



February 28, 2007

Mr. Charles Eaton
General Chairman
ARASA
4 Milk Street
Newburyport, MA 01985

Re: Letter of Understanding – Foreman III (Mechanical Desk)

Dear Mr. Eaton,

This refers to earlier discussions pertaining to the establishment of new Foreman III position(s) that will cover the Mechanical Department trouble desk located at the Commuter Rail Maintenance Facility. Initially, we intend to staff the desk with three shifts, five days a week. MBCR reserves the right to adjust the number of positions, shifts and / or hours of the assignments per the needs of service.

The positions will incorporate the following primary duties:

- troubleshoot defects and maintenance issues reported by operating personnel via fax, radio, phone, and ROSS
- log and prioritize repairs through Maximus
- coordinate with all managers and supervisors priority moves and consist adjustments to meet all FRA deadlines and requirements
- produce monthly reports
- other duties as assigned

The required qualifications for the positions will include both Maximus and intermediate computer applications as detailed on the job bulletin. It is understood these positions will be excepted from the rules of the Agreement between MBCR and ARASA as outlined in Rule 45. Likewise, MBCR will have the right to select / appoint / disqualify employees from Foreman-Technician positions consistent with Rule 45. Rule 19 – Discipline will apply to these positions.

It is not the intent of this agreement to either eliminate or expand upon existing Foremen II positions when a Foreman II is promoted to a technician position under this agreement. Likewise, the Company is not limited to selecting employees holding seniority as Foreman II.

Employees appointed to the position of Foreman-Technician shall retain all their seniority rights and shall accumulate seniority on the roster from which promoted, if any, provided they remain members in good standing.

The rate of pay for the assignments will be \$31.25 per hour effective January 1, 2007, subject to wage increases outlined in Part II of the Agreement dated June 18, 2003.

In order to plan for the long term success of the trouble desk, the successful applicants will initially be locked-in to the assignment(s) for one year. The following caveats apply:

*An employee selected for this position will be locked into the position for a one year period commencing on the day he or she first begins work on the position. Likewise, an employee locked into a position covered by this agreement cannot be bumped off the position by a senior employee for the duration of the lock-in period, except as provided for under Rule 45.

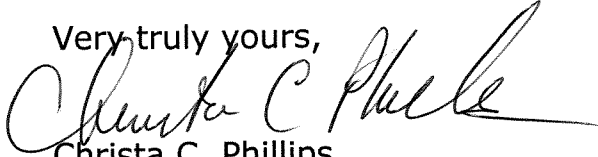
In the event of a demonstrated hardship, an employee covered by this agreement may request and will be granted a release from such position to be agreed upon by the Chief Mechanical Officer and the General Chairman. In this or a similar event, the position will be advertised and awarded consistent with the provisions of this Agreement. Otherwise, the position(s) will be re-advertised upon the expiration of the initial lock-in period.

Foreman III Agreement
p. 3

This agreement will take effect immediately and may be cancelled by either party upon notification to the other with at least forty-five days advance notice. The agreement conditions are without precedent.


If the above meets with your concurrence, please indicate so in the space provided below.

Very truly yours,

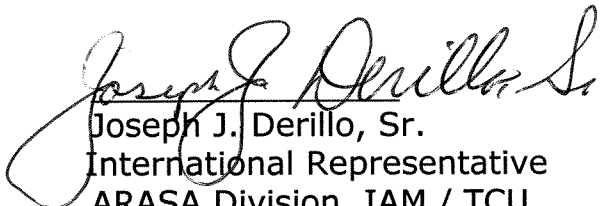


Christa C. Phillips
Manager, Labor Relations

I Concur:



Charles Eaton
General Chairman
ARASA Division – IAM / TCU



Joseph J. Derillo, Sr.
International Representative
ARASA Division, IAM / TCU

cc: S. Brereton
P. Hanson