AGREEMENT

DATED JANUARY 29, 1975

between railroads represented by the
NATIONAL CARRIERS' CONFERENCE COMMITTEE

and

employees of such railroads represented by the
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES
AGREEMENT

THIS AGREEMENT, made this 29th day of January, 1975, by and between the participating carriers listed in Exhibit A attached hereto and hereby made a part hereof, and represented by the National Carriers' Conference Committee, and the employees shown thereon and represented by the Brotherhood of Maintenance of Way Employes, witnesseth:

IT IS HEREBY AGREED:

ARTICLE I - GENERAL WAGE INCREASES

Section 1 - First General Wage Increase

Effective January 1, 1975, all hourly, daily, weekly, monthly and piece-work rates of pay in effect on December 31, 1974 for employees covered by this Agreement shall be increased in the amount of 10 percent applied so as to give effect to this increase in pay irrespective of the method of payment.

Section 2 - Second General Wage Increase

Effective October 1, 1975, all hourly, daily, weekly, monthly and piece-work rates of pay in effect on September 30, 1975, for employees covered by this Agreement shall be increased in the amount of 5 percent, applied so as to give effect to this increase in pay irrespective of the method of payment.

Section 3 - Third General Wage Increase

Effective April 1, 1976, all hourly, daily, weekly, monthly and piece-work rates of pay in effect on March 31, 1976, for employees covered by this Agreement shall be increased in the amount of 3 percent, applied so as to give effect to this increase in pay irrespective of the method of payment. 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.

Section 4 - Fourth General Wage Increase

Effective July 1, 1977, all hourly, daily, weekly, monthly and piece-work rates of pay in effect on June 30, 1977 for employees covered by this Agreement shall be increased in the amount of 4 percent applied so as to give effect to this increase in pay irrespective of the method of payment. 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.
Section 5 - Application of Wage Increases

The increases provided for by Sections 1 through 4 above shall be applied as follows:

(a) **Hourly Rates** - Add the specified percent to the existing hourly rates of pay.

(b) **Daily Rates** - Add the specified percent to the existing daily rates of pay.

(c) **Weekly Rates** - Add the specified percent to the existing weekly rates of pay.

(d) **Monthly Rates** - Add the specified percent to the existing monthly rates of pay.

(e) **Piece Work** - Adjustment of piece-work rates of pay shall be based on the amount of increase applicable to the basic hourly rate for the class of work performed. Where piece-work rates of pay are in effect on carriers having special rules as to the application of any increase, or decrease, in such rates, such rules shall apply.

(f) **Deductions** - Insofar as concerns deductions, which may be made from the rates resulting from the increases herein granted, under Section 3(m) of the Fair Labor Standards Act of 1938, they may continue to be made to the extent that such deductions were being legally made as of August 31, 1941.

(g) **Application of Wage Increase** - The increases in wages provided for in this provision shall be applied in accordance with the wage or working conditions agreement in effect between each carrier and its employees represented by the Brotherhood of Maintenance of Way Employees. Special allowances not included in fixed daily, weekly or monthly rates of pay for all services rendered will not be increased. Overtime hours will be computed in accordance with the individual schedules for all overtime hours paid for.

(h) **Wage rates resulting from the increases provided for in this Article I, and in Section 1(d) of Article II, will not be reduced under Article II**.
ARTICLE II - COST-OF-LIVING ADJUSTMENT

Section 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 herein-after 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):

<table>
<thead>
<tr>
<th>BLS Consumer Price Index for</th>
<th>Effective Date of Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 1975</td>
<td>January 1, 1976</td>
</tr>
<tr>
<td>March 1976</td>
<td>July 1, 1976</td>
</tr>
<tr>
<td>September 1976</td>
<td>January 1, 1977</td>
</tr>
<tr>
<td>March 1977</td>
<td>July 1, 1977</td>
</tr>
</tbody>
</table>

(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:

