ALL NATIONAL DIVISION AND SYSTEM OFFICERS

Dear Sirs and Brothers:

Re: National Division Dues effective January 1, 2008

As a result of the Teamster merger, Article XV, Section 3, Paragraphs 1 and 2, of the BMWE Division Bylaws, effective January 1, 2005, reads as follows:

"Sec. 3. Each member shall be required to pay all BMWED dues and assessments.

Thereafter, effective with the payment of dues for the month of November 1990 National Division dues shall be adjusted to reflect nine-tenths (9/10) of the average straight-time hourly rate of pay. Effective with the payment of dues for the month of November 1991 National Division dues shall be adjusted to reflect one and five one hundredths (1.05) of the average straight time hourly rate of pay, effective with the payment of dues for the month of November 1992 and January of each succeeding year National Division dues shall be adjusted to reflect one and two tenths (1.2) of the average straight time hourly rate of pay. Effective with the merger, National Division dues shall be adjusted to reflect one and three-tenths (1.3) of the average straight time hourly rate of pay for each of the three rate classifications listed in Paragraph 3.8 of the Merger Agreement. The assessments totaling $2.00 will be discontinued.

The average straight time hourly rate of pay for standard contracts will be based on the information reflected in the annual statement published by the National Railway Labor Conference which shall be used as an equivalent formula. In the event that the National Railway Labor Conference ceases to publish the annual statement or alters it materially, and for non-standard and non-rail contracts listed in paragraph 3.8 of the Merger Agreement, an alternative equivalent formula shall be adopted so as to accurately reflect increases in rates-of-pay provided for under Agreements during the appropriate measurement period. Said amounts shall be rounded to the nearest 25 cents, which additional sum shall be taken into consideration when calculating any dues increase for the following year."
Based upon the annual statement published by the National Railway Labor Conference, it has been determined that the average straight-time hourly rate of pay for Class I maintenance of way employees during 2006 was $20.01. One and three tenths (1.3) times this amount equals $26.01, which, rounded to the nearest 25 cents, results in National Division dues increasing from $25.75 to $26.00 per month.

The average straight-time hourly rate of pay for Class II and III maintenance of way employees during 2006 was calculated to be $18.49. One and three tenths (1.3) times this amount equals $24.03, which, rounded to the nearest 25 cents, results in National Division dues increasing from $23.50 to $24.00 per month.

The average straight-time hourly rate of pay for non-rail maintenance of way employees during 2006 was calculated to be $13.66. One and three tenths (1.3) times this amount equals $17.76, which, rounded to the nearest 25 cents, results in National Division dues increasing from $16.75 to $17.75 per month.

Fraternally yours,

[Signature]

President

[Signature]

Secretary-Treasurer

cc: Local Lodge Secretary-Treasurers
October 15, 2007

To: All Federation Committees

From: Jed Dodd

Re: Dues Effective January 1, 2008

Dear Brothers and Sisters:

Grand Lodge and Federation Dues for calendar year 2008 are based on the average hourly rate of pay for maintenance of way employees during calendar year 2006. The average hourly rate of pay for calendar year 2006 was $20.01/hour. Therefore the dues rate effective January 1, 2008 will be as follows:

<table>
<thead>
<tr>
<th>Type</th>
<th>Formula</th>
<th>Current Rate</th>
<th>New Rate Effective 1/1/2008</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grand Lodge Dues</td>
<td>1.3 x avg hourly rate rounded to nearest $.25.</td>
<td>$25.75/month</td>
<td>$26.00/month</td>
<td>+ $0.25</td>
</tr>
<tr>
<td>Federation Dues</td>
<td>2.12 x average hourly rate rounded to nearest $.25</td>
<td>$42.00/month</td>
<td>$42.50/month</td>
<td>+ $0.50</td>
</tr>
<tr>
<td>Local Lodge Dues</td>
<td>Set by Local Lodge Uniform by Federation</td>
<td>$2.00/month</td>
<td>$2.00/month</td>
<td>0.00</td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td>$69.75</td>
<td>$70.50/month</td>
<td>+ $0.75/month</td>
</tr>
</tbody>
</table>