



2033 GATEWAY PL, STE 623 • SAN JOSE, CA 95110 • ((408) 961-4350 PHONE • (408) 961-5295 FAX

May 21, 2012

VIA ELECTRONIC MAIL: USDGCLYOF@YAHOO.COM

Wayne E. Morrow
General Chairman
Unified System Division
(BMWED/IBT)
P.O. Box 850
Lyman, Wyoming 82937

Re: Letter of Understanding on Additional Benefits

Dear Dave,

Pursuant to the provisions of the Parties' Implementing Agreement stating that "[i]n the event that TASI reaches agreement with other organizations representing other crafts, which contain more favorable general wage increases or new benefits during the current round of negotiations, such provisions will be incorporated into this agreement, unless such improvement(s) was made in consideration for modification(s) in other work rules in the agreement between the parties," this Letter of Agreement adds the following provisions to the terms of the implementing agreement between TransitAmerica Services, Inc. and BMW (new language underlined):

1. Health Care Opt-Out:

No less than twenty days before the scheduled assumption of service by TASI, and on or before January 1, 2013, and preceding each January 1 thereafter, employees may certify to the Company's Health Care Plan Administrator in writing that they have health care coverage (which includes medical, prescription drug, and mental health/substance abuse benefits) under another group plan or health insurance policy that they identify by name and, where applicable, by group number, and for that reason they elect to forego coverage under the Company's health benefits plan for themselves and their dependents. Such election is hereafter referred to as an "Opt-Out Election" and, where exercised, will eliminate that employee's obligation to make the cost-sharing contribution described in Part III of this Agreement.

If an event described below occurs subsequent to an employee's Opt-Out Election, the employee may, upon providing the Plan Administrator with proof satisfactory to said Administrator of the occurrence of such event, revoke his or her Opt-Out Election. An employee may also revoke his or her Opt-Out Election by providing the Plan Administrator with proof satisfactory to said Administrator that, after the employee made the Opt-Out Election, a person became a dependent of the employee through marriage, birth, or adoption or placement for adoption. An employee who revokes an Opt-Out Election will, along with his dependents, be

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once again covered (effective on the first day of the first month following such revocation that the employee and/or his dependents would have been covered but for the Opt-Out Election the employee had previously made) under Company's health benefits plan, and concurrent with such resumption of coverage the cost-sharing contributions described in Part II of this Agreement will commence.

The following events are the events referred to in the immediately preceding paragraph:

(1) the employee loses eligibility under, or there is a termination of the coverage that allowed the employee to make the Opt-Out Election, or

(2) if COBRA was the source of such other coverage, that COBRA coverage is exhausted.

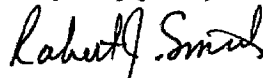
In addition the plan will provide for an "opt out" payment of not less than \$100.00 per month to employees who decline TASI coverage due to being covered under another plan.

2. The Bereavement Leave Rule is revised to include payment of bereavement leave for the death of employees' grandparents and grandchildren.

If this agreement meets with your approval please sign the letter and return a copy to me.

Thank you for your cooperation in this matter.

Very truly yours,



Robert J. Smith, President

cc: Michael F. Delaney

Approved:
United System Division
(BMWED/IBT)

By: Wayne E. Morrow
General Chairman



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Re: Side Letter Acknowledging Equivalence of Health and Welfare Benefits

Dear Dave,

This letter acknowledges that the health and welfare benefits established by TASI effective as of the date operations commence on May 26, 2012 and as reflected in the attached handbook, satisfy TASI's obligation pursuant to the Operating Agreement between TASI and JPB and the Implementing Agreement between TASI and the Organization to provide health and welfare benefits equivalent to those in effect on Amtrak as of the day prior to TASI's commencement of service.

If this agreement meets with your approval please sign the letter and return a copy to me. Thank you for your cooperation in this matter.

Very truly yours,

A handwritten signature in black ink that reads "Robert J. Smith".

Robert J. Smith, President

/ Enclosure

cc: Michael F. Delaney

Approved:

United System Division
(BMWED/IBT)

By: Wayne E. Morrow
General Chairman