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Helena E. Williams
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Long Island Rail Road

VIA FACSIMILE AND FIRST CLASS MAIL

March 8, 2011

Mr. Ricardo Sanchez, General Chairman
International Brotherhood of Electrical Workers
141 Waverly Avenue
Patchogue, NY 11772

RE: Rule 14 (Promotion to Supervisors Positions)

Dear Mr. Sanchez:

This letter will serve to confirm our discussion of February 28, 2011 regarding seniority and the roster date of supervisors and non-supervisory employees holding seniority on the applicable Maintenance of Equipment (ME) or Maintenance of Way (MW) Seniority Rosters.

Effective with the signing of this understanding, Appendix I-5 will be abrogated in its entirety and Rule 14 (b&c) will be abrogated and replaced with the following language:

“Employees now filling or promoted to official, supervisory, or other positions with the Railroad shall retain all their seniority rights and shall continue to accumulate seniority provided they remain members in good standing with the Organization. If such an employee fails to remain a member in good standing, the duly accredited representative shall so notify the Director-Labor Relations and the employee. Within 30-days after receipt of notification, any such employees will forfeit their seniority unless, within the 30-day period, the employees involved remit all monies due the union.

Employees promoted to official, supervisory or represented positions who are subsequently removed from such positions by the Carrier (other than through dismissal for cause) may displace any employee with less seniority or may bid on a bulletined vacancy on the seniority roster from which promoted.

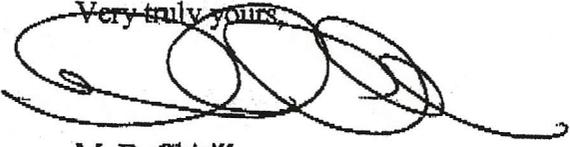
Employees promoted to official, supervisory or represented positions who voluntarily demote themselves may not displace the junior employee but may bid on a bulletined vacancy on the seniority roster from which promoted.”

Mr. Ricardo Sanchez
Page 2
March 8, 2011

The aforementioned will not apply to employees promoted or filling the position of Engineering System Operator or Load Dispatcher. The provisions of Appendix F of the Controlling Agreement will govern employees promoted or filling such positions.

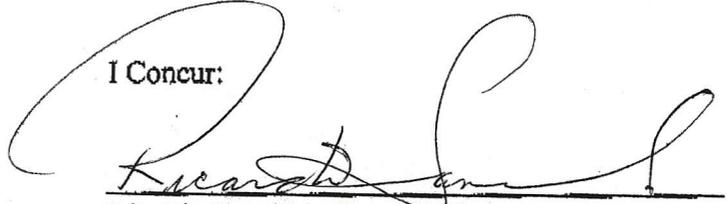
Should the above correctly reflect our understanding, please sign in the space provided below.

Very truly yours,



M. D. Chirillo
Vice President - Labor Relations

I Concur:



Ricardo Sanchez, General Chairman

3/8/2011
Date

cc: M. Gelormino, R. Puciloski, S. Daleo, E. Rodriguez, A. Micheletti, K. Meilick, W. Shaw, L. Kane, K. Layne