

Frequently Asked Questions (FAQ's)

BLET Tentative Agreement, February 28, 2008

- Q1. What is the definition of the time “period” that will be used in the retroactive pay calculation?
- A1. The total value of retroactive pay will be calculated for the “period” between the effective date of the first general wage increase (GWI), which is July 1, 2002, and the date in 2008 when it actually is paid.
- Q2. What hours paid during the “period” will be calculated for retroactive pay purposes?
- A2. All time paid, which is tied to the hourly rate; including, overtime, holidays, held time, vacation, bereavement leave, CARE Program payments, etc., will be calculated into the straight time equivalent number of hours, and retroactive pay will be calculated on that basis.
- Q3. Will any pay be excluded from the retroactive pay calculation?
- A4. Yes. Time paid for certification, meal, and Instructor Engineer allowances will not be considered, because they are flat-rate allowances, and not based on time.
- Q5. How will the recovery of employee benefit cost sharing and Harris COLA payments affect retroactive pay?
- A5. Retroactive employee cost sharing contributions and Harris COLA payments above the \$0.27 being rolled into the base rate (“excess COLA payments”) will be off-set against retroactive wage payments. There will be no benefit offset for any month in which the employee was not obligated to make a cost sharing contribution. The total amount of retroactive pay, employee benefit cost sharing, and excess COLA payments will be calculated. The total retroactive benefit cost sharing and excess COLA amounts will then be deducted from the total retroactive pay figure. The resulting figure will represent 100% of the retroactive net pay due.
- Q6. When will the retroactive payments be made?
- A6. Forty percent (40%) of the total retroactive amount due to each eligible employee will be paid within sixty (60) days after notice of ratification. The remaining sixty percent (60%) will be paid to each eligible employee on or before the anniversary date of the first forty percent (40%) payment in 2008.
- Q7. Are there any exceptions to when retroactive payments are required to be made by Amtrak?
- A7. Yes. Consistent with collective bargaining agreement language presently in effect today, Article V of the Tentative Agreement sets forth a contingency arrangement, which is

based on Amtrak receiving sufficient funding and revenue to allow it to carry out its financial obligation to make the second retroactive wage payment.

- Q8. When will Amtrak notify eligible employees of the full amount of their retroactive payment?
- A8. Eligible employees will be provided a written statement detailing the full amount of retroactive pay due at the time the first payment is made.
- Q9. Is there a review procedure for disputes arising from Amtrak's retroactive pay calculations?
- A9. Yes. Members who believe Amtrak's retroactive calculation to be incorrect will have the full right to challenge the accuracy of that figure. In instances where error is found, adjustments will be made accordingly.
- Q10. What is the definition of an "eligible employee" for retroactive pay purposes?
- A10. Eligibility for retroactive payments is limited to employees on the payroll as of December 1, 2007; including, employees on sick leave, disabled/injured, temporary suspension, furlough or leave of absence. Retired employees and those receiving Railroad Retirement Board (RRB) disability annuities are not considered eligible for retroactive payments.
- Q11. Are there any other exceptions to the "eligible employee" requirement?
- A11. Yes. The status of "furloughed" or "leave of absence", as explained in FAQ 10 above, will not apply to employees who as of December 1, 2007, were not working in the craft of employees represented by the BLET. Such employees would include: those working in non-Union positions (management), for another government agency or company, or commuter services unrelated to Amtrak operations.
- Q12. Do BLET members working "special duty" or "temporary management duty" meet the "eligible employee" requirement?
- A12. No. Members working "special duty" or "temporary management duty" accept the terms and conditions of their unique employment relationship with Amtrak upon assuming such positions. Consequently, they fall outside the collective bargaining agreement governing craft employees, and are paid accordingly under a special "XX" labor category. Time paid under the "XX" labor category is specifically excluded from the retroactive pay calculation. However, since the defined "period" for retroactive pay eligibility runs between July 1, 2002 until the first GWI is paid in 2008, any time worked in the craft as an Engineer during that "period," which is not subject to the "XX" labor category, will be considered to meet the eligibility requirement for retroactive pay purposes.

