollment period preceding the first day of January, 2012 and annually thereafter, employees may opt out of the Carrier's Health Care Plan by certifying to the Carrier in writing that the employee has declined Carrier's offer to participate in its employer sponsored health plan and that employee has health care coverage (which includes minimum applicable requirements such as medical, prescription drug, and mental health/substance abuse benefits) under another group health plan or health insurance policy that they identify by name and, where applicable, by group number. Such election is hereafter referred to as an “Opt-Out Election” and, where exercised, will eliminate the Carrier's obligation to provide for health benefits for the employee and his dependents, except for medical costs associated with on-duty injuries which shall continue to be the responsibility of the Carrier. If a qualifying event under applicable law occurs, the employee may revoke the employee's Opt-Out Election by certifying in writing that a qualifying event has occurred and providing the Carrier with satisfactory proof of such qualifying event.

(e) **Equalization of Benefits.**

The Organization shall be entitled to coverage under all health and welfare benefit plans applicable to any of the other Carrier's labor organizations, including but not limited to, vision, dental, mental health, prescription drug, and substance abuse plans.

(f) **Flexible Spending Account.**

Employees may elect to participate on a pre-tax basis in the Carrier's Flexible Spending Account offered by the Carrier pursuant to its Section 125 Plan.

**ARTICLE III - BEREAVEMENT**

Rule 26 “Bereavement Leave” of the current Agreement is modified to the extent that “step-parent,” “grandparent” and “grandchild” shall be added to the list of those family members whose deaths shall be subject to the pay provisions of the rule.

**ARTICLE IV - HOLIDAYS**

In the application of Rule 19 “Holidays” of the current Agreement and the National Holiday Agreement, if an employee takes an authorized paid day off on the workday(s) immediately preceding or following the holiday, the workday
immediately preceding or following such paid day off shall become the qualifying
day for purposes of determining qualification for holiday pay.

ARTICLE V - SUPPLEMENTAL SICKNESS BENEFIT PLAN

The Carrier will continue the existing supplemental sickness benefit plan under
Rule 22 “Supplemental Sickness Benefit Plan,” except that effective July 1, 2011
the wage brackets and the following benefit levels shall be increased as necessary
to establish a replacement rate of 67 percent and 72 percent respectively: (a) Basic
Benefit Amount for “covered employees who have received maximum sickness
benefits under RUJA in the benefit year involved,” and (b) the “maximum
monthly amount.” On July 1, 2012, adjustments in the benefit levels and wage
brackets shall be made to reflect the wage increases on January 1, 2012 and July
1, 2012. On June 30, 2013, adjustments in the benefit levels and wage brackets
shall be made to reflect the wage increases on January 1, 2013 and June 30, 2013.
Thereafter, subsequent adjustments shall be made annually on July 1.

ARTICLE VI - OFF TRACK VEHICLE ACCIDENT BENEFITS

Effective July 1, 2011 the benefits provided under Rule 36 “Off Track Accidents”
as amended by Article VII of the December 9, 1997 Agreement shall be increased
as follows: (a) Accidental Death and Dismemberment – $150,000 losses to
$300,000; and $75,000 losses to $150,000; (b) Aggregate Limit – $10 million for
any one accident; (c) Time Loss – $1,000 per week subject to appropriate offset;
and (d) Coverage – obtain or otherwise provide accident benefits comparable to
the foregoing allowances to cover employees injured or killed in an accident
while riding in a Carrier-contracted van service, regardless of negligence by the
van operator. The intent of this Article VI is to increase coverage limits where
applicable and not otherwise alter any language in Rule 36.

ARTICLE VII – HEALTH REIMBURSEMENT ARRANGEMENT ALLOWANCE

(a) Subject to the conditions set forth in Appendix A to this Agreement, all
employees covered by this agreement shall receive a payment equal to Ten
Dollars ($10.00) per day effective April 1, 2013. Subject to the completion
of additional due diligence, the Carrier and Organization intend that such
payments shall be made by the Carrier on a tax free basis to the employee
through a contribution to a qualified Health Reimbursement Arrangement
(“HRA”) for the purpose of reimbursing the employees for qualified
healthcare expenses.