<table>
<thead>
<tr>
<th>Adjustment Date</th>
<th>Maximum Cumulative Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1, 1976</td>
<td>12 cents per hour</td>
</tr>
<tr>
<td>July 1, 1976</td>
<td>28 cents per hour</td>
</tr>
<tr>
<td>January 1, 1977</td>
<td>45 cents per hour, as adjusted by Note 1.</td>
</tr>
<tr>
<td>July 1, 1977</td>
<td>68 cents per hour, as adjusted by Note 2.</td>
</tr>
</tbody>
</table>

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 (e) 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 BLS 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 BLS 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). Such allowance will be applied as follows:

(a) Hourly Rates - Add the amount of the cost-of-living allowance to the hourly rate of pay produced by application of Article I and by Section 1(d) of this Article II.

(b) Daily Rates - Determine the equivalent hourly rate by dividing the established daily rate by the number of hours comprehended by the daily rate. The amount of the cost-of-living allowance multiplied by the number of hours comprehended by the daily rate shall be added to the daily rate produced by application of Article I and by Section 1(d) of this Article II.

(c) Weekly Rates - Determine the equivalent hourly rate by dividing the established weekly rate by the number of hours comprehended by the weekly rate. The amount of the cost-of-living allowance multiplied by the number of hours comprehended by the weekly rate shall be added to the weekly rate produced by application of Article I and by Section 1(d) of this Article II.

(d) Monthly Rates - Determine the equivalent hourly rate by dividing the established monthly rate by the number of hours comprehended by the monthly rate. The amount of the cost-of-living allowance multiplied by the number of hours comprehended by the monthly rate shall be added to the monthly rate produced by application of Article I and by Section 1(d) of this Article II.

(e) Piece Work - Adjustment of piece-work rates of pay shall be based on the amount of increase applicable to the basic hourly rate for the class of work performed. Where piece-work rates of pay are in effect on carriers having special rules as to the application of any increase, or decrease, in such rates, such rules shall apply. In the absence of any definite rule governing, the equivalent of the hourly amount of the cost-of-living allowance shall be added to the established unit piece-work price.
(f) Minimum Daily Increases - The increases in rates of pay described in paragraphs (a) to (e), inclusive, shall be not less than eight times the applicable increase per hour for each full time day of eight hours, required to be paid for by the rules agreement. In instances where under the existing rules agreement an employee is worked less than eight hours per day, the increase will be determined by the number of hours required to be paid for by the rules agreement.

ARTICLE III - HOLIDAYS

In 1976, Christmas Eve (the day before Christmas is observed) will be added to the list of paid holidays for employees receiving holiday pay. Details of the holiday provision will be agreed upon by the parties by July 1, 1975.

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 January 29, 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 employees 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 PROVISIONS

Section 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 to settle the dispute growing out of the notices served upon the carriers listed in Exhibit A by the organization signatory hereto on or about August 5, 1974 (Wage and Rules Notice) and August 1, 1974 (Health and Welfare). 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.

(b) Except as provided in paragraphs (d) and (e), no party to this Agreement shall serve, prior to January 1, 1977 (not to become effective before January 1, 1978), any notice or proposal for changing the provisions of this Agreement or which proposes matters covered by the proposals of the organization cited in paragraph (a) of this Article, or any notice or proposal to amend the February 7, 1965 Agreement or similar agreements, and any pending notices which propose such matters are hereby withdrawn.

* 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.
(c) Any pending proposals relating to inequity wage adjustments are hereby withdrawn and no such proposals will be served prior to January 1, 1977 (not to become effective before January 1, 1978), with the exception that if a carrier party hereto proposes a merger or coordination or a major technological change, the organization may in relation thereto serve and progress proposals for changes in rates of pay on an individual position basis based upon increased duties and/or responsibilities by reason of such contemplated merger, coordination or major technological change.

Note: For purposes of this Agreement a "major technological change" is one involving 25 or more employees subject to the pay provisions of the collective bargaining agreement between an individual railroad and the organization party to this Agreement.

