Brothers and Sisters,

Attached for your review and distribution is a letter from Cooperating Railway Labor Organizations Chairman Robert Scardelletti. The letter advises of the July 1st, 2016 increase in the Employee Monthly Cost Share for employees covered under the National Health and Welfare Plan. In accordance with the 2011 National Agreement, the employee monthly cost share for health care will be increased from $198 per month to $228.89 per month. This rate will remain in effect until a new agreement is reached.

If you have any questions pertaining to the above or the attached document, please don’t hesitate to contact me.

Fraternally,

Bill Bohné, Jr.
Director – IBEW Railroad Department
202-728-6016
April 13, 2016

VIA FACSIMILE

TO: ALL CRLO CHIEFS

Dear Sirs and Brothers:

As a result of the CRLO's 2012 agreement with the National Railway Labor Conference, the employee cost-sharing contribution under the Railroad Employees National Health and Welfare Plan remains frozen at $198 until June 30, 2016.

However, in accordance with the provisions of the 2011 National Agreement covering freight railroads, adjustments are allowed to the employee monthly cost-sharing contribution amount. In particular, the formula set out in the National Agreement provides that the employee cost-sharing contributions amount shall be adjusted so as to equal the lesser of 15% of the Carriers' monthly payment rate for 2016 or $230 unless otherwise mutually agreed to by the parties during negotiations.

Be advised that effective July 1, 2016, the employee cost-sharing contribution will be 15% of the 2016 rate renewal H&W payment calculations or $228.89. For your reference, find attached a breakdown of the plan costs used for the calculation.

In solidarity,

[Signature]

Robert A. Scardelletti
CRLO Chairman

Attachment