(b) In the event an HRA cannot be established under terms mutually agreeable
to the parties, all employees, upon hire, shall receive a payment of $10.00
per eligible day. To continue eligibility for such allowance, the employee
shall be required to participate in the safety training program established
by the Carrier for the employee’s classification, if any in accordance with
Side Letter 4. Such training program must be conducted during the
employee's regular scheduled tour of duty. This participation requirement shall not apply to employees absent from work due to illness, injury, disciplinary suspension, or other excused absence. Employees excused from participation shall be expected to attend the next scheduled training sessions for their classification, which must be conducted during the employee's regular scheduled tour of duty. Employees who fail to meet the participation requirement will be provided the opportunity to requalify for the training allowance in the next safety training session which will be made available no later than 12 months from disqualification.

ARTICLE VIII - MORATORIUM

(a) This purpose of this Agreement is to fix the general level of compensation during the period of the Agreement and to settle the disputes growing out of the Notice dated February 29, 2009 and served upon the Carrier by the Organization. This Agreement shall remain in effect through June 30, 2013 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(b) No party to this Agreement shall serve, prior to January 1, 2013 (not to become effective before July 1, 2013) any notice or proposal for the purpose of changing the subject matter of the provisions of this Agreement or which proposes matters covered by the proposals of the parties cited in paragraph (a) of this Section, and any proposals in pending notices relating to such subject matters are hereby withdrawn.

(c) This Article will not bar the Carrier and the Organization from agreeing upon any subject of mutual interest.

Signed at Boston, MA this 14th day of June, 2011.

FOR THE ORGANIZATION:

T.J. Nemeth
General Chairman

FOR THE CARRIER:

Marie Breen
General Counsel & Deputy General Manager
for Human Resources and Labor Relations
Side Letter No. 1 – Wage Increase

June 14, 2011

T.J. Nemeth
General Chairman
Brotherhood of Maintenance Way Employees
58 Grand Lake Drive Suite 2
Port Clinton, OH 43452

Dear Mr. Nemeth:

This refers to the wage increases provided in Article I of the Agreement this date.

It is understood that the retroactive portion of that wage increase shall be applied only to employees who have an employment relationship with the Company on the date of this Agreement; in addition to those who have retired or died subsequent to July 1, 2009 and employees who have been dismissed with appeals pending and are reinstated upon appeal.

Please acknowledge your agreement by signing your name in the space provided below.

Yours truly,

[Signature]

Marie Breen
General Counsel and Deputy General Manager
of Human Resources and Labor Relations

T.J. Nemeth
General Chairman
Brotherhood of Maintenance Way Employees
Side Letter No. 2 – Signing Bonus

June 14, 2011

T.J. Nemeth
General Chairman
Brotherhood of Maintenance Way Employees
58 Grand Lake Drive Suite 2
Port Clinton, OH 43452

Dear Mr. Nemeth:

With respect to the signing bonus provided in Article I of the Agreement, it is understood that the signing bonus shall be paid only to those employees who have an employment relationship with the Company on the date of this Agreement. In addition, if there are employees with an employment relationship as of the date of this Agreement who have been dismissed with appeals pending and are reinstated upon appeal, they shall also be paid the signing bonus upon their reinstatement.

Please acknowledge your agreement by signing your name in the space provided below.

Yours truly,

[Signature]

Marie Breen
General Counsel and Deputy General Manager
of Human Resources and Labor Relations

T.J. Nemeth
General Chairman
Brotherhood of Maintenance Way Employees
Side Letter No. 3 — Agreement Codification

June 14, 2011

T.J. Nemeth
General Chairman
Brotherhood of Maintenance Way Employees
58 Grand Lake Drive Suite 2
Port Clinton, OH 43452

Dear Mr. Nemeth:

This will confirm our agreement to meet as soon as practicable following the execution of this Agreement in order to codify the collective bargaining agreement. After such codification is completed, MBCR will print and distribute copies of such codified Agreement in sufficient quantity to provide each employee covered by the Agreement with his/her own copy, as well as an electronic copy for the internal use of Organization. The cost of such printing and distribution will be borne by MBCR.