(d) During the term of this Agreement, proposals covering the following subject matters which were included in Attachment B to the organization's notice served on or about August 5, 1974 (Wage and Rules Notice):

Section 1 - Travel time and away from home expenses
Section 2 - Mileage rates
Section 4 - Violations, grievances and time limits
Section 5 - Contracting out

may be served, and may be progressed within, but not beyond, the specific procedures for peacefully resolving disputes which are provided for in the Railway Labor Act, as amended, up to January 1, 1977. On or after January 1, 1977, either party may, by giving written notice to the other, place any such proposal that has been served in the same posture as if it had been newly served at that point, with the requests contained in such proposal again subject to all of the procedures of the Railway Labor Act and with the requests not to become effective prior to January 1, 1978, and will be handled concurrently with any proposals served in accordance with paragraph (b) to change the provisions of this Agreement.

(e) During the term of this Agreement, pending proposals covering subject matters not specifically dealt with in paragraphs (a), (b), (c) and (d) of this Article need not be withdrawn and new proposals covering such subject matters may be served, and such pending or new proposals may be progressed within, but not beyond, the specific procedures for peacefully resolving disputes which are provided for in the Railway Labor Act, as amended.

(f) This Article will not debar transactions under Article III of the Agreement of October 7, 1959, Mediation Case No. A-5987, covering employees represented by the Brotherhood of Maintenance of Way Employees.
(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 29TH DAY OF JANUARY, 1975.

FOR THE PARTICIPATING CARRIERS LISTED IN EXHIBIT A:

W. A. Denning
Chairman

E. Hall

J. C. DePette

G. L. Farr

A. L. Adair

J. R. Means

J. R. Meder

C. E. Means, Jr.

Earl Oliver

George F. Poe

B. V. Hunter

FOR THE EMPLOYEES REPRESENTED BY THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES:

J. P. Crotty
President

H. C. Marietta

T. F. Paragon

John Palloni

J. R. McBryde
January 29, 1975

Messrs. C. J. Chamberlain, President
Brotherhood of Railroad Signalmen
601 West Golf Road
Mount Prospect, Illinois 60056

H. C. Crotty, President
Brotherhood of Maintenance of Way Employes
12050 Woodward Avenue
Detroit, Michigan 48203

Al H. Chesser, President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

J. W. O'Brien, General Vice President
Sheet Metal Workers' International Association
1750 New York Avenue, N. W.
Washington, D. C. 20006

Gentlemen:

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 supplemental sickness benefits agreements between the carriers and the Signalmen's, Sheet Metal Workers' and Maintenance of Way organizations.

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 in our Memorandum of Understanding dated January 21, 1975, on behalf of your organizations 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,

/s/ WILLIAM H. DEMPSEY

William H. Dempsey

/s/ C. J. CHAMBERLAIN

/s/ H. C. CROTTY

/s/ AL H. CHESSER

/s/ J. W. O'BRIEN
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 Visits

1. 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.
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.
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.
(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 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.
... 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 ORTHODONTIA

What 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.
RAILROADS REPRESENTED BY THE NATIONAL CARRIERS' CONFERENCE COMMITTEE IN CONNECTION WITH NOTICES, DATED ON OR ABOUT AUGUST 5, 1974, SERVED ON RAILROADS GENERALLY BY THE GENERAL CHAIRMEN, OR OTHER RECOGNIZED REPRESENTATIVES, OF THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES, OF DESIRE TO REVISE AND SUPPLEMENT EXISTING AGREEMENTS IN ACCORDANCE WITH PROPOSALS SET FORTH IN ATTACHMENTS "A" AND "B" THERETO, AND IN CONNECTION WITH NOTICES, DATED ON OR ABOUT AUGUST 1, 1974, SERVED BY THE GENERAL CHAIRMEN, OR OTHER RECOGNIZED REPRESENTATIVES, OF THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES PERTAINING TO HOSPITAL, SURGICAL AND MEDICAL BENEFITS (INCLUDING DENTAL BENEFITS) AND GROUP LIFE INSURANCE, AS SET FORTH IN ATTACHMENT "A" THERETO.