- Q13. Are BLET Members who transferred to engine service from a craft represented by another Union during the “period” eligible for retroactive pay?
- A13. Yes. Example: An employee with prior service in a craft represented by another Union transfers to engine service, August 1, 2007. Said employee is effectively represented by the BLET as of that date. Provided he/she meets the eligibility requirements in the TA held by his/her previous Union, retroactive pay will be calculated and recovered consistent with the applicable rates and conditions found in that agreement. Further retroactive recovery from August 1, 2007, until the first BLET GWI is paid in 2008, will be calculated on the rates and conditions set by BLET TA. Thus, an eligible IBEW Electrician with service pre-dating July 1, 2002, who transfers to engine service August 1, 2007, will recover retroactive payments from the IBEW TA from July 1, 2002 until the transfer date. The remaining retroactivity payment will be recovered under the terms of the BLET TA.
- Q14. Is an employee’s second retroactive payment due in 2009 adversely affected if they meet the eligibility requirement today and receive the 2008 retroactive payment accordingly, but then retire with a full Railroad Retirement annuity sometime later in 2008?
- A14. No. The employee remains fully entitled to the 100% value of the retroactive pay calculation, and the second payment will be made accordingly in 2009. Based on additional BLET discussions with Amtrak and the RRB, 2009 Railroad Retirement annuity payment schedules, due employees retiring after the implementation of the first GWI paid in 2008, will not be disturbed by the second retroactive payment made in 2009.
- Q15. Are employees who elect to “opt-out” of medical benefit coverage entitled to a \$100.00 per month payment?
- A15. No. Presidential Emergency Board (PEB) 242 specifically addressed this issue and recommended that it should not apply on Amtrak property.
- Q16. If two Amtrak employees are married, can both opt-out of medical benefit coverage?
- A16. No. Section 4, paragraph (d) states, “one spouse may opt-out provided that the other spouse remains covered as an eligible employee.”
- Q17. How will Student Engineers be treated with respect to retroactive pay eligibility and GWI applications?
- A17. For retroactive pay purposes, Student Engineers will be treated the same as employees who transfer from another craft, as explained in FAQ 13. GWIs will be applied to the existing Student Engineer pay rate consistent with the schedule applicable to Passenger Engineers.

- Q18. Is the Tentative Agreement applicable to Engine Attendants?
- A18. Yes. Engine Attendants belong to a craft of employees represented by the BLET. As such, they are treated identical to Passenger and Student Engineers for purposes of retroactive pay eligibility and GWIs as they apply specifically to their respective craft.
- Q19. What is the Section 125 Cafeteria Plan referred to in Article III, Part B, Section 2?
- A19. The Section 125 Cafeteria Plan is the instrument that will be used for employees to pay their benefits cost sharing contributions. Section 125 of the Internal Revenue Service Tax Code permits benefits to be provided on a pre-tax basis. By using the Cafeteria Plan for payment of contributions, employee monthly contribution for the current period will be \$166.25 of gross pay versus \$166.25 of net pay.
- Q20. What is the difference between the “Standard” and “Select” vision care arrangements referred to in Article III, Part A, Section 3 of the Tentative Agreement?
- A20. The Standard Plan is a benefit improvement. The improvements are detailed in the document enclosed with this package.
- Q21. Who should a Member call if they do not receive a ratification package?
- A21. Members should call their Local Division Secretary/Treasurer immediately to insure their current address is properly reflected in Local Division files. The S/T should then contact Gail at the National Division Office @ 216-241-2630 Ext. 226. All Local Division S/Ts have already been instructed by GCA S/T, Brother David Estes, to make certain that addresses of their respective members are current in the National Division database.
- Q22. Are members collecting Railroad Retirement disability annuities permitted to vote?
- A22. Yes. Consistent with BLET Bylaws and past practice, such members still hold seniority and, therefore, retain the right to vote on contracts proposals put before the membership for ratification.
- Q23. What is the difference between brand, generic and formulary prescription drugs within the context of Article III, Section 2?
- A23. Brand name drugs are researched and created by a pharmaceutical company. The pharmaceutical company will conduct tests and research studies before submitting a drug to the Food and Drug Administration (FDA) for approval. If the new medicine receives FDA approval, it is then introduced into the marketplace, and is usually advertised to doctors and consumers. Generally, the developing company has a patent and approximately 10 years to market the drug exclusively. No other company can sell the same medicine during this period. When the patent expires other pharmaceutical companies can apply for approval to market the same medicine as a generic.

A generic medicine is a Food and Drug Administration (FDA) approved copy of a brand name drug. The FDA reviews each generic medicine to ensure that it is the same as the

brand name drug in safety, effectiveness, quality, and performance. The generic version is typically available for the same use, and in the same form (pill, liquid, cream, etc.) as its brand name equivalent. By U.S. law, a generic medicine cannot look exactly like the brand medicine, but it must be equal to the brand product in safety, effectiveness, quality and performance.

A preferred drug list or formulary is a list of prescription medications generally covered under pharmacy benefit plans subject to applicable limits and conditions. The formulary includes brand-name and generic drugs that have been approved by the FDA. The formulary is subject to change by the pharmacy manager. Non-Formulary medications are not on the preferred list or formulary. Employees can access current drug list/formulary information by logging on to www.caremark.com, then click on "My Drug List" on the left side of the page.

Q24. Will Caremark remain the service provider for the mail order prescription drug plan?

A24. Yes.

Q25. General Committee Bylaws provide for a self-executing dues escalator when wage rate increases are applied. Will Union dues be recovered retroactively by the GCA?

A25. No. The GCA will not impose a retroactive recovery of Union dues.