WAGE AND RULE AGREEMENT

THIS AGREEMENT, effective July 1, 2010, or as specifically otherwise indicated, by and between National Railroad Passenger Corporation (Amtrak), and the employees represented by the American Railway and Airway Supervisors Association Maintenance of Way Supervisors (ARASA-MW) -witnesseth:

IT IS HEREBY AGREED:

ARTICLE I – WAGES

Section 1 -First General Wage Increase

- (a) Effective July 1, 2010, all rates of pay resulting from Article II, Part A, below for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 1 shall be applied as follows:
- (b) Disposition of Fractions -

Rates of pay resulting from application of paragraph (a) above, which end in fractions of a cent shall be rounded to the nearest whole cent; fractions less than one-half cent shall be dropped, and fractions of one-half cent or more shall 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 between Amtrak and the labor organization party hereto. Special allowances not included in fixed hourly, daily, weekly or monthly rates of pay for all services rendered, and arbitraries representing duplicate time payments, will not be increased. Overtime hours will be computed in accordance with individual schedules for all overtime hours paid.

Section 2 - Second General Wage Increase

Effective January 1, 2011, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 2 shall be applied in the same manner as provided for in Section 1 hereof.

Section 3 - Third General Wage Increase

Effective July 1, 2011, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 3 shall be applied in the same manner as provided for in Section 1 hereof.

Section 4 - Fourth General Wage Increase

Effective January 1, 2012, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one (1) percent. The increase provided for in this Section 4 shall be applied in the same manner as provided for in Section 1 hereof.

Section 5 - Fifth General Wage Increase

Effective July 1, 2012, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 5 shall be applied in the same manner as provided for in Section 1 hereof.

Section 6 – Sixth General Wage Increase

Effective January 1, 2013, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 6 shall be applied in the same manner as provided for in Section 1 hereof.

Section 7 - Seventh General Wage Increase

Effective July 1, 2013, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 7 shall be applied in the same manner as provided for in Section 1 hereof.

Section 8 - Eighth General Wage Increase

Effective January 1, 2014, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one (1) percent. The increase provided for in this Section 8 shall be applied in the same manner as provided for in Section 1 hereof.

Section 9 - Ninth General Wage Increase

Effective July 1, 2014, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 9 shall be applied in the same manner as provided for in Section 1 hereof.

Section 10 - Tenth General Wage Increase

Effective January 1, 2015, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 10 shall be applied in the same manner as provided for in Section 1 hereof.

<u>ARTICLE II – HEALTH CARE AND ASSOCIATED BENEFITS</u>

Part A -Plan Changes

Section 1 -Continuation of Health and Welfare Plans

AMPLAN, Dental, Vision, AD&D and Life Insurance coverage, modified as provided in this Article with respect to employees represented by the organization and their eligible dependents, will be continued subject to the provisions of the Railway Labor Act.

Section 2 – Plan Design Changes To Contain Costs

(a) The payment on behalf of a participant or beneficiary with respect to any visit to a hospital emergency room shall be \$75. Note: Where the participant or beneficiary is admitted to the hospital, such payment is waived.

Part B - Employee Cost Sharing of Plan Cost Amounts

Section 1

Employee cost sharing contributions towards AMPLAN, Dental, Vision, AD&D, and life insurance coverage under this contract will be as follows:

- (a) Effective July 1, 2011 the per month employee cost-sharing contribution shall be changed to the lesser of:
 - (i) 15% of the Carrier's total costs of AMPLAN, Dental, Vision, AD&D and Life Insurance coverage for the prior calendar year, divided by 12, or
 - (ii) \$190.
- (b) Effective July 1, 2012 the per month employee cost-sharing contribution shall be changed to the lesser of:
 - (i) 15% of the Carrier's total costs of AMPLAN, Dental, Vision, AD&D and Life Insurance coverage for the prior calendar year, divided by 12, or
 - (ii) \$210.
- (c) Effective July 1, 2013 the per month employee cost-sharing contribution shall be changed to the lesser of:
 - (i) 15% of the Carrier's total costs of AMPLAN, Dental, Vision, AD&D and Life Insurance coverage for the prior calendar year, divided by 12, or
 - (ii) \$230.
- (d) Last amount in the 2013 calculation will continue and not increase unless by agreement.
- (e) Notwithstanding the Moratorium provisions in Article IV the parties agree to re-open Health Care with notice not to be served prior to May 1, 2014, not to be effective before July 1, 2014.