Subject to indicated footnotes, this authorization is co-extensive with notices filed and with provisions of current schedule agreements applicable to employees represented by the Brotherhood of Maintenance of Way Employees.

Note: - This authorization is subject to the stipulation contained in Letter of Understanding dated August 19, 1960.

Akron & Barberton Belt Railroad Company
Akron, Canton & Youngstown Railroad Company
Alton & Southern Railway Company
*Ann Arbor Railroad Company
Atchison, Topeka and Santa Fe Railway Company
Atlanta and West Point Rail Road Company, The Western Railway of Alabama
Atlanta Joint Terminals
Baltimore and Eastern Railroad Company
Baltimore and Ohio Railroad Company
Baltimore and Ohio Chicago Terminal System Division
Bangor and Aroostook Railroad Company
Belt Railway Company of Chicago
Bessemer and Lake Erie Railroad Company
*Boston and Maine Corporation
Boston Terminal Corporation
Buffalo Creek Railroad
Burlington Northern, Inc.
Butte, Anaconda & Pacific Railway Company
Camas Prairie Railroad Company
Canadian National Railways -
Great Lakes Region, Lines in the United States
St. Lawrence Region, Lines in the United States
#Canadian Pacific Limited
Central of Georgia Railroad Company
*Central Railroad Company of New Jersey
   New York and Long Branch Railroad Company
   Central Vermont Railway, Inc.
   Chesapeake and Ohio Railway Company
   Chicago & Eastern Illinois Railroad Company
   Chicago & Illinois Midland Railway Company
   Chicago and North Western Transportation Company
   Chicago and Western Indiana Railroad Company
   Chicago, Milwaukee, St. Paul and Pacific Railroad Company
   Chicago River and Indiana Railroad Company
   Chicago, Rock Island and Pacific Railroad Company
   Chicago Short Line Railway Company
   Chicago South Shore and South Bend Railroad
Chicago Union Station Company
Chicago, West Pullman and Southern Railroad Company
Cleveland Union Terminals Company
Clinchfield Railroad Company
Colorado and Southern Railway Company
Colorado and Wyoming Railway Company
#Columbia, Newberry & Laurens Railroad
Davenport, Rock Island and North Western Railway Company
Dayton Union Railway Company
Delaware and Hudson Railway Company
Denver and Rio Grande Western Railroad Company
Denver Union Terminal Railway Company
Des Moines Union Railway Company
#Detroit and Mackinac Railway
Detroit and Toledo Shore Line Railroad Company
Detroit, Toledo and Ironton Railroad Company
#Duluth, Missabe and Iron Range Railway Company
Duluth, Winnipeg and Pacific Railway Company
Elgin, Joliet and Eastern Railway Company
*Erie Lackawanna Railway Company
Fort Worth and Denver Railway Company
#Gainesville Midland Railroad
Georgia Railroad
Grand Trunk Western Railroad Company
Green Bay and Western Railroad Company
Houston Belt & Terminal Railway Company
Illinois Central Gulf Railroad Company
Illinois Terminal Railroad Company
Indiana Harbor Belt Railroad Company
Indianapolis Union Railway Company
Ironton Railroad
Jacksonville Terminal Company
Joint Texas Division of the CRI&P RR. and FW&D Ry.
Kansas City Southern Railway Company
Kansas City Terminal Railway Company
Kentucky & Indiana Terminal Railroad Company
#Lake Erie, Franklin & Clarion Railroad
#Lake Superior and Ishpeming Railroad
Lake Superior Terminal and Transfer Railway Company
*Lehigh and Hudson River Railway Company
Lehigh and New England Railway Company
*Lehigh Valley Railroad
Longview, Portland & Northern Railway Company
Los Angeles Junction Railway Company
Louisiana and Arkansas Railway Company
Louisville and Nashville Railroad Company
Maine Central Railroad Company
Portland Terminal Company
Minneapolis, Northfield and Southern Railway
Minnesota and Manitoba Railroad Company
Minnesota Transfer Railway Company
#Mississippi Export Railroad
1-Missouri-Kansas-Texas Railroad Company
Missouri Pacific Railroad Company
Missouri-Illinois Railroad Company
Monongahela Railway Company
Montour Railroad Company
New Orleans Public Belt Railroad
New Orleans Union Passenger Terminal
New York, Susquehanna and Western Railroad Company
Norfolk and Portsmouth Belt Line Railroad Company
Norfolk and Western Railway Company
Northwestern Pacific Railroad Company
Oregon, California and Eastern Railway Company

