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WASHINGTON, D. C. 20005

TOLEDO OFFICE  
741 NATIONAL BANK BLDG.  
TOLEDO, OHIO 43604

January 21, 1970

Mr. William H. Bowe, Int'l. Secy.-Treas.  
Brotherhood of Sleeping Car Porters  
103 East 125th Street, Room 710  
New York, New York 10035

Re: UMTA Section 13(c) Protection Agreement - SEPTA -  
Penn Central, Reading Purchase of Commuter Cars -  
\$21,000,000 Grant

Dear Mr. Bowe:

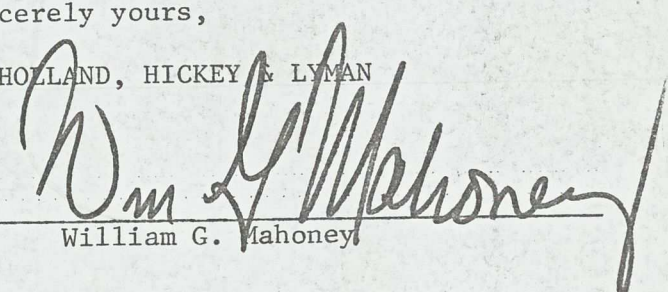
Enclosed is a photocopy of the executed agreement between the Reading and the organizations listed on the signature page. You will recall that a similar agreement with the Penn Central has already been executed.

Both agreements have now been forwarded to the Department of Labor so that it may certify to the Department of Transportation the applicant's compliance with the requirements of Section 13(c). It is expected that following that certification the Department of Transportation will release the \$21,000,000 grant to SEPTA to permit the purchase of cars for Penn Central and Reading.

Sincerely yours,

MULHOLLAND, HICKEY & LYMAN

By

  
William G. Mahoney

WGM/bb

Enclosure

RECEIVED  
JAN 23 1970



AGREEMENT BETWEEN THE READING COMPANY ("READING") AND  
ITS EMPLOYEES REPRESENTED BY THE LABOR ORGANIZATIONS  
("ORGANIZATIONS") SIGNATORY HERETO

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WHEREAS, an Urban Mass Transportation Capital Grant has been entered into between the United States of America, acting through the U. S. Department of Transportation, and the Southeastern Pennsylvania Transportation Authority for an urban mass transportation capital grant project (hereinafter called "Project") pursuant to the provisions of the Urban Mass Transportation Act of 1964 as amended (hereinafter called "ACT"), which Project is described in the Southeastern Pennsylvania Transportation Authority's application dated August 27, 1969, as submitted to the U. S. Department of Transportation; and

WHEREAS, the Project involves the facilities and operations of the Reading Company; and

WHEREAS, Section 13(c) of the Act requires as a condition of any assistance thereunder that fair and equitable arrangements be made as determined by the Secretary of Labor and specified in the contract between the United States of America and the Southeastern Pennsylvania Transportation Authority.



NOW, THEREFORE, in order to meet the requirements of the Act it is agreed as follows.

1. The rates of pay, rules and working conditions and all other rights, privileges and benefits (including continuation of pension rights and benefits) of employees represented by the Organizations under their collective bargaining agreements or otherwise on the Reading shall be preserved unless changed by future bargaining agreements or applicable statute law.

2. The collective bargaining rights of such employees represented by the Organizations as provided in applicable laws and/or existing collective bargaining agreements shall be preserved unless changed by future collective bargaining agreements or applicable statute law.

3. The rights, privileges and benefits contained in the provisions of the order of the Interstate Commerce Commission in Finance Docket No. 15920, NEW ORLEANS UNION PASSENGER TERMINAL CASE, 282 I.C.C. 271, January 16, 1952, will apply to any such employee represented by the Organizations whose position on the date of this agreement is worsened with respect to his employment on the Reading property as a result of the Project.



Nothing in this agreement shall be construed as an undertaking by the Organizations, or any such employe represented by the Organizations, to forego any rights or benefits under any other agreement or under any provision of law with respect to any elimination of service by Reading. The phrase "as a result of the Project", shall, when used herein, include events occurring in anticipation of, during, and subsequent to the Project.

