

CONRAIL



April 17, 1980

Mr. Robert G. Kipp
Vice President & General Manager
Raritan River Rail Road Company
170 John Street
South Amboy, N. J. 08879

Dear Sir:

This has reference to your letter of April 14, 1980, seeking clarification of my letter of April 9 concerning vacation entitlement to an employee adversely affected by the Conrail-Raritan River merger who elects to resign and accept a lump sum separation allowance.

Answers A-1 and A-2 found on page 2 of my letter were based on the understanding that the Raritan River non-union practices mirrored the Conrail non-agreement vacation policy. Thus there should be no loss of benefits under the circumstances described.

Very truly yours,

A handwritten signature in cursive script that reads "R. E. Swert".

R. E. Swert
Asst. Vice President-Labor Relations

April 14, 1980

Mr. R. E. Swert
Assistant Vice Pres. Labor Relations
Consolidated Rail Corporation
Six Penn Center Plaza
Philadelphia, PA 19104

Dear Mr. Swert:

Referring to your letter of April 9, 1980 concerning vacation entitlement.

It appears from your example that a Raritan River Employee exercising the option to resign and accept a lump sum settlement would be in a worse position than if he had already exercised his option to take his entire vacation as of January 1, 1980, available to him under Raritan's practices.

Will you kindly clarify?

Very truly yours

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Vice Pres. & Gen. Mgr.

CONRAIL

April 9, 1980

Mr. Robert G. Kipp
Vice President and General Manager
Raritan River Rail Road Company
170 John Street
South Amboy, NJ 08874

Dear Sir:

During the group discussions of April 2 conducted by Messrs. Welsh and O'Neill of this Department with the non-union employees of the Raritan River, several questions arose concerning post-merger vacation entitlement. The following questions and answers are offered for dissemination to the involved employees:

- Q. Certain non-operating craft employees, presently non-union, enjoy non-contract vacation privileges which are superior to those to which they may be entitled when, upon merger, they become subject to Conrail labor agreements - what vacation privileges will prevail after merger in the light of the protection benefits of Title V and the New York Dock Conditions?
- A. (1) Employees protected under Title V who elect to retain such benefits and who become agreement employees after merger will be accorded the same number of vacation days in the current year as they would have earned had they worked as an agreement employee in 1979.
- (2) Employees acquiring the protective benefits of the New York Dock Conditions will retain their present non-agreement vacation privileges as to length of vacation until the individual employee's protective period expires or the applicable agreement vacation rights catch up, whichever occurs first.

Mr. Robert G. Kipp
April 9, 1980
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- Q. Will an employee entitled to and exercising the option under Item 7 of the New York Dock Conditions to resign and accept a lump sum separation allowance lose vacation not taken prior to his or her resignation?
- A. (1) An employee who resigns while in a non-agreement capacity will be granted a pro-rated vacation allowance based on the number of full months of service in the year of resignation and the anniversary year of his or her employment. For example, an employee resigning in April, 1980, with 20 years' service will receive payment for 13 days' vacation; this in addition to the lump sum separation allowance.
- (2) An employee who resigns while in an agreement capacity will be granted a vacation allowance, separate and apart from the lump sum separation allowance, equal to the number of vacation days earned for that year but not taken, as well as for those vacation days earned under the terms of the labor contract for the following calendar year.

I would also point out that the lump sum separation allowance differs as between an employee with a fixed salary contemplating all services performed and an employee who is subject to additional compensation for hours outside the normal tour of duty. The former employee's separation allowance would equal his annual salary while the latter employee would receive 12 months pay consisting of 30 days per month, or 360 days' pay.

Will you please arrange to inform the interested non-union employees of the foregoing.

Very truly yours,


R. E. Swert
Assistant Vice President
Labor Relations