**-2-Penn Central Transportation Company
Pennsylvania-Reading Seashore Lines
Peoria and Pekin Union Railway Company
Pittsburg & Shawmut Railroad Company
Pittsburgh and Lake Erie Railroad Company
Pittsburgh, Chartiers & Youghiohengy Railway Company
Portland Terminal Railroad Company
Port Terminal Railroad Association
Quanah, Acme & Pacific Railway Company
*Reading Company
Richmond, Fredericksburg and Potomac Railroad Company
St. Joseph Terminal Company

3-St. Louis-San Francisco Railway Company
St. Louis Southwestern Railway Company
St. Paul Union Depot Company
San Diego and Arizona Eastern Railway Company
Seaboard Coast Line Railroad Company
Soo Line Railroad Company
Southern Pacific Transportation Company -
Pacific Lines and Texas and Louisiana Lines
Southern Railway Company
Alabama Great Southern Railroad Company
Atlantic and East Carolina Railway Company
Cincinnati, New Orleans and Texas Pacific Railway Company
Georgia Northern Railway Company
Georgia Southern and Florida Railway Company
Interstate Railroad Company
Live Oak, Perry and South Georgia Railroad Company
Louisiana Southern Railway Company
New Orleans Terminal Company
Norfolk Southern Railway Company
South Omaha Terminal Railroad Company
Spokane International Railroad Company
Staten Island Railroad Corporation
Terminal Railroad Association of St. Louis
Texas and Pacific Railway Company
Abilene & Southern Railway Company
Fort Worth Belt Railway Company
Texas-New Mexico Railway Company
Weatherford, Mineral Wells & North Western Railway Company
Texas Mexican Railway Company
Texas Pacific-Missouri Pacific Terminal Railroad of New Orleans
Toledo, Peoria and Western Railroad Company
Toledo Terminal Railroad Company
Union Pacific Railroad Company
Union Terminal Railway Company-St. Joseph Belt Railway Company
Upper Merion & Plymouth Railroad Company
Walla Walla Valley Railway Company
Washington Terminal Company
Western Maryland Railway Company
Western Pacific Railroad Company
Wichita Terminal Association
Wichita Union Terminal Railway Company
Yakima Valley Transportation Company

NOTES:

* - Subject to the approval of the Courts.

** - Subject to the approval of the Trustees of the Property and to the approval of the Courts. The Trustees have approved.

¹ - Authorization covers negotiation of the organization's August 1, 1974 notice, only.

² - Authorization covers negotiation of the organization's August 5, 1974 notice, only.

1 - Authorization excludes any issue involving the right of employees, or the organization, to unilaterally withdraw from a hospital association in favor of GA-23000 coverage.


3 - Authorization excludes the NEO District.

FOR THE CARRIERS:

FOR THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES:

Washington, D. C., January 29, 1975
January 29, 1975

Mr. H. C. Crotty
President
Brotherhood of Maintenance of Way Employes
12050 Woodward Avenue
Detroit, Michigan 48203

Dear Mr. Crotty:

This records our understanding that proposals dealing with the following subjects do not come under the moratorium provisions set forth in Article VIII, Section 2 of the Agreement of January 29, 1975:

Supplemental sickness benefits
Reprinting of agreements

As to supplemental sickness benefits, the Agreement of May 15, 1973 contains its own moratorium provisions, and those provisions will continue to apply.