4. It is recognized that the Project does not contemplate the acquisition of any mass transportation system by Reading.

5. Any such employe represented by the Organizations who is terminated or laid off as a result of the Project shall be granted priority of employment or reemployment to fill reasonably comparable vacant position on the Reading property for which he is, or by training or retaining can become, qualified, not however, in contravention of collectively bargained agreements relating thereto.

In the event training or retraining is required by such employment or reemployment, Reading shall provide, or provide for, such training or retraining at no cost to the employe and such employe shall be paid while training or retraining no less than the salary or hourly rate of his former job classification, except that



an employe shall not be entitled to benefits under this section and under the provisions of section 3 hereof concurrently.

6. All work to be performed in carrying out the Project on the Reading property, if any, shall be assigned to and performed by the employes of the Reading represented by the organizations in accordance with existing agreements unless otherwise agreed to by the General Chairman of the Organizations.

7. Nothing in this agreement shall be construed as depriving any employe of any rights or protection which such employe may have under existing job security agreement, provided, however, that there shall be no duplication of payments to any employe under the terms of this Agreement and any other job security agreement,

8. For the purposes of this Agreement the following arbitration provisions shall apply in lieu of the arbitration procedures provided in the "New Orleans" conditions:

- a) In the event any dispute or controversy arises between the Reading and its employees or their authorized representatives with respect to the interpretation, application or enforcement of any provision of this Agreement which cannot be settled within 30 days



after the dispute arises it may be referred by either party to an arbitration committee for consideration and determination. Upon notice in writing served by one party on the other of intent by that party to refer the dispute or controversy to an arbitration committee, each party shall, within 10 days, select one member of the committee and the two members thus chosen shall select a third member who shall serve as chairman. If any party fails to select its member of the arbitration committee within the prescribed time limit, the general chairman of the highest Reading officer designated under the Railway Labor Act, as the case may be, shall be deemed the selected member and the committee shall then function and its decision shall have the same force and effect as though all parties had selected their members. Should the two members be unable to agree upon the appointment of the neutral member within 10 days, either party may request the National Mediation Board to designate within 10 days the neutral member, whose designation will be binding upon the parties.



- b) In the event more than one union is involved in a dispute, each such union will be entitled to a representative on the committee. When more than one union is involved in a dispute and one or more should fail to name its or their member(s) or the labor and company representatives fail to agree upon a neutral member, the selection of the remaining members of the committee will be handled in the same manner as if only one union were involved.
- c) The decision, by majority vote, of the arbitration committee shall be final, binding, and conclusive, and shall be rendered within 45 days from the date the neutral member is appointed. In the event more than one union is represented on the committee, only the neutral member shall have a vote.
- d) The salaries and expenses of the neutral member shall be borne equally by the parties to the proceeding and all other expenses shall be paid by the party incurring them.



IN WITNESS WHEREOF, the parties hereto has caused this  
agreement to be duly executed this 19th day of January, 1970.

FOR THE READING COMPANY

B. E. Rice Jr.

ON BEHALF OF THE EMPLOYES REPRESENTED  
BY

American Railway Supervisors' Association  
American Train Dispatchers' Association  
Brotherhood of Maintenance of Way  
Employees  
Brotherhood of Railroad Signalmen  
Brotherhood Railway Carmen of the  
United States and Canada  
Brotherhood of Railway, Airline and  
Steamship Clerks, Freight Handlers,  
Express and Station Employees  
Hotel & Restaurant Employees and  
Bartenders' International Union  
International Association of Machinists  
and Aerospace Workers  
International Brotherhood of Boilermakers  
and Blacksmiths, Iron Ship Builders,  
Forgers and Helpers  
International Brotherhood of Electrical  
Workers  
International Brotherhood of Firemen  
and Oilers  
Brotherhood of Sleeping Car Porters  
Railway Employees' Department, AFL-CIO  
Sheet Metal Workers' International  
Association  
United Transportation Union

Wm. H. Mahoney  
Their Attorney