ARTICLE III – OTHER CHANGES

Section 1 - Payroll Efficiencies:

- (a.) Employees shall receive their pay bi-weekly, by direct deposit into an account with a bank, credit union, financial-services organization, or similar institution. Payroll advice will contain an itemized record of all deductions from employee's earnings.
- (b) For the purposes of Payroll calculation, the work week will be a period of seven (7) consecutive days beginning with Monday at 12:01 a.m.

Section 2 – Discipline:

(a) The Discipline Rule is modified to eliminate formal investigations for Alcohol and Drug Waiver violations. Any discipline assessed will be subject to appeal directly to the Director of Labor Relations and to arbitration under the grievance rule. The burden of proving an Alcohol and Drug Waiver violation rests with the Carrier.

ARTICLE IV - GENERAL PROVISIONS

Section 1 -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 to settle the disputes growing out of all of the parties' respective Section 6 Notices now open.
- (b) This Agreement shall remain in effect through January 1, 2015 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.
- (c) No party to this Agreement shall serve, prior to November 2, 2014 (not to become effective before January 2, 2015) any notice or proposal (other than those provided in Article II, Part B, section 1(e)) 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.
- (d) This Article will not bar management and the organization from agreeing upon any subject of mutual interest.

SIGNED AT WASHINGTON, DC THIS 10th DAY OF August, 2010.

FOR THE NATIONAL RAILROAD PASSENGER CORPORATION:

FOR THE AMERICAN RAILWAY AND AIRWAY SUPERVISORS ASSOCIATION:

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Jøseph Boardman

President and Chief Executive

Officer

Jøseph J. Perillo

International Representative

Charles E. Woodgock, III Asst. V.P., Labor Relations

Charles W. Sheltman General Chairman

Frank Vacca Chief Engineer

Richard F. Palmer

Director Labor Relations



J. J. Derillo International Representative 3 Research Place Rockville, MD 20850

Dear Sir:

This refers to our discussions regarding Amtrak's desire to implement an incentive plan tied to statutory and corporate performance metrics, such as Customer Service Index, financial, etc. The plan development, adjustments thereto and its continuation will be at the discretion of Amtrak.

Our intent is to develop the plan measures this year, in time to publicize them and begin measuring in January, 2011. A payout of the incentive bonus based on movement of the measures during 2011 is anticipated for 2012.

The plan will pay out up to 5% of the measurement year's straight time earnings except to those who resign or are terminated (unless later reinstated).

There will be no pyramiding with existing incentive plans. Payments made under existing plans on an annualized basis will offset payments under this plan.

Provision of the incentive compensation made available by the plan to the employees represented by your organization requires your approval. If the foregoing correctly reflects our understanding, please indicate your concurrence below.

Very truly yours,

Charles E. Woodcock, III

Assistant Vice President, Labor Relations

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I concur:

. J Derillo

International Representative

C.W. Sheltman

General Chairman – ARASA(MW)



J. J. Derillo International Representative 3 Research Place Rockville, MD 20850

Dear Sir:

This refers to Article III, Section 1 Payroll Efficiencies, paragraph (a). It is understood that concurrent with the implementation of Bi-weekly pay, the following will govern pay shortages:

"If an employee's pay is short the equivalent of eight (8) hours pay or more, the amount short will be issued to the employee by either check or direct deposit within two (2) business days of notification."

Very truly yours,

Charles E. Woodcook, III

Assistant Vice President, Labor Relations



J. J. Derillo International Representative 3 Research Place Rockville, MD 20850

Dear Sir:

This will confirm the understanding reached between the Parties during the negotiations.

In the event the Carrier reaches agreements with other Organizations (representing other crafts) which contain more favorable general wage increases or benefits during the current round of negotiations, such provisions will be incorporated into this agreement, unless such improvement(s) was made in consideration for modification(s) in other work rules in the agreement between the parties.

Very truly yours,

Charles E. Woodcock, III

Assistant Vice President, Labor Relations



J. J. Derillo International Representative 3 Research Place Rockville, MD 20850

Dear Sir:

This confirms the creation of a joint labor-management committee to study issues of mutual interest. The Committee will be composed of 2 members of ARASA, 2 members of the Engineering Department, and Labor Relations. Areas to be studied include: Supervisor responsibilities, training, performance, work rules and compensation.

Very truly yours,

Charles E. Woodeook, III

Assistant Vice President, Labor Relations

I concur:

J. J. Derillo

International Representative

C. W. Sheltman

General Chairman ARASA(MW)