If you concur, would you please sign a copy of this letter.

Yours very truly,

William H. Dempsey

I concur.

H. C. Crotty, President
Brotherhood of Maintenance of Way Employes
TABLE OF CONTENTS

SECTION 1 (blue sheet)


SECTION 2 (yellow sheet)

Summary of Benefits
Chart of Wage Changes
List of Other Contracts With Cost of Living Adjustment Provisions.

SECTION 3 (green sheet)

Description of National Dental Plan (7 pages)
List of Agreements Containing Dental Plans

SECTION 4 (pink sheet)

Letter of Understanding Concerning GA-23000
MEMORANDUM OF UNDERSTANDING

1. General wage increases

<table>
<thead>
<tr>
<th>Effective date</th>
<th>Amount of increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1/75</td>
<td>10%</td>
</tr>
<tr>
<td>10/1/75</td>
<td>5%</td>
</tr>
<tr>
<td>4/1/76</td>
<td>3%</td>
</tr>
<tr>
<td>7/1/77</td>
<td>4%</td>
</tr>
</tbody>
</table>

2. Cost-of-living adjustments

<table>
<thead>
<tr>
<th>Effective date</th>
<th>Basis of adjustment</th>
<th>CPI measurement periods</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1/76</td>
<td>.4 point change = 1¢</td>
<td>Sep. 1975 over Mar. 1975</td>
<td>12¢</td>
</tr>
<tr>
<td>7/1/76</td>
<td>.4 point change = 1¢</td>
<td>Six-month periods there-</td>
<td>28¢</td>
</tr>
<tr>
<td></td>
<td></td>
<td>after</td>
<td></td>
</tr>
<tr>
<td>1/1/77</td>
<td>.4 point change = 1¢</td>
<td></td>
<td>45¢</td>
</tr>
<tr>
<td>7/1/77</td>
<td>.3 point change = 1¢</td>
<td></td>
<td>68¢</td>
</tr>
</tbody>
</table>

COLA's will be rolled into basic wage rates as follows:

12-31-76 - 75% of 1-1-76 and 7-1-76 COLA adjustments then in effect.

6-30-77 - Remainder of 1-1-76 and 7-1-76 COLA adjustments still in effect.

12-31-77 - 50% of 1-1-77 and 7-1-77 COLA adjustments then in effect.

COLA's not rolled in will be reduced when CPI decreases according to the same formula that governs increases.

COLA's not rolled in 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.

3. Holidays

Effective with the calendar year 1976, Christmas Eve (the day before Christmas) will be added to the list of paid holidays for employees receiving holiday pay.
4. **Employee Information**

Commencing in June 1975 the carriers will provide each General Chairman with a list of the employees who are hired or terminated, together with their home addresses and, if available, Social Security numbers, 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 of the end of the month in which the employee is hired or terminated, except as to such railroads which can not meet the 30-day requirement, the matter will be worked out with the General Chairman.

5. **Health and Welfare Benefits**

(a) Benefits now provided under Group Policy Contract GA-23000 to be continued. The railroads will pay the premium cost, offset by such amount as may be available from the Special Account.

(b) In event of national health legislation, 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.

6. **National Dental Plan**

A National Dental Plan will be established to be effective March 1, 1976 with features as described in Attachment A. 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 employees unless otherwise agreed to.

(e) Provision for continued railroad payments in case of failure to agree on plan provisions in future, similar to provision applicable on connection with GA-23000.
7. **Moratorium**

Agreements will contain moratorium provisions substantially similar to those included in the 1973 and 1970-72 agreements with the respective organizations as agreed upon during current negotiations.