Please acknowledge your agreement by signing your name in the space provided below.

Yours truly,

[Signature]
Marie Breen
General Counsel and Deputy General Manager
of Human Resources and Labor Relations

T.J. Nemeth
General Chairman
Brotherhood of Maintenance Way Employees

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Side Letter No. 4 – Safety Training Program

June 14, 2011

T.J. Nemeth
General Chairman
Brotherhood of Maintenance Way Employees
58 Grand Lake Drive Suite 2
Port Clinton, OH 43452

Dear Mr. Nemeth:

This letter relates to the Carrier's safety training program to be established in the event the Carrier and Organization do not mutually agree upon a Health Reimbursement Arrangement in connection with the Ten Dollar ($10.00) allowance set forth in Article VII. Any such safety training program shall be developed in consultation with the Organization and the Organization agrees to support the establishment and implementation of such program.

Please acknowledge your agreement by signing your name in the space provided below.

Yours truly,

[Signature]

Marie Breen
General Counsel and Deputy General Manager
of Human Resources and Labor Relations

T.J. Nemeth
General Chairman
Brotherhood of Maintenance Way Employees
Side Letter 5 – Health Care/Leave

June 14, 2011

T.J. Nemeth  
General Chairman  
Brotherhood of Maintenance Way Employees  
58 Grand Lake Drive Suite 2  
Port Clinton, OH 43452

Dear Mr. Nemeth:

This letter will confirm our agreement with respect to the obligation of any employees hired after the ratification date of this agreement to pay the health care contributions set forth in Article II(b) in the event any such employee is on an approved leave of absence. While on approved leave, the employee shall not be obligated to pay the applicable health care contributions set forth in Article II(b) as long as the number of months of the approved leave does not exceed the number of months that the employee has provided active service to the Carrier. Thereafter, such employees shall be required to pay the applicable health care contribution set forth in Article II(b) for any month that the employee’s approved leave exceeds the number of months that the employee has provided active service to the Carrier. Nothing in this Side Letter shall be construed to impact the length of time that the Carrier shall provide health care coverage for any employee on an approved leave of absence.

Please acknowledge your agreement by signing your name in the space provided below.

Yours truly,

Marie Breen  
General Counsel and Deputy General Manager  
of Human Resources and Labor Relations

T.J. Nemeth  
General Chairman  
Brotherhood of Maintenance Way Employees
Side Letter 6

June 14, 2011

T.J. Nemeth
General Chairman
Brotherhood of Maintenance Way Employees
58 Grand Lake Drive Suite 2
Port Clinton, OH 43452

Dear Mr. Nemeth:

This letter relates to Article II(c) of this Agreement entitled Early Retiree Health Care Coverage. Effective August 1, 2011, if statutorily permitted, the Carrier’s existing Early Retiree Health Care Plan’s lifetime maximum and any future Early Retiree Health Care Plans shall exactly replicate the amount, the calculation for changing and any application of lifetime maximum in effect on United Health Care Plan GA-46000. Changes in the Carrier’s early retiree health care plan’s co-pays will also take effect on August 1, 2011.

Please acknowledge your agreement by signing your name in the space provided below.

Yours truly,

[Signature]
Marie Breen
General Counsel and Deputy General Manager
of Human Resources and Labor Relations

T.J. Nemeth
General Chairman
Brotherhood of Maintenance Way Employees
APPENDIX A

ALLOWANCE PAYMENT PROVISIONS

With respect to the allowance set forth in Article VII, payment will be made for any day an employee performs compensated service except as set forth below. Employee will not be allowed more than one payment for any calendar day. For payment on a rest day, the employee must work a minimum of four hours. In addition, the payments will be made for all authorized paid vacation days. The allowance is not payable in the following examples (which assume in each case that the employee did not perform service in his/her craft on his/her regular shift during that calendar day):

- Deadheading/travel time
- Personal Leave Days
- Bereavement Leave
- Jury Duty
- Time Paid Not Worked (TPNW)
- Paid days for attending court, inquests, investigations, and classroom training
- Days for which penalty payments are made such as payments made when an employee is called and released without working at all or minimum overtime payments without working at least four hours.