INITIALED JANUARY 21, 1975 SUBJECT TO NECESSARY ACCEPTANCE AND RATIFICATION
SUMMARY OF BENEFITS

1. Wages (basic increases plus cost-of-living) 37.5%
2. Health and Welfare 2.5%
3. Dental Plan* 1.2%
4. Additional Holiday .4%

41.6%

*Basic plan $ 9.44
Orthodontia 1.52
$10.96

Average straight-time rate per hour, 1974 $5.00
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

Changes in rates of pay as a result of wage and cost of living increases provided for in 1975 agreement (Increases based on cost of living at maximum)

<table>
<thead>
<tr>
<th>Date</th>
<th>Wage Rate</th>
<th>General Wage Increase</th>
<th>Cost of Living Increase</th>
<th>New Wage Rate</th>
<th>Basic Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>12-31-74</td>
<td>$5.000</td>
<td></td>
<td></td>
<td></td>
<td>$5.500</td>
</tr>
<tr>
<td>1-1-75</td>
<td></td>
<td>10%</td>
<td></td>
<td>$5.500</td>
<td>$5.500</td>
</tr>
<tr>
<td>10-1-75</td>
<td>5.500</td>
<td>5%</td>
<td></td>
<td>5.775</td>
<td>5.775</td>
</tr>
<tr>
<td>1-1-76</td>
<td>5.775</td>
<td>.12</td>
<td></td>
<td>5.895</td>
<td>5.775</td>
</tr>
<tr>
<td>4-1-76</td>
<td>5.895</td>
<td>3%</td>
<td></td>
<td>6.068</td>
<td>5.948</td>
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<tr>
<td>7-1-76</td>
<td>6.068</td>
<td>.16</td>
<td></td>
<td>6.228</td>
<td>5.948</td>
</tr>
<tr>
<td>12-31-76</td>
<td></td>
<td></td>
<td></td>
<td>6.158*</td>
<td></td>
</tr>
<tr>
<td>1-1-77</td>
<td>6.228</td>
<td>.17</td>
<td></td>
<td>6.398</td>
<td>6.158</td>
</tr>
<tr>
<td>6-30-77</td>
<td></td>
<td></td>
<td></td>
<td>6.228**</td>
<td></td>
</tr>
<tr>
<td>7-1-77</td>
<td>6.398</td>
<td>4%</td>
<td></td>
<td>6.647</td>
<td>6.477</td>
</tr>
<tr>
<td>7-1-77</td>
<td>6.647</td>
<td>.23</td>
<td></td>
<td>6.877</td>
<td>6.477</td>
</tr>
<tr>
<td>12-31-77</td>
<td></td>
<td></td>
<td></td>
<td>6.677***</td>
<td></td>
</tr>
</tbody>
</table>

* COLA roll in --21¢  
** COLA roll in -- 7¢  
*** COLA roll in --20¢

Increase of $1.877 per hour.  
$1.877 x 173-1/3 hours = $325.24 increase per month.
INTEGRATION OF COST OF LIVING ALLOWANCES INTO BASIC RATES IN MAJOR INDUSTRIES

<table>
<thead>
<tr>
<th>Industry</th>
<th>Treatment of Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace (IAM)</td>
<td>No Roll-in. (1¢ COL each Quarter diverted to Health &amp; Welfare Benefits.)</td>
</tr>
<tr>
<td>Communications (CWA)</td>
<td>No Roll-In.</td>
</tr>
<tr>
<td>Automobile &amp; Farm Machinery (UAW)</td>
<td>No Roll-In. (1¢ per Quarter diverted from COL to Health &amp; Welfare Benefits.)</td>
</tr>
<tr>
<td>Steel and Allied Metal Industries (USWA)</td>
<td>Annual Roll-In.</td>
</tr>
<tr>
<td>Electrical Equipment (IUE)</td>
<td>No Roll-In. (1974 - 14¢ cap. 1975 - 12¢ cap.)</td>
</tr>
<tr>
<td>Meat Packing (AMC)</td>
<td>No Roll-In.</td>
</tr>
<tr>
<td>Transportation -</td>
<td>No Roll-In (11¢ cap.)</td>
</tr>
<tr>
<td>Trucking (IBCT)</td>
<td>No Roll-In (10¢ cap.)</td>
</tr>
<tr>
<td>Airlines (IAM)</td>
<td>No Roll-In.</td>
</tr>
<tr>
<td>Bus Lines (ATE)</td>
<td>No Roll-In (8¢ cap.)</td>
</tr>
<tr>
<td>REA Express (BRAC)</td>
<td>One Roll-In on second anniversary date of Agreement.</td>
</tr>
</tbody>
</table>

1-16-75
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 Visits

1. 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.
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.
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.
(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.
... 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 ORTHODONTIA

What 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.
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.

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.

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.
<table>
<thead>
<tr>
<th>Company</th>
<th>Date of Agreement</th>
<th>Effective Date of Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT&amp;T</td>
<td>August 5, 1974</td>
<td>January 1, 1976</td>
</tr>
<tr>
<td>U. S. Steel, AMCO, Bethlehem, Inland, Jones &amp; Laughlin, National, Republic, Wheeling Pittsburgh, Youngstown Sheet &amp; Tube, and Allegheny Steel Companies</td>
<td>April 12, 1974</td>
<td>August 1, 1975</td>
</tr>
<tr>
<td>Continental Can, American Can, Crown, and National Can</td>
<td>February 14, 1974</td>
<td>August 1, 1975</td>
</tr>
<tr>
<td>Aluminum Co. of America, Kaiser Aluminum and Reynolds Aluminum</td>
<td>February 1, 1974</td>
<td>June 1, 1975</td>
</tr>
<tr>
<td>Swift, Armour and Wilson</td>
<td>February 1, 1974</td>
<td>February 1, 1975</td>
</tr>
<tr>
<td>General Motors and Ford</td>
<td>August 13, 1973</td>
<td>September 1, 1974</td>
</tr>
<tr>
<td>Chrysler</td>
<td>November 19, 1973</td>
<td>October 1, 1974</td>
</tr>
<tr>
<td>American Motors</td>
<td>September 1, 1973</td>
<td>October 1, 1974</td>
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<tr>
<td>Caterpillar Tractor Co.</td>
<td>September 16, 1974</td>
<td>January 2, 1975</td>
</tr>
<tr>
<td>International Harvester Co.</td>
<td>October 1973</td>
<td>October 1, 1974</td>
</tr>
<tr>
<td>John Deere Co.</td>
<td>October 1970</td>
<td>July 1, 1971</td>
</tr>
<tr>
<td>Kennecott Copper Co.</td>
<td>October 1973</td>
<td>October 1, 1974</td>
</tr>
<tr>
<td>Phelps Dodge</td>
<td>September 1974</td>
<td>July 1, 1975</td>
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<tr>
<td>Pacific Gas &amp; Electric</td>
<td>October 1974</td>
<td>July 1, 1975</td>
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<td>Boeing-Mach.</td>
<td>July 1, 1970</td>
<td>July 1, 1971</td>
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<tr>
<td>Cutler-Hammer</td>
<td>October 2, 1968</td>
<td>January 1, 1970</td>
</tr>
<tr>
<td>McDonald-Douglas</td>
<td>August 1968</td>
<td>(Early) 1970</td>
</tr>
<tr>
<td></td>
<td>August 1968</td>
<td>January 1, 1969</td>
</tr>
</tbody>
</table>
Messrs. C. J. Chamberlain, President
Brotherhood of Railroad Signalmen
601 West Golf Road
Mount Prospect, Illinois  60056

H. C. Crotty, President
Brotherhood of Maintenance of Way Employees
12050 Woodward Avenue
Detroit, Michigan 48203

Al H. Chesser, President
United Transportation Union
14600 Detroit Avenue
Cleveland, Ohio 44107

Gentlemen:

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 supplemental sickness benefits agreements between the carriers and the Signalmen and the Maintenance of Way organizations.

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 in our Memorandum of Understanding dated January 21, 1975, on behalf of your organizations 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 initial below.

Yours very truly,

William H. Dempsey

